

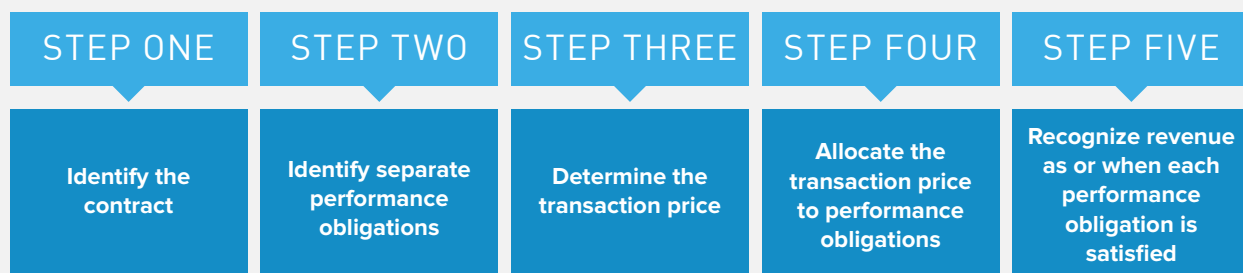
ADVISORY: ACCOUNTING IMPLEMENTATION SERVICES - REVENUE RECOGNITION

Revenue is one of the most important financial statement measures to both users and preparers of financial statements and is often used by investors and regulators as a measuring stick of financial health. However, previous revenue recognition guidance and disclosures were often criticized for being overly complex and for not providing the level of detail users required. As a response, the Financial Accounting Standards Board (FASB) issued its landmark standard, *Revenue from Contracts with Customers*, in 2014 which sets out a single and comprehensive framework for how much revenue is to be recognized, and when.

The new standard takes effect in 2018 for public companies and in 2019 for all other companies, and addresses virtually all industries in U.S. GAAP, including those that previously followed industry-specific guidance such as the real estate, construction and software industries. For many entities, the timing and pattern of revenue recognition will change. In some areas, the changes will be very significant and will require careful planning.

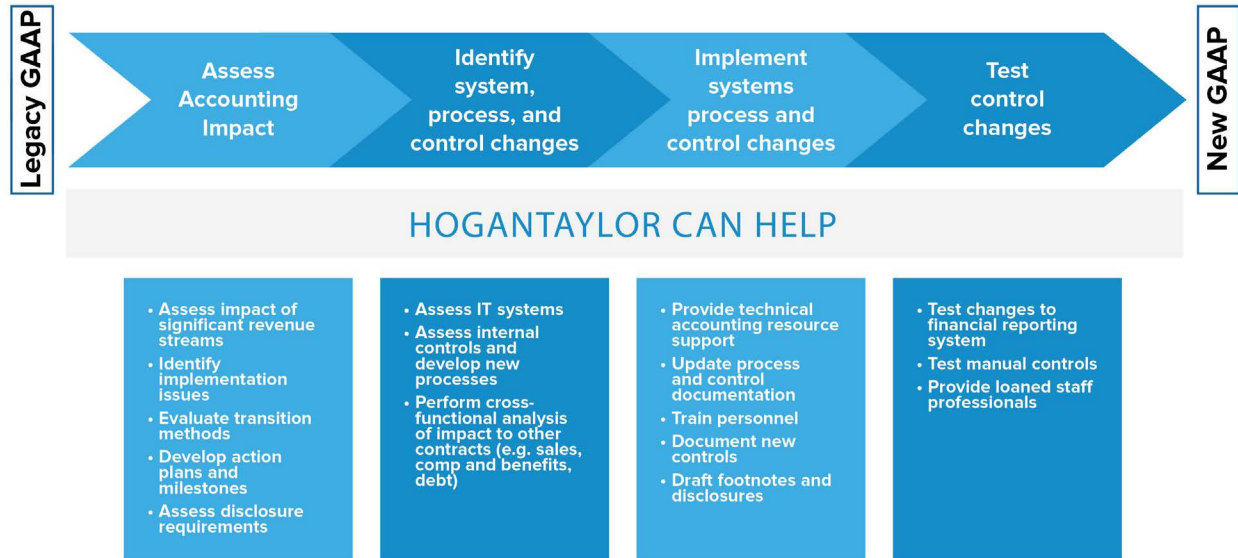
The new standard also introduces an overall financial statement disclosure objective together with significantly enhanced disclosure requirements for revenue recognition. In practice, even if the timing and pattern of revenue recognition does not change, it is possible that new and/or modified processes will be needed in order to comply with the expanded disclosure requirements.

The application of the new standard's core principle is carried out in five steps:



Each of these five steps described above requires a host of key judgments and decisions and HoganTaylor's Revenue Recognition Implementation Team has the experience and knowledge to guide entities through the entire five step assessment process. Additionally, HoganTaylor has experienced professionals who are able to assist with necessary changes resulting from adoption of the new standard such as changes in internal controls, IT systems, compensation and benefits, sales agreements, or debt covenants.

To address the challenges presented by the new standard, entities will want to consider their overall implementation approach and the impact to the entire organization.



ACCOUNTING IMPLEMENTATION SERVICES - REVENUE RECOGNITION TEAM



Jeff Koweno, CPA
Assurance Partner

Jeff Koweno leads HoganTaylor's accounting implementation services team for revenue recognition. Mr. Koweno has more than 19 years of experience in public accounting.

Mr. Koweno began his career in KPMG's assurance and advisory practice and has extensive experience with companies in a broad range of industries with particular emphasis in energy, manufacturing, insurance, media/communications, and not-for-profits.

Jeff has provided accounting, internal control, and business advice to both publicly traded and privately held domestic and international companies in accordance with PCAOB requirements and U.S. GAAP.



Robert Wagner, CPA
Business Advisory Lead Partner

Robert Wagner, CPA leads the Advisory practice at HoganTaylor. Among other things, the firm's Advisory practice specializes in outsourced CFO services and full-service accounting solutions. In addition, Robert has experience in human capital management, order processing, contract administration, and litigation.



Cody Griffin, CPA
Risk Assurance and IT Advisory Lead Partner

Cody Griffin, CPA, CITP, CISA leads the Risk Assurance and IT Advisory practice at HoganTaylor. His areas of expertise include IT assessments and project management, IT audit, business process reviews, service organization control audits (SSAE 16), fraud reviews, agreed-upon procedures, internal audit assurance services, and compliance audits.

CONTACT INFORMATION

For additional information about HoganTaylor's Accounting Implementation Services related to revenue recognition, please contact Jeff Koweno at jkoweno@hogantaylor.com or 405.848.2020.



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hogantaylor.com



TULSA
2222 South Utica Pl., Ste. 200
Tulsa, OK 74114
Phone: 918.745.2333



OKLAHOMA CITY
1225 N. Broadway Ave., Ste. 200
Oklahoma City, OK 73103
Phone: 405.848.2020



FAYETTEVILLE
688 East Millsap Rd., Ste. 203
Fayetteville, AR 72703
Phone: 479.521.9191



LITTLE ROCK
11300 Cantrell Road, Suite 301
Little Rock, AR 72212
Phone: 501.227.5800