

US Week in Review

Week ending 21 December 2023

The US Week in Review highlights this week's developments and emerging issues in the financial reporting world and gives you direct access to relevant technical accounting guidance and thought leadership produced by EY.

In this issue:

What's new from EY.....	1
Regulatory matters.....	2
Standard Setter updates.....	2
Upcoming webcasts.....	3

What's new from EY

To the Point: FASB proposes clarifying accounting for induced conversions of convertible debt instruments

Our publication summarizes the FASB's proposal that would clarify the requirements for determining whether to account for certain settlements of convertible debt instruments as induced conversions or extinguishments. Comments are due by 18 March 2024.

Updated To the Point: FASB requires public entities to disclose significant segment expenses and other segment items

Our publication has been updated to reflect recent remarks by the SEC staff about the interaction between the FASB's new guidance on the disclosure of additional segment profitability measures and the SEC's rules and the staff's guidance on the use of non-GAAP financial measures.

Technical Line: FASB issues guidance requiring additional income tax disclosures

Our publication discusses the FASB's new guidance requiring entities to provide additional information primarily related to the income tax rate reconciliation and income taxes paid and eliminating certain existing requirements related to uncertain tax positions and unrecognized deferred tax liabilities. It also provides an illustration of a rate reconciliation disclosure.

Quarterly tax developments for Q4 2023 and related US GAAP implications

Regulatory matters

Securities and Exchange Commission (SEC)

Appeals court vacates the SEC's share repurchase disclosure rule

The US Court of Appeals for the Fifth Circuit vacated the SEC's share repurchase disclosure rule, which would have required registrants to disclose daily quantitative share repurchase information on a quarterly basis, among other information. As a result, registrants should continue to follow the legacy repurchase disclosure requirements in Item 703 of Regulation S-K.

Standard Setter updates

Financial Accounting Standards Board (FASB)

FASB proposes new chapter of conceptual framework

The FASB proposed a new chapter (Chapter 6) of its Concepts Statement No. 8, *Conceptual Framework for Financial Reporting*, that would address matters related to the measurement of items recognized in financial statements. Comments are due by 20 March 2024.

FASB decides not to add projects to its technical agenda at 20 December meeting

Public Company Accounting Oversight Board (PCAOB)

PCAOB staff outlines priorities for 2024 inspections

The PCAOB staff issued a **Spotlight publication** that outlines its priorities for 2024 inspections, highlights key risks and considerations for auditors and includes questions that audit committees can consider asking their auditors.

Center for Audit Quality (CAQ)

CAQ publishes highly inflationary economies document noting Ghana, Sierra Leone and Yemen now have three-year cumulative inflation rates over 100%

The Center for Audit Quality (CAQ) SEC Regulations Committee and its International Practices Task Force (IPTF) issued a discussion document describing recent inflation data for certain countries that the IPTF discussed at its November 2023 meeting. Ghana, Sierra Leone and Yemen now have three-year cumulative inflation rates exceeding 100%.

ASC 830 requires a foreign entity in a highly inflationary economy to remeasure its financial statements using its parent's reporting currency, as of the beginning of the reporting period following the period in which the economy becomes highly inflationary. An economy is considered highly inflationary when it has a cumulative inflation rate of approximately 100% or more over a three-year period.

Given global inflation trends, entities with foreign operations should monitor inflation in countries in which they operate that have high levels of inflation.

Upcoming webcasts

Strategic perspectives and insights on AI for CFOs and boards

25 January 2024, 1 p.m. Eastern time

Information regarding upcoming events can be found on the [EY webcasts site](#).

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