Quarterly Technical Update Q3 2024

October 9, 2024

With You Today

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Learning Objectives

- Recognize recently released, project and proposal stage accounting and financial reporting guidance developed by the FASB, EITF and PCC.
- Describe timely SEC guidance, topics and resources and their general impact on accounting and financial reporting.
- Describe project and proposal stage literature that may have a broad impact on financial reporting.
- Describe evolving corporate governance activities including those of the PCAOB, CAQ and other organization’s topics and releases.

Agenda

- SEC Update & Corporate Sustainability Reporting Directive
- Accounting Update
- PCAOB Update and Corporate Governance Considerations

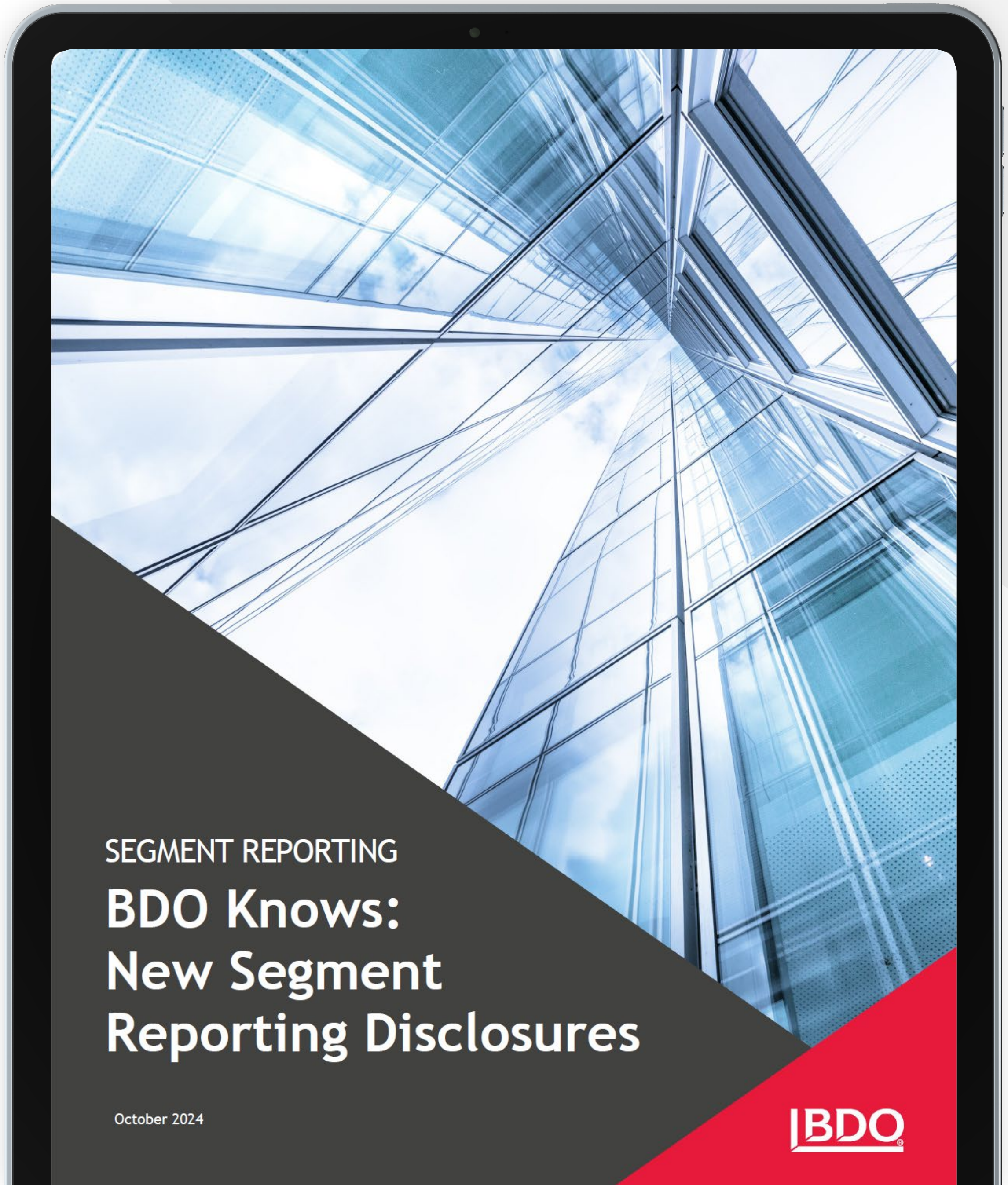
SEC Update

SEC Update – Discussion Outline

- SEC Staff Guidance
  - Interaction between ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, and the SEC's non-GAAP rules and regulations
- Other developments
  - SEC disbands the Enforcement Division's Climate and ESG Task Force

Refresher: ASU 2023-07 Segment Reporting Disclosures

- Public entities, including those with **single reportable segments**, must disclose:
  - Significant segment expenses
  - Other segment items
  - Information about the CODM:
    - Title and position (or name of the group or committee)
    - How the CODM uses the disclosed measure(s) of segment performance
  - Significant changes from prior periods in segment expense measurement and allocation methods and any effect on the measure of segment profit or loss
- Multiple measures of segment performance may be disclosed if used by CODM to manage segment
  - Permitted, but not required
  - May be non-GAAP financial measures



Staff Guidance: Interaction Between New ASC 280 Disclosures and the Non-GAAP Rules

Staff View:

An optional measure of segment performance that is not calculated in accordance with U.S. GAAP is not "expressly" permitted by U.S. GAAP and therefore is subject to the SEC's rules, regulations, and guidance on non-GAAP measures (applies to single reportable segment and multiple reportable segment entities)

Staff Guidance:

- An entity that elects to disclose additional measures of segment performance that are non-GAAP financial measures:
  - Must continue to disclose the measure of segment performance that is most consistent with U.S. GAAP
  - Any measure of segment performance that is disclosed should be:
    - Regularly reviewed by the CODM
    - Used by the CODM to allocate resources and assess performance

Staff Guidance: Interaction Between New ASC 280 Disclosures and the Non-GAAP Rules

- An additional measure of segment performance that is a non-GAAP financial measure must:
  - **Not be misleading**
  - Comply with Reg G, S-K Item 10(e), and the SEC staff's C&DIs and disclose:
    - A statement about why the non-GAAP measure is useful to investors
    - A reconciliation to the nearest U.S. GAAP measure
- Incremental disclosures may be included in the notes to the financial statements or elsewhere in the filing (for example, within MD&A)
- If disclosed in MD&A, the financial statement footnotes may **not** cross reference to the location of the disclosures

Staff Guidance: Single Segment Entities

Staff Expectation:

The measure of segment performance for an entity with a single reportable segment that is managed on a consolidated basis is consolidated net income

Staff Guidance:

- The fact that a CODM may be someone other than the CEO or CFO that certify the Form 10-K and Form 10-Q filings does not necessarily change this expectation
- Encourages entities to consider the guidance in ASC 280-10-55-15D when evaluating whether the CODM manages a single operating segment entity on something other than a consolidated basis
  - Consider how budgets are prepared and resources are allocated
  - The mere exclusion of a corporate headquarters or certain functional department from the measure of segment performance would not be determinative as to whether the entity is managed on a consolidated basis

Staff Guidance: Significant Segment Expenses

Staff View:

If significant segment expenses are not calculated in accordance with U.S. GAAP, entities should consider additional SEC disclosure requirements that may apply

Staff Guidance:

- Provide clear and transparent disclosure that the expenses are not calculated in accordance with U.S. GAAP and how they are calculated
- Consider the guidance in Regulation S-X 4-01(a):
  - *The information required with respect to any statement shall be furnished as a minimum requirement to which shall be added such further **material** information as is necessary to make the required statements, in the light of the circumstances under which they are made, not misleading.*

Corporate Sustainability Reporting Directive (CSRD)

EUROPEAN UNION

Corporate Sustainability Reporting Directive (CSRD)

- Art. 40a, Reg. 2022/2464 (CSRD)
- Art. 8, Reg. 2020/852 (Taxonomy) as part of art.1 and 29a, Reg 2022/2464
- Read BDO's CSRD for non-EU Companies

SCOPE

Companies previously subject to the EU's Non-Financial Reporting Directive (NFRD), non-EU companies listed on an EU regulated market, and non-EU companies with significant EU operations that meet the criteria for size, revenue, employee count, and more.

REQUIREMENTS

Companies that are in scope will be required to report how sustainability considerations are integrated into their businesses and how material ESG impacts, risks and opportunities are identified and managed through a double materiality lens, covering a range of ESG-related topics.

TAXONOMY

Requires companies to report on their sustainability activities associated with environmental sustainability, p**roportion of turnover**, capital expenditure and operating expenditure aligned with the EU Taxonomy Regulation.

ASSURANCE

Limited assurance required initially, **reasonable** assurance to be required later

EUROPEAN UNION

Corporate Sustainability Reporting Directive (CSRD)

REPORTING STANDARDS REQUIRED IN THE CSRD

Focus on Metrics and Reporting Standards

- The European Sustainability Reporting Standards (ESRS) set out the disclosure requirements under CSRD.
- All in-scope companies will need to structure their reports around the 12 ESRS standards below:

Required	Topical Standards (Materiality)		
GENERAL	ENVIRONMENT	SOCIAL	GOVERNANCE
ESRS 1: General Requirements	E1: Climate Change	S1: Own Workforce	G1: Business Conduct
ESRS 2: General Disclosures	E2: Pollution	S2: Workers in the Value Chain	
	E3: Water & Marine Resources	S3: Affected Communities	
	E4: Biodiversity and Ecosystems	S4: Consumers and End-Users	
	E5: Resource Use and Circular Economy		

+

EU TAXONOMY

+ % economic activities aligned with Art 8 of EU taxonomy

CSRD REPORTING FOR US COMPANIES

SUMMARY PARENT & SUBSIDIARY LEVEL SCOPING

	CSRD		
A	Listed companies, both EU and non-EU (except for listed micro entities)	Listed entity reporting	FY24 Reporting in FY25
B	All large companies, defined as those meeting two out of the following three criteria: • More than 250 employees • More than EUR 50m turnover • More than EUR 25m total assets This includes subsidiaries of non-EU groups.	EU sub level reporting	FY25 Reporting in FY26
C	Insurance undertakings and credit institutions regardless of their legal form	Same as A & B, plus industry specific rules	Varies depending on listing and size
D	Non-EU groups which generate more than EUR 150m turnover in the EU and which have a subsidiary or branch in the EU (if a subsidiary, either a large – as defined above – or a listed entity and, if a branch, one which generates more that EUR 40m turnover).	US parent level reporting	FY28 Reporting in FY29

SOURCE: https://www.bdo.global/getmedia/a8fc3005-57cd-409c-858b-65f5493a62c5/ISRB-2024-04-CSRD.pdf?ext=.pdf

What's Trending: Update to California Climate Accountability Rules

In September 2024, Senate Bill 219 was enacted with amendments to SB 253 and SB 261, without incorporating a two-year delay. Despite this, both SB 253 and SB 261 are being challenged in federal courts with an October hearing scheduled.

Climate Corporate Data Accountability Act (SB 253)

	Scope 1, 2	Scope 3
Annual reporting required	2026	2027
Delay in assurance	Limited Assurance: 2026 Reasonable Assurance: 2030	Limited Assurance: 2030 Reasonable Assurance: N/A
Companies in Scope	Public and private companies doing business in CA and that have total annual revenues of at least $1 billion	
Final changes	The final bill allows entities to provide consolidated reporting at the parent company level for aggregate greenhouse gas (GHG) emissions data across a corporate group, consistent with the current language within SB 261. Companies would need to begin tracking emissions data in 2025.	
Noncompliance penalty	Up to $500,000 each year of noncompliance	

Climate-Related Financial Risk Reporting (SB 261)

Biennial reporting required	January 2026
	"Climate-related financial risk" means material risk of harm to immediate and long-term financial outcomes due to physical and transition risks, including, but not limited to, risks across the entire value chain.
Companies in scope	Public and private companies doing business in CA and that have total annual revenues of at least $500 million
Final changes	No specific changes, but the consolidated reporting approach in SB 253 aligns with the current language of SB 261.
Noncompliance penalty	$50,000 each year of noncompliance

Voluntary Carbon Market Disclosures (AB 1305)

Effective date	January 2025
	Prescriptive disclosures regarding carbon offset project claims.
Companies in scope	• Public and private companies that market or sell voluntary carbon offsets in California • Public and private companies that claim to achieve net-zero emissions, carbon neutrality, or related claims
Noncompliance penalty	Up to $500,000

Accounting Update

Key Projects on the FASB Agenda

STAGE	PROJECTS
Final ASU expected Q4 2024	▶ Disaggregation of Income Statement Expenses ▶ Induced Conversions of Convertible Debt Instruments (EITF 23-A)
Exposure drafts expected Q4 2024	▶ Software Costs ▶ **Environmental Credit Programs** ▶ Government Grants ▶ Codification Improvements (Next Phase) ▶ Determining the Accounting Acquirer (EITF 24-A) ▶ Interim Reporting
Open for comment	▶ **Derivatives — Scope Refinements** ▶ **Share-based Consideration Payable to a Customer** ▶ **Hedge Accounting Improvements**
In process	▶ Purchased Financial Assets ▶ Statement of Cash Flows (Targeted Improvements)

DELIBERATIONS

Environmental Credits — Assets

Scope

- An enforceable right that lacks physical substance and is not a financial asset
- Intended to prevent, control, reduce, or eliminate emissions or other forms of pollution
- Can be separately transferred in an exchange transaction
- Not an income tax credit and cannot be used to reduce income taxes

Recognition

- Recognized when it is **probable** the environmental credit (“EC”) asset will settle an obligation (for compliance) or be sold or traded
- All other EC assets are expensed, unless other U.S. GAAP applies

Asset Derecognition

- Apply ASC 606, *Revenue from Contracts with Customers*, or ASC 610-20, *Gains and Losses from the Derecognition of Nonfinancial Assets*, as applicable

Environmental Credits — Liabilities

Scope

- Arising from existing or enacted laws, statutes, or ordinances
- Intended to prevent, control, reduce, or remove emissions or other pollution that may be settled with environmental credits.
- Not an obligation within the scope of ASC 410-30, *Asset Retirement and Environmental Obligations—Environmental Obligations*

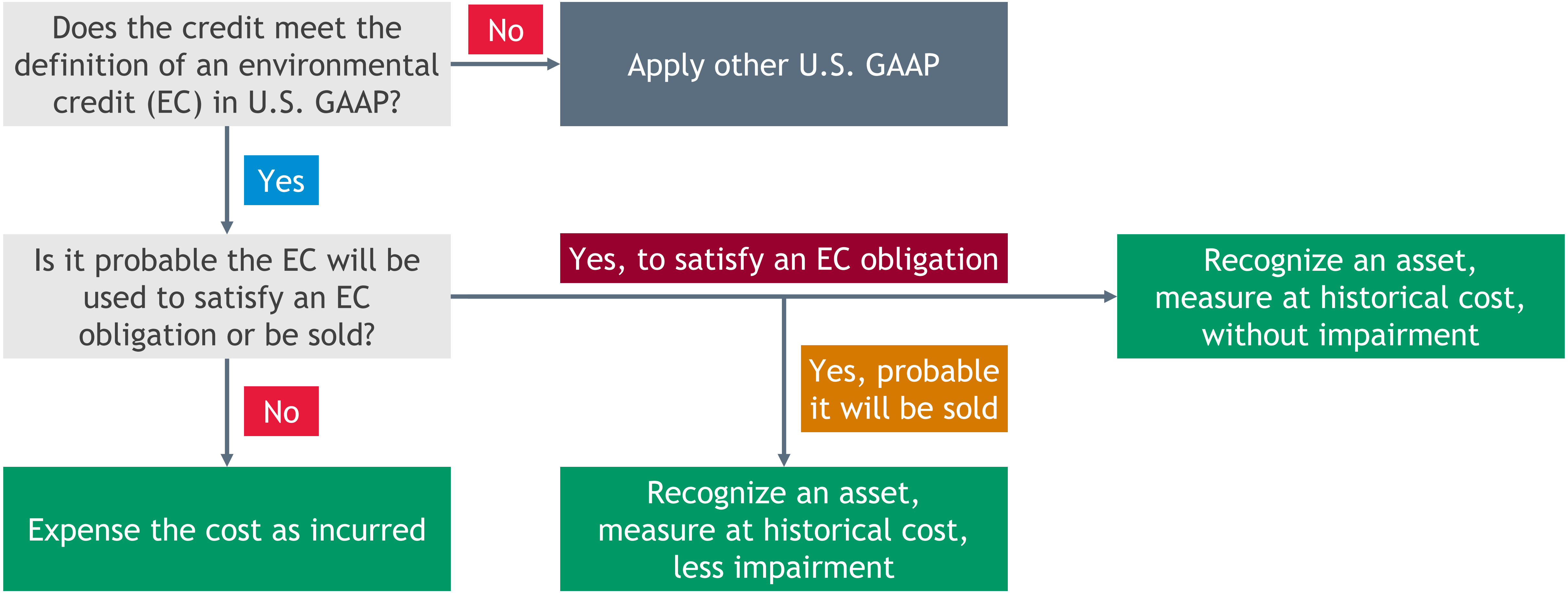
Recognition

- Recognize when activities or events indicate that an EC Obligation ("ECO") exists on or before the balance sheet date
- ECOs that require the entity to remit a fixed number of credits at a specified date solely on the basis of the entity's existence (not activities or events) are recognized using different guidance

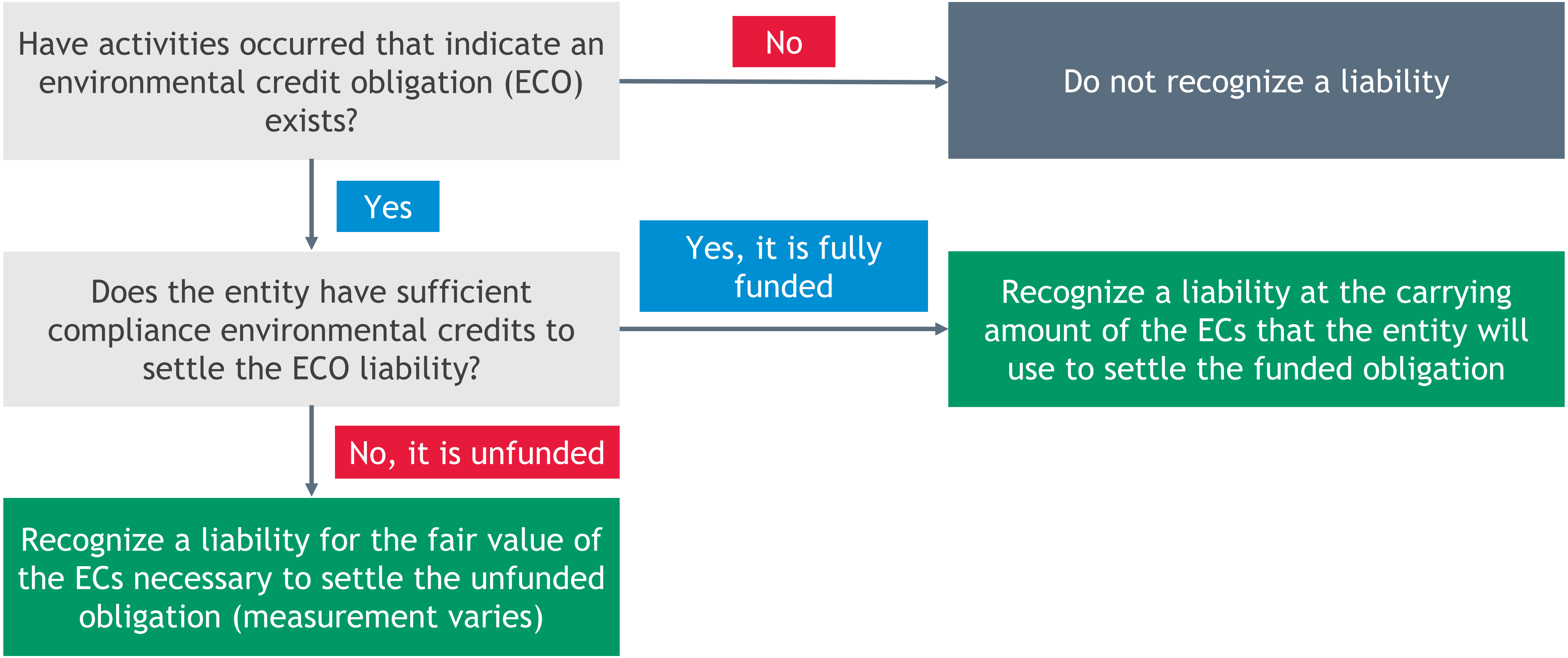
Liability Derecognition

- Derecognize the ECO using the existing guidance for extinguishment of liabilities.
- Derecognition gains or losses are presented through earnings in the same line item as the initial measurement

Environmental Credit Asset Recognition Flowchart



Environmental Credit Obligation Liability Recognition Flowchart



OPEN FOR COMMENT

Derivatives — Scope Refinements

Key Proposed Amendments

- Add a scope exception for contracts with underlyings based on the operations or activities that are specific to one of the parties to the contract
- Refine the predominant characteristics test:

Current U.S. GAAP	Tentative Decision
▶ Determine whether **all** of the underlyings, **considered in combination**, behave in a manner like a component variable that does not qualify for a scope exception	▶ Only at contract inception, determine which underlying has the **largest effect** on changes in the fair value of the contract ▶ The underlying with the largest effect would be considered the predominant underlying used to assess the scope exception

- Clarify that the grantee of a share-based payment (that is, the provider of goods or services) applies ASC 606, *Revenue from Contracts with Customers*, to noncash consideration received

Comments due October 21, 2024

Share-Based Consideration Payable to Customer

Topics	Specific Updates
Conditions (Including Vesting Conditions) Based on Customer Purchases	▶ Revises the definition of "performance condition" to explicitly **include** conditions that relate to achieving a specified performance target that is defined by reference to the grantee's purchases of goods or services from the grantor ▶ The revised definition also **includes** performance targets based on purchases by parties that purchase the entity's goods or services from its customer (i.e. purchases throughout the supply chain)
Accounting for Forfeitures	▶ For any remaining customer awards that continue to have service conditions, eliminates the election permitting an entity to account for forfeitures as they occur (an entity must estimate the forfeitures expected to occur)
Variable Consideration Constraint	▶ The guidance in ASC 606 on constraining estimates of variable consideration would **not** apply to share-based consideration payable to customers either before or after the grant date (ASC 718 applies)

Comments due November 14, 2024

OPEN FOR COMMENT

Hedge Accounting Improvements

Key Proposed Amendments

- Expand the hedged risks permitted to be aggregated in a group of individual forecasted transactions in a cash flow hedge by changing "**shared** risk assessment" to "**similar** risk assessment"
- Amend the change in hedged risk guidance to allow hedges of cash flow variability on forecasted interest payments in choose-your-rate debt instruments
- Expand the normal purchase and normal scope exception by allowing variable price components of the forecasted purchase or sale of a nonfinancial asset that meet the clearly-and-closely-related criteria
- Permit compound derivatives composed of a written option and non-option derivative to qualify as a hedging instrument in a cash flow hedge
- Eliminate recognition and presentation mismatch related to a dual hedge strategy using a foreign-currency-denominated debt instrument

Comments due November 25, 2024

PCAOB Update

PCAOB Spotlight

Integration of GenAI in Audits and Financial Reporting

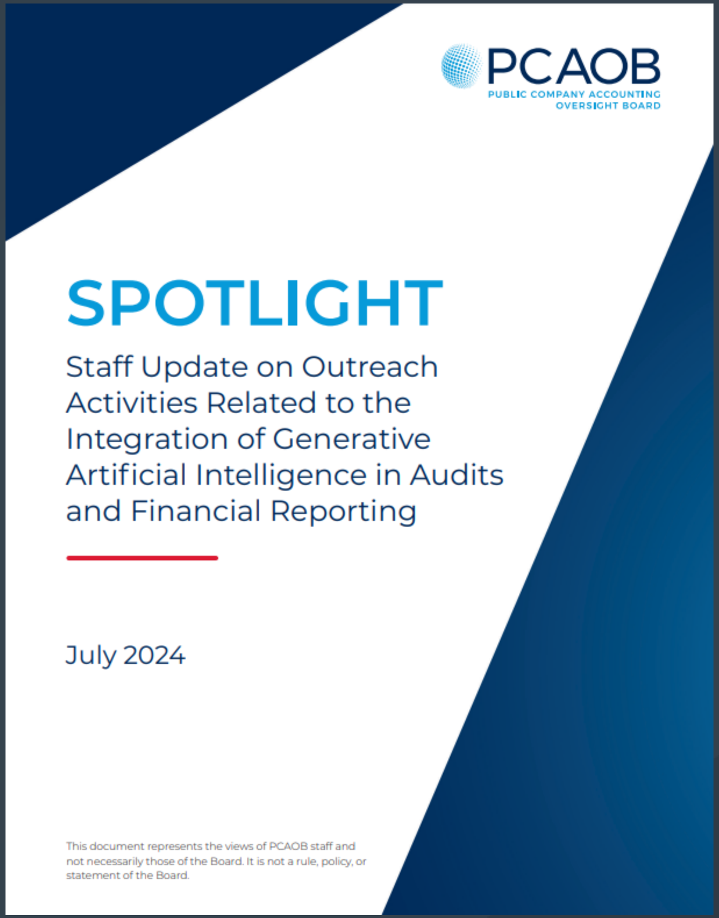
PCAOB staff shares observations to understand perspectives on integration of GenAI in audits and financial reporting.

Key Observations:

- Current integration of GenAI in audits is focused primarily on administrative and research tasks; preparers are looking more broadly into operational and customer-facing activities.
- Most noted potential for using GenAI in certain aspects of planning and performing the audit but noted the challenges in controlling the reliability and accuracy of data used to train GenAI models, especially those developed by third parties.
- Firms reported that they continue investing in GenAI-enabled tools, while also acknowledging the current limitations of GenAI.

There is a need for:

- Strong supervision of its use to guard against risks, such as data privacy and security.
- Establishing new governance policies and procedures for oversight as well as controls over reliability, accuracy, and consistency.
- Development of resources and training for staff on appropriate use of technology tools.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SPOTLIGHT

Staff Update on Outreach Activities Related to the Integration of Generative Artificial Intelligence in Audits and Financial Reporting

July 2024

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PCAOB Spotlight

Staff Update on 2023 Inspection Activities

Common Audit Deficiency Trends Noted in 2023 Inspections*:

- **Auditing Internal Control over Financial Reporting (ICFR):**
  - Insufficient and inappropriate audit evidence supporting ICFR opinions.
  - Inadequate testing of controls with a review element, failing to detect material misstatements.
  - Noncompliance with PCAOB Auditing Standard 2201 standard.
  - Multiple deficiencies often reported in comment forms.
- **Auditing Financial Statement Areas:**
  - Insufficient testing of estimates and data/reports used to support audit conclusions.
  - Revenue (and related accounts), inventory, accounts impact by business combinations, investment securities, long-lived assets, goodwill and intangibles, and accounting estimates
- **Market Changes:**
  - Increased deficiencies in audits of industries affected by market changes, such as banking during the 2023 banking crisis and the real estate industry audits for 2024
- **PCAOB Standards or Rules:**
  - Increased noncompliance with PCAOB standards and rules, particularly Part I.B and Part I.C of reports (e.g., fraud considerations, audit committee communications, independence matters)

**Many represent recurring areas in 2021 and 2022*

Additional Resource: SEC's Chief Accountant On Rise in Audit Deficiencies

Key business risks inspected:

- Risk of fraud
- Auditing & accounting risks
- Risk assessment and internal controls
- Financial services specific considerations
- Broker-dealer specific considerations
- Digital assets
- M&A, including de-SPAC transactions
- Use of the work of other auditors
- Quality control
- Critical audit matters
- Cybersecurity
- Use of data and technology

PCAOB Spotlight

Staff Update on 2023 Inspection Activities

Observations Related to Quality Control Systems:

- **Independence**
  - Issues related to policies for personal independence compliance testing.
- **Engagement Quality Review (EQR):**
  - Issues in the execution and documentation of EQR processes.
- **Monitoring:**
  - Inadequate monitoring of audit quality and compliance with applicable standards.
- **Remediation Determinations:**
  - Common areas of unsatisfactory determinations included testing controls, EQR, policies for personal independence compliance testing and revenue.

Additional focus areas (non-F/S accounts or disclosures):

- Compliance with auditor's reporting model
- Evaluation of software audit tools
- Form AP compliance
- Fraud considerations considered by the auditor and related audit response
- How engagement team evaluated overall audit findings
- Communications with the audit committee
- How a cybersecurity event impacted the auditor's risk assessment and related audit response
- Independence
- Use of other auditors
- Related party transactions

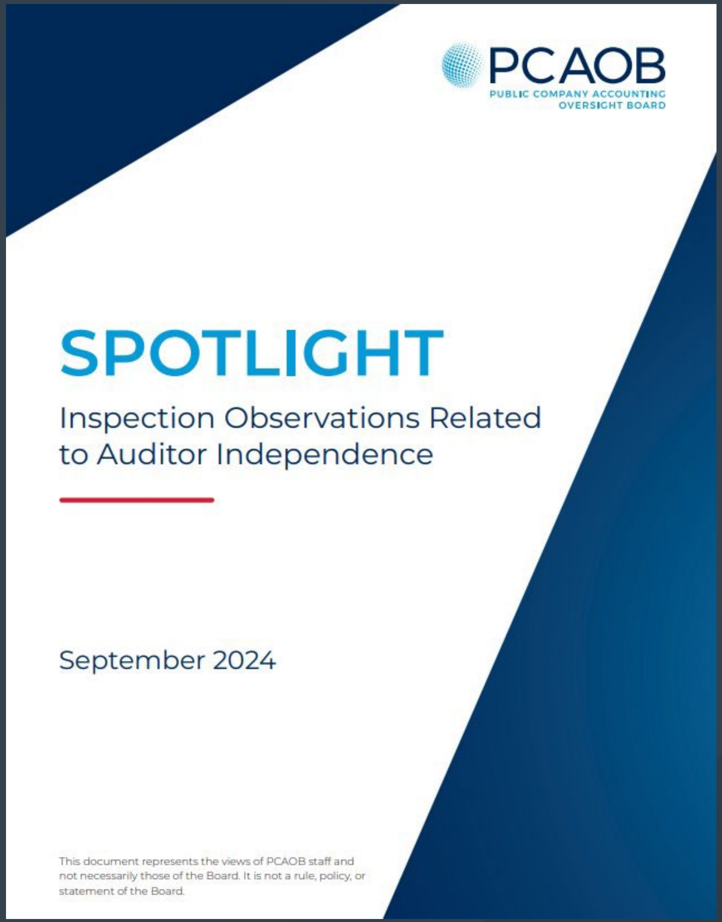
PCAOB Spotlight

Inspection Observations Related to Auditor Independence

Auditor independence is crucial for investor confidence and trust in capital markets. It ensures that audits are performed impartially and objectively.

Best Practices and Reminders:

- **Proactive Communication:** Regular communication between the audit firm, audit committee, and the entity under audit is vital.
- **Audit Firm Culture:** Building a culture of integrity and audit quality within the firm is essential for maintaining independence.
- **Policies and Procedures:** Having detailed policies and procedures helps in proactively managing potential independence issues.



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Inspection Observations Related to Auditor Independence

September 2024

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Access publication [here]

PCAOB Spotlight

Inspection Observations Related to Auditor Independence

- The Sarbanes-Oxley Act of 2002 requires audit committees to oversee the engagement and independence of the company's independent auditor. Key considerations include:
  - **Independence Assessment:** Audit committees must evaluate whether services provided by the audit firm could impair its independence.
  - **Prohibited Relationships:** Certain financial relationships between the company and the auditor are not allowed.
  - **Pre-Approval of Services:** All audit and nonaudit services should be pre-approved by the audit committee.
  - **Contingent Fees:** Engaging auditors on a contingent fee or commission basis is prohibited.
  - **Prohibited Relationships Identification:** Audit committees should ensure auditors have processes to identify prohibited relationships.
  - **Disclosure Discussions:** Audit committees should discuss with auditors their processes for disclosing all relationships with the company.
  - **Pre-Approval Policies:** These policies should be detailed enough to assess the impact on auditor independence.
  - **Shared Responsibility:** Independence is a shared responsibility among the entity, its audit committee, and the auditor. Companies should have policies to alert auditors to potential mergers or acquisitions affecting independence.

Percentage of Independence-Related Comment Forms by Area of Focus

Independence Related to:	2023	2022	2021
Audit Committee Pre-Approval of Services[8]	34%	37%	25%
Independence Representations	31%	13%	12%
Personal Independence Compliance Testing	7%	17%	27%
Prohibited Financial Relationships	9%	14%	12%
Communication With the Audit Committee	9%	8%	14%
Permissibility of Non-Audit Services	4%	9%	4%
Business and Employment Relationships	3%	8%	5%
Indemnification Clauses	3%	6%	2%
Permissibility of Tax Services	4%	4%	2%
Independence Policies	5%	3%	0%
Partner Rotation	0%	2%	11%
Restricted Entity List	1%	1%	2%
Contingent Fees	1%	1%	1%
Mutual Interest-Unpaid Fees	1%	0%	3%

8 This data includes all instances in which the audit firm had no documentation evidencing the fact of audit committee preapproval, which does not necessarily indicate that the audit committee had not pre-approved the public company engaging the audit firm to provide the service in question

PCAOB Spotlight

Observations From the Target Team's 2023 Inspections

- This Spotlight provides auditors and other stakeholders with a view into the target team's observations – including inspection results and good practices – in three focus areas for 2023:
  - **Significant or unusual events or transactions:** The target team worked to gain insights into firms' methodologies, practices, and execution of audits involving risks posed by significant or unusual events or transactions (e.g., data breaches).
  - **Crypto assets:** As a result of crypto asset market disruptions and the corresponding emerging risks, the target team performed procedures to gather information about certain audits of public companies with material crypto asset activities.
  - **Multi-location audits:** Given geopolitical turmoil (e.g., Russia-Ukraine war) and public companies switching from China-based audit firms to those in the U.S., the target team selected multi-location audits as a focus area in 2023.

Good Practices:

- Use specialists/subject matter groups where needed
- Staff engagement team with those who have experience in identified risk areas
- Engage in voluntary consultations
- Assign an assistant to the engagement quality reviewer for component work review
- Document results of internal/external inspections of component auditors
- Review standalone engagement letters of component auditors
- Require component auditors to provide final audit documentation with a clearance memo


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Observations From the Target Team's 2023 Inspections

September 2024

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New Standard:
PCAOB General Responsibilities of the Auditor

Summary: In May, the PCAOB adopted a new auditing standard *AS 1000, General Responsibilities of the Auditor in Conducting an Audit*, along with related amendments to other PCAOB standards. The new standard does not create any new principles or responsibilities but simply clarifies those that already exist.

Reasons for Issuance: Reflect the evolution of the auditing environment including new PCAOB-issued standards, new or revised independence requirements, and advancements in technology that increase the availability of electronic audit tools and use of audit software.

Key Provisions:

- Modernize, clarify, and streamline the general principles and responsibilities of auditors and provide a more logical presentation, which should enhance the useability of the standards by making them easier to read, understand, and apply.
- Clarify the auditor's responsibility to evaluate whether the financial statements are "presented fairly."
- Clarify the engagement partner's due professional care responsibilities by adding specificity to certain audit performance principles set out in the standards.
- Accelerate the documentation completion date by reducing the maximum period for the auditor to assemble a complete and final set of audit documentation from 45 days to 14 days.
- Clarify an auditor's professional skepticism extends to other information that is obtained to comply with PCAOB standards and rules.

Effective Date: This was approved by the SEC in August 2024. AS 1000 will take effect for audits of financial statements for fiscal years beginning on or after 12/15/2024; however, for firms that provide audit opinions for 100 or fewer issuers during the calendar year ending 12/31/2024, the amendment related to the documentation completion date requirement will take effect for audits of financial statements for fiscal years beginning on or after 12/15/2025.

Note: AS 1000 enhances and consolidates a group of standards that were adopted on an interim basis by the PCAOB in April 2003.

New Standard:
PCAOB A Firm's System of Quality Control

Summary: In May, the PCAOB adopted a new standard *QC 1000, A Firm's System of Quality Control* designed to lead registered public accounting firms to significantly improve their quality control (QC) systems. The new standard would require all PCAOB registered firms to identify their specific risks and design a QC system that includes policies and procedures to guard against those risks, thus striking a balance between a risk-based approach to QC and a set of mandates.

Scope: All PCAOB-registered firms would be required to design a QC system that complies with the new standard.
Firms that perform audits of public companies or SEC-registered brokers and dealers would be required to:

- Implement and operate the QC system they design, monitor the system, and take remedial actions where policies and procedures are not operating effectively – creating a continuous feedback loop for improvement
- Annually evaluate their QC system and report results of their evaluation to the PCAOB on new Form QC, which would be certified by key firm personnel to reinforce individual accountability

Firms that audit more than 100 issuers annually would be required to:

- Establish an external oversight function for the QC system, referred to as an External QC Function (EQCF), composed of one or more persons who can exercise independent judgment related to the firm's QC system

Effective Date: December 15, 2025, approved by SEC on September 9, 2024

Note: This standard builds on original work done to improve previous PCAOB QC standards through efforts that included discussion of the topic with the PCAOB advisory groups, issuance of a December 2019 concept release, and releasing a November 2022 proposal for public comment.

"We thank our SEC colleagues for their review and approval of our new quality control standard. When a firm's QC system operates effectively, quality audits follow. And when QC systems operate ineffectively, investors are put at risk."

- Chair Erica Y. Williams, Public Company Accounting Oversight Board (PCAOB)

PCAOB Amended Standards: AS 1105, *Audit Evidence*, and AS 2301, *The Auditor's Responses to the Risks of Material Misstatement*

Summary: In June, the PCAOB adopted amendments to two PCAOB auditing standards addressing aspects of audit procedures that involve technology-assisted analysis of information in electronic form.

Key Provisions: The changes adopted bring greater clarity to auditor responsibilities in the following areas:

- Using reliable information in audit procedures: Technology-assisted analysis often involves analyzing vast amounts of information in electronic form. The adopting release emphasizes auditors' responsibilities when evaluating the reliability of such information used as audit evidence.
- Using audit evidence for multiple purposes: Technology-assisted analysis can be used to provide audit evidence for various purposes in an audit. The adopting release specifies that if an auditor uses an audit procedure for more than one purpose, the auditor should achieve each objective of the procedure.
- Performing tests of details: When performing tests of details, auditors may use technology-assisted analysis to identify transactions and balances that meet certain criteria and warrant further investigation. The adopting release clarifies that the auditor's investigation of such items should include determining whether the identified items individually or in the aggregate indicate misstatements or control deficiencies.

Scope: The amended standards will apply to all audits conducted under PCAOB standards.

Effective Date: This was approved by the SEC in August 2024 and the new standard and related amendments will take effect for audits of financial statements for fiscal years beginning on or after 12/15/2024.

PCAOB Amended Standard: AS 3502, Governing Contributory Liability

Summary: In June, the PCAOB approved amendments to PCAOB Rule 3502, *Governing Contributory Liability* (previously titled *Responsibility Not to Knowingly or Recklessly Contribute to Violations)*. The amendment will enable the PCAOB to hold associated persons accountable when they negligently, directly, and substantially contribute to firms' violations.

Key Provisions: The changes adopted require that an associated person must have contributed to the firm's violation directly, substantially and negligently to be held liable. As adopted, the updated rule changes Rule 3502's liability standard from recklessness to negligence, aligning it with the same standard of reasonable care auditors are already required to exercise anytime they are executing their professional duties. Similarly, the SEC already has the ability to bring enforcement actions against associated persons when they negligently cause firm violations.

Scope: The new standard will apply to all audits conducted under PCAOB standards.

Effective Date: The amendment to Rule 3502 was approved by the SEC on 8/20/24 and is effective 60 days after the approval.

PCAOB Investor Advisory Group Meeting

On September 26, 2024, the PCAOB's [Investment Advisory Group (IAG)] held an open meeting with audit committee (AC) chairs, investors, academics, and auditors to discuss key regulatory activities to enhance audit quality. A brief PCAOB standard setting update was also included.

Panel Discussions:

- Agreement by all on need for ACs to enhance communications with investors to build trust in AC oversight responsibilities while being sensitive to highly confidential nature of AC work and fiduciary duty to all stakeholders.
- Discussion as to how audit quality may be impacted (+/-) by audit firms shifting from traditional partnership models to PE capital or other funding sources.
- In-depth discussion on evolving cybersecurity vulnerabilities and importance of regular risk/threat assessments; ICFR; incident response plans; education; and qualified advisors along with awareness to the challenges on where to focus time and resources by stakeholders: Regulators, ACs/board, auditors, and management.
- Continuance of prior IAG discussions on increasing detailed disclosures by auditors on CAMs to enhance investor understanding of sensitive areas, particularly when looking at detailed MD&A disclosures related to critical accounting policies and estimates; and uncover risks that investors may not be thinking about.

Agenda

- PCAOB Standard Setting Update
- Presentations to Board:
  - Audit Committee's Audit Related Engagement with Investors
  - Emerging Issues in Audit Firm Ownership Structures and Funding Arrangements
  - Cyber Risk on External Audits
  - IAG Request for Critical Audit Matters

Access recording here.

PCAOB Updates Standard-Setting Projects

RECENTLY COMPLETED STANDARD-SETTING PROJECTS

Project	Effective Date	Date of Board Adoption	Date of SEC Approval
Quality Control	Subject to approval by the SEC, the final standard and related amendments to auditing standards, rules, and forms would take effect on December 15, 2025. The first evaluation period will be for the period beginning on the effective date of the standard (i.e., December 15, 2025) and ending on September 30, 2026. The firm's first evaluation must be reported to the PCAOB on Form QC no later than November 30, 2026.	May 2024	September 9, 2024
Amendments Related to Aspects of Designing and Performing Audit Procedures that Involve Technology-Assisted Analysis of Information in Electronic Form	Effective for audits of financial statements for fiscal years beginning on or after December 15, 2025.	June 2024	August 20, 2024
General Responsibilities of the Auditor in Conducting an Audit (AS 1000)	Effective for audits of fiscal years beginning on or after, December 15, 2024, except for the 14-day documentation completion date.	May 2024	August 20, 2024

To access Short-Term Standard-Setting Projects, click here

PCAOB Updates Standard-Setting and Research Agendas

SHORT-TERM STANDARD-SETTING PROJECTS

Project	Project Description	Next Board Action	Anticipated Timing
Attestation Standards Update	Consider the requirements in the interim attestation standards in connection with the PCAOB's interim standards project.	Proposal	2025
Going Concern	Consider the auditor's evaluation and reporting of a company's ability to continue as a going concern in response to changes in financial reporting, the auditing environment, and stakeholder needs, including by considering how AS 2415, *Consideration of an Entity's Ability to Continue as a Going Concern*, should be revised.	Proposal	2024
Substantive Analytical Procedures	Consider changes to an auditor's use of substantive analytical procedures to better align with the auditor's risk assessment and to address the increasing use of technology tools in performing these procedures, including whether to revise AS 2305, *Substantive Analytical Procedures*.	TBD pending analysis of comment letter on June proposal	

To access Short-Term Standard-Setting Projects, click here

PCAOB Updates Standard-Setting and Research Agendas

SHORT-TERM STANDARD-SETTING PROJECTS

Project	Project Description	Next Board Action	Anticipated Timing
Firm and Engagement Metrics	Enhance information provided to investors, audit committees, and other stakeholders at both the firm and engagement level.	TBD pending analysis of comment letters on April proposal	
Noncompliance with Laws and Regulations	Consider changes to an auditor's consideration of possible noncompliance with laws and regulations including how AS 2405, *Illegal Acts by Clients*, should be revised to integrate a scalable, risk-based approach that takes into account recent developments in corporate governance and internal control practices.	Adoption	2024
Inventory	Consider updates to AS 2510, *Auditing Inventories*, in connection with the Interim Standards project to reflect changes in the auditing environment.	Proposal	2025
Other Reporting	Consider updates to AS 3105, *Departures from Unqualified Opinions*, and other interim standards in the AS 3300 series.	Proposal	2024

To access Short-Term Standard-Setting Projects, click here

PCAOB Updates Standard-Setting and Research Agendas

MID-TERM STANDARD-SETTING PROJECTS

Project	Project Description
Use of a Service Organization	Consider how AS 2601, *Consideration of an Entity's Use of a Service Organization*, should be amended to reflect changes in how companies use services of third parties that are relevant to the company's own internal control over financial reporting and developments in practice.
Fraud	Consider how AS 2401, *Consideration of Fraud in a Financial Statement Audit*, should be revised to better align an auditor's responsibilities for addressing intentional acts that result in material misstatements in financial statements with the auditor's risk assessment, including addressing matters that may arise from developments in the use of technology.
Interim Ethics and Independence Standards	In connection with the PCAOB's interim standards project, consider whether existing obligations of PCAOB registered firms and their associated persons should be enhanced and updated to better promote compliance through improved ethical behavior and independence.

To access Mid-Term Standard-Setting Projects, click here

PCAOB Updates Standard-Setting and Research Agendas

MID-TERM STANDARD-SETTING PROJECTS

Project	Project Description
Interim Standards	Consider whether the remaining “interim” standards, as adopted upon the establishment of the Board, should be amended, replaced, or eliminated, as appropriate. As part of this analysis, evaluate which standards are necessary to retain and, of those, which should be retained with minimal updates, and which require more significant changes. Separate projects, including requests for comment on potential standards to eliminate, will be added to the standard-setting agenda as the staff completes its analysis.
Interim Financial Information Reviews	Consider updates to AS 4105, *Reviews of Interim Financial Information*, in connection with the Interim Standards project to reflect changes in the auditing and reporting environment.
Internal Audit	Consider updates to AS 2605, *Consideration of the Internal Audit Function*, in connection with the Interim Standards project to reflect changes in the auditing and reporting environment.

To access Mid-Term Standard-Setting Projects, click here

PCAOB Updates Standard-Setting and Research Agendas

RESEARCH PROJECTS

Project	Project Description
Data and Technology	Assess whether there is a need for guidance, changes to PCAOB standards, or other regulatory actions in light of the increased use of technology-based tools by auditors and preparers. This includes evaluating the role technology innovation plays in driving audit quality. Research from this project may give rise to individual standard-setting projects and may also inform the scope or nature of other projects that are included on the standard-setting agenda.
Communication of Critical Audit Matters	A critical audit matter (CAM) is any matter arising from the audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved especially challenging, subjective, or complex auditor judgment. The project seeks to understand why there continues to be a decrease in the average number of critical audit matters reported in the auditor's report over time and whether there is a need for guidance, changes to PCAOB standards, or other regulatory action to improve such reporting, including the information that is provided as part of the CAM reporting.

To access Research Projects, click here

PCAOB Updates Standard-Setting and Research Agendas

RULEMAKING PROJECTS

Project	Project Description	Next Board Action	Date of SEC Approval
Contributory Liability	Consider changes to the Board's ethics rule, PCAOB Rule 3502, Responsibility Not to Knowingly or Recklessly Contribute to Violations.	Adopted June 2024	August 20, 2024
Registration	Consider changes to enhance the PCAOB's registration program.	TBD pending analysis of comment letters on February proposal	
Firm Reporting	Consider changes to audit firm reporting requirements including periodic reporting requirements, special reporting requirements, and other enhancements to the audit firm reporting framework.	TBD pending analysis of comment letters on April proposal	

To access Rulemaking Projects, click here

Corporate Governance Considerations

At the Intersection of Data Protection and Zero Trust

The Challenge of Zero Trust

- **Real-Time Decisions:** Zero trust involves making real-time decisions about data access requests, ensuring the right data is accessed by the right person at the right time without disrupting operations.
- **Comprehensive Strategy:** It's not a single tool but a strategy that continuously verifies every interaction.

Creating a Unified Security Solution

- **Platform Approach:** A comprehensive platform with insights into data loss prevention, insider risk management, and data protection labeling is essential.
- **Data Categorization:** Labels categorize data, and data loss prevention controls enforce protections.
- **Insider Risk Management:** Uses machine learning and AI to monitor data exfiltration, integrating with business context from systems like HRIS.
- **Retention Policies:** Reduce risk by eliminating old, sensitive information.

Building a Foundation of Policies and Procedures

- **Well-Documented Policies:** A unified security solution relies on well-documented, shared, and taught policies.
- **Regular Training:** Ensures end users understand these policies, creating a robust defense mechanism.
- **Interconnected Tools:** Enhance the zero-trust framework, making it harder for attackers to steal data.

Read the full article here

The Rise of Generative AI In SEC Filings

- Arize AI reviewed the latest annual financial reports (10-Ks) of U.S.-based Fortune 500 companies as of May 1, 2024, to understand how top companies are communicating the benefits, risks, and overall impact of AI.
- For an increasing number of companies, AI is a necessary part of their regular reporting on business results.

Highlights:

- **108** Fortune 500 companies specifically mention generative AI in their annual financial reports.
- **281** Fortune 500 companies cite AI as a potential risk factor.
- **250.1%** increase in the number of mentions of AI in Fortune 500 company annual financial reports since 2022.
- **473.5%** increase in the number of Fortune 500 companies citing AI as a risk factor in their annual financial reports since 2022.

Read the full report here

Audit Committee Oversight in the Age of Generative AI

Companies are actively exploring how generative AI can enhance their financial reporting processes and internal control over financial reporting (ICFR).

Statistics:

- One in three audit partners see companies in their primary industry sector deploying or planning to deploy AI in their financial reporting processes.
- 33% of respondents consider finance transformation a top-three priority for the next 12 months.
  - Almost half of these respondents (15%) identified finance transformation as the top issue
- 66% of respondents indicated that their audit committee has spent insufficient time discussing AI governance in the past 12 months.

Read the full publication here

AI's Role in the Battle Against Evolving Threats

AI is transforming cybersecurity by empowering both defenders and attackers with advanced capabilities.

AI-Enabled Novel Attacks:

- Attackers use machine learning to analyze targets and exploit vulnerabilities more efficiently.
- AI-powered algorithms have escalated password-cracking schemes and web scraping attacks.
- Sophisticated malware and generative AI platforms create malicious code that bypasses traditional detection.
- AI-generated phishing emails and deepfake technology pose significant new threats.

Empowering Cyber Resilience:

AI-driven solutions enhance resilience through:

- Accelerated Response: Automating threat detection and incident response.
- Predictive Insights: Analyzing historical data to anticipate and fortify against potential attacks.
- Enhanced Detection: Using AI-powered tools for comprehensive threat intelligence.

Read the full article [here]

Read [BDO Digital's State of Cyber Report]

Six Questions to Ask in a Post-Mortem Review After a Cyber Incident

- The CrowdStrike outage has significantly affected many companies, highlighting the need for strong contingency plans, oversight of critical third parties, and mechanisms to assess both operational and financial impacts.
- As companies recover from a cyber incident and conduct post-mortem reviews, they must address various questions to mitigate the risk of future occurrences.
  - How did this happen?
  - How do we perform a comprehensive post-mortem review?
  - How do we prevent this from happening again?
  - How should this affect oversight of third-party software providers?
  - How do we protect ourselves from bad actors attempting to exploit the situation?
  - How do we measure the business operational impact and/or financial damages of the outage?

Read the full article here

What's Trending:
2024 BDO Board Survey Preview

- BDO recently polled approximately 250 directors at public companies to identify their areas of focus for the year ahead.
- Board directors are preparing for 2025 with an eye toward capturing new opportunities through technology and enhancing risk management.

27% say lagging implementation of emerging technology is their most significant business risk

34% of directors have formally launched emerging technology initiatives and are actively using and training employees on emerging technology.

25% say cyber threats and incidents are the most significant risk to their business over the next year

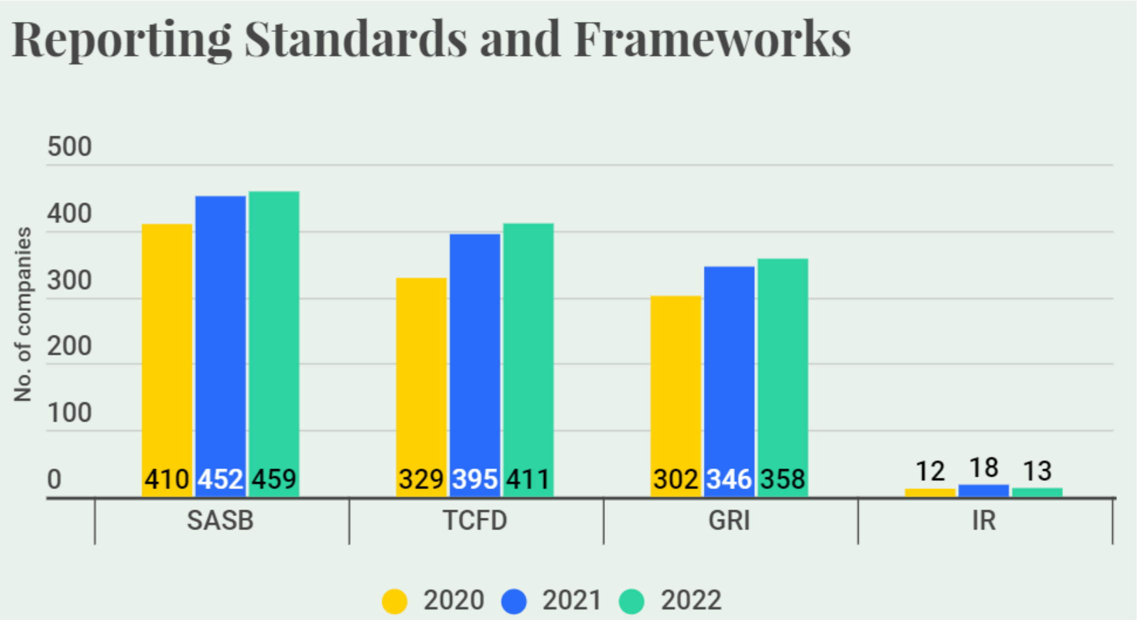
Technology implementation is the most in-demand skillset/experience for directors.

- Click here to preview more of the trends.
- Are you interested in participating in BDO's next Board Pulse Survey? Click here to take the pulse!

What's Trending:
S&P 500 ESG Reporting and Assurance Analysis

The CAQ, using data by ESGAUGE, looked at ESG reports, company websites, completed CDP Climate Change Questionnaires, and third-party assurance or verification reports for 2022 period end data from S&P 500 companies to understand what they disclosed about ESG reporting standards and frameworks, GHG emissions, assurance or verification over the ESG information, and net zero or carbon neutral commitments.

**This analysis does not contemplate information disclosed by companies in SEC filings.*



Key Statistics:

98% of S&P 500 companies reported ESG-related information

95% of companies that obtained assurance from a public company auditor, used the same firm that performed their financial statement audit

70% of reporting companies obtained assurance over some ESG information

Read the CAQ's report here

What's Trending:
OECD Issues Additional Administrative Guidance for Pillar Two

The OECD released additional administrative guidance on the Pillar Two GloBE model rules on June 17, 2024. The new guidance addresses several key issues:

DTL Recapture:

- **Application:** Clarifies the application of the recapture rule for deferred tax liabilities (DTLs), including aggregation of DTL categories and methodologies for determining if a DTL reversed within five years.
- **Recomputation:** Requires recomputation of adjusted covered taxes and effective tax rate (ETR) if a DTL does not reverse within five years, potentially resulting in additional top-up tax.
- **Unclaimed Accrual Election:** Allows entities to make an election to not claim DTL accruals if they do not expect them to reverse within five years, simplifying compliance.

Divergences between GloBE and Accounting Values:

- **Accounting for Taxes:** Provides rules for accounting for adjusted covered taxes when there are divergences between GloBE and accounting carrying values of assets and liabilities.
- **Intragroup Transfers:** Specifies that cross-border, intragroup asset transfers should use the GloBE arm's length price for calculating GloBE income or loss and determining GloBE carrying values.

Allocation of Cross-Border Taxes:

- **Current Taxes:** Introduces a four-step process for allocating a parent entity's current taxes to its permanent establishments.
- **Deferred Taxes:** Provides a five-step process for allocating cross-border deferred taxes.
- **Hybrid Entities:** Applies substitute loss carryforward DTA rules to hybrid and permanent establishment regimes.

- The additional guidance will be incorporated into the commentary to the GloBE model rules, providing further clarity on the implementation and impact of Pillar Two for multinational enterprises.
- Read the full article here

What's Trending:
OECD Publishes Additional Amount B Guidance

- The OECD/G20 Inclusive Framework on BEPS released supplementary information on June 17, 2024, regarding Amount B of Pillar One, which aims to streamline the application of the arm's length principle for pricing baseline marketing and distribution activities.

Covered Jurisdictions:

- **Definition:** Includes low- and middle-income Inclusive Framework jurisdictions based on World Bank classifications, excluding EU, OECD, and G20 members, unless they meet specific criteria.
- **Commitment:** Jurisdictions applying the simplified approach must respect outcomes determined by other jurisdictions using the same approach.
- **List Update:** The list of covered jurisdictions will be updated every five years.

Qualifying Jurisdictions:

- **Operating Expense Cross-Check:** Applies a cap on the return-on-operating-expense ratio, with a higher cap for qualifying jurisdictions.
- **Definition:** Based on World Bank income classifications and specific criteria related to sovereign credit ratings and local comparables.
- **Adjustment Mechanism:** Adjusts the profit margin for distributors in jurisdictions with insufficient data coverage.
- **List Update:** The list of qualifying jurisdictions will also be updated every five years.

- The supplementary guidance will be incorporated into the OECD Transfer Pricing Guidelines, providing clarity on the implementation of Amount B. BDO's Transfer Pricing professionals can assist in navigating these changes to optimize intercompany transactions.
- Read the full article here.

What’s Trending:
Navigating the Future of Tax Policy: A Guide for Corporate Boards

The 2017 Tax Cuts and Jobs Act (TCJA) Expiration

The TCJA brought significant changes to the U.S. tax code, but many of its provisions are set to expire in 2025. Notably, the corporate tax rate will remain at 21%, but other aspects of the act will sunset, potentially leading to increased tax liabilities for businesses and individuals. Future tax policies will be shaped by the House of Representatives, the Senate, and the White House, and a resulting mix of political power within these bodies will necessitate compromises to pass proposed legislation.

Political Corporate Tax Priority Outlines (As of late September 2024)

Candidate Trump has outlined several key tax priorities:	Candidate Harris has outlined several key tax priorities:
Tax Cliff: Addressing the impending tax cliff resulting from the expiration of many individual income tax provisions provided by the TCJA slated to expire at the end of December 2025	
Capital Gains Tax: Reducing the long-term capital gains rate to 15% from 20%	Capital Gains Tax: Set long-term capital gains rate for those earning $1 million or more at 28% (scheduled to return to 39.6% in 2026)
SALT: Elimination of state and local tax (SALT) deduction caps has become a bipartisan issue, particularly for high tax “blue” states like NY NJ and CA that have predominantly Democratic voters, with both parties wanting to address.	
Corporate Tax Rate: Lowering the corporate tax rate to 20% from 21% (and 15 percent for companies where manufacturing is kept in the U.S.)	Corporate Tax Rate: Increasing the corporate tax rate from 21% to 28%
Tariffs: plans to increase	Small Business Startup Deduction: Increase from $5,000 to $50,000

The upcoming U.S. election cycle gives rise to ambiguity in business tax planning. Companies must prepare for a shifting tax landscape while considering differing priorities of Republicans and Democrats regarding U.S. tax policies. This environment emphasizes the importance of the board’s oversight role and its understanding of a company's total tax strategy, emerging compliance complexities, the impact of potential election results and associated tax planning scenarios, and the need for a broad perspective on total tax posture and associated social responsibility of the company.

Resources

The BDO Center for Accounting and SEC Matters

BDO's Center for Accounting and SEC Matters recognizes that financial reporting and accounting are complex, and you need the right guidance and timely information to avoid making costly mistakes. We provide resources that cover topics of broad interest to CFOs, financial management and the financial reporting community. Our collection of practice aids, guides, alerts, webinars and more will help you gain a deeper understanding of the finer points of financial reporting, while also keeping you informed on relevant updates from key regulators including AICPA, FASB, PCAOB and the SEC.

Our team delivers

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- Webinars & Podcasts

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BDO Accounting and SEC

PUBLICATIONS

TITLE	DATE
BDO Blueprint: Accounting for Business Combinations (ASC 805)	June 2024
BDO Bulletin: SEC Staff Statement on Cybersecurity Incidents Disclosure	May 2024
BDO Blueprint: Control and Consolidation Under ASC 810	May 2024
FASB Clarifies Scope Application of Profits Interest and Similar Awards	Mar 2024
BDO Bulletin: SEC Finalizes Climate Rules	Mar 2024
SEC Settlement Date Change Affects Equity Compensation Plan Administration	Mar 2024
SEC Adopts Rules on SPACs, Shell Companies, and Projections	Feb 2024
Pay versus Performance Disclosures: A Snapshot	Jan 2024
SEC Proposes Rules to Enhance and Standardize Climate-Related Disclosures	Jan 2024
SEC Staff Releases New Interpretive Guidance on Cybersecurity Incident Disclosure	Dec 2023
FASB Issues Final ASU to Improve Income Tax Disclosures	Dec 2023
FASB Issues New Accounting Standard for Certain Crypto Assets	Dec 2023
2023 AICPA SEC & PCAOB Conference Highlights	Dec 2023
New Accounting Standards Upcoming Effective Dates for Public and Private Companies	Dec 2023
BDO Bulletin: SEC Postpones Effective Date Of Share Repurchase Disclosure Rules	Dec 2023
FASB Updates Segment Reporting Disclosures	Dec 2023
2023 SEC Reporting Insights	Nov 2023

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BDO ESG Center of Excellence

BETTER PLANET. BETTER SOCIETY. BETTER BUSINESS

Today, every business has a responsibility – and an opportunity – to address the significant environmental, social and governance (ESG) challenges we face as an interconnected, global society. Not only is it the right thing to do, it is the only thing to do to contribute to a better planet, a better society and a better – and more sustainable – business. At BDO, ESG is a top firm priority and a key component of our strategic vision for the future. We invite you to learn more about BDO's approach to ESG and visit our BDO ESG Center of Excellence.

With you at every stage of your journey

- ESG Strategy & Program Development
- ESG Reporting & Attestation
- Tax Transparency & ESG Tax Strategy
- Human Capital Management Strategy
- Supply Chain Sustainability & Resilience
- Climate Risk
- Sustainable Finance & Investing
- Community Resilience
- ESG Value Creation & Innovation

Visit our BDO CoE for evolving ESG-related insights and learning opportunities

- Publications
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The BDO Center for Corporate Governance

BDO's Center for Corporate Governance recognizes board members need easy access to comprehensive information and insights they can rely on. Corporate governance and related risks and opportunities is an evolving landscape encompassing a variety of issues and requires subject matter professionals who engage regularly with stakeholders - including regulators, management, board members and thought leaders - and share information directly with client management teams, the board and its committees. Whether you are new to board service, assuming a new role or a seasoned director who wants to remain up to date, we have you covered.

Our governance team delivers

- Thought leadership, practice aids, tools, and newsletters
- Technical updates and insights on emerging business issues
- BDO in the Boardroom podcast series for board of directors and those charged with governance
- A three-pronged evolving curriculum consisting of upcoming webinars & archived self-studies
- Opportunities to engage directly with BDO thought leaders
- External governance community resources

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BDO Corporate Governance & Other Webinar Series

BDO commits significant resources to keep our professionals and our clients up to date on current and evolving technical, governance, industry, and reporting developments.

Our clients’ time is valuable, as management must meet all compliance requirements while maintaining lean and efficient teams. This is why our culture guides us to view ourselves as trusted advisors, not merely accountants serving compliance needs. By leveraging the shared knowledge of our top professionals across the country and globe, we develop succinct thought leadership and training programs to help clients stay abreast of emerging trends and requirements. Below are examples of our resource centers, knowledge programming and technical researching tools used by BDO to keep our clients and our professionals current:

- **BDO Knowledge Webinars, Archives and Self-Study Courses -** BDO continues to develop a broad variety of topical programming via CPE-worthy webinars and self-study courses and non-CPE archives so that participants can build a customized education curriculum to meet their needs. Refer to our Events & Webcasts page.
- **Technical Research Tools -** BDO uses Thomson Reuters Checkpoint Edge (“Checkpoint”) as a primary source of insightful interpretations on GAAP, GAAS and Securities and Exchange Commission rules. Checkpoint is continually updated and is considered to be one of the timeliest and most comprehensive online databases of analytical interpretations of accounting, auditing and SEC matters. Access to Checkpoint, and a number of other research tools, provide each professional the technical research capability to enable immediate response to client-specific technical issues.

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2024 Quarterly Technical Update
WEBCAST SERIES

VIEW THE FULL QUARTERLY TECHNICAL UPDATE WEBINAR SERIES

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INTERNAL AUDIT
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- Overseeing the Use of GenAI in Financial Reporting
- Audit Committee: Alleged Fraud, Now What?
- Audit Firms Changing Their Business Models- What Audit Committees May Want to Know
- Measuring Culture Within Your Organization
- Are You Prepared for New Sustainability Laws in California?
- Governing the Embrace of AI Benefits and Risks within Your Business
- How Technology Enablement Can Magnify A Positive Impact on Audit Quality
- How to Prompt Management to Get the Most Out of Data Analytics
- Automation: How to Unlock Corporate Value
- AI's Impact on the Evaluation of Audit Risk
- Applying Data Analytics – Benefits and Challenges for the Annual Audit
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BDO Upcoming/ Archived Webinars

UPCOMING	DATE
Q3 2024 IFRS Quarterly Update	October 16, 2024
2024 BDO Fall Board Survey	October 30, 2024
2024 Board Compensation Trends and Year-End Planning Considerations	November 20, 2024
Quarterly Technical Update Q4 2024	January 15, 2024
Q4 2024 IFRS Quarterly Update	January 22, 2025
ARCHIVED	**DATE**
Q2 2024 IFRS Quarterly Update	July 17, 2024
Quarterly Technical Update Q2 2024	July 10, 2024
The Board's Oversight of Artificial Intelligence	May 22, 2024
Q1 2024 IFRS Quarterly Update	April 17, 2024
Quarterly Technical Update Q1 2024	April 10, 2024
The Board's Oversight of Fraud	March 27, 2024
2024 Shareholder Meeting Agenda: Setting Expectations for Shareholder Meetings	February 21, 2024
The Board's Oversight of ERM	September 25, 2024

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BDO Board Governance

PUBLICATIONS

TITLE	DATE
2024 BDO Board Survey Preview	Sept 2024
2023 BDO Audit Quality Report	July 2024
Board Game: 3 Important Questions About Composition & Culture	May 2024
Audit Firm Business Models – What Audit Committees May Want to Know	Apr 2024
BDO Bulletin: SEC Finalizes Climate Rules	Mar 2024
2024 Shareholder Meeting Agenda	Feb 2024
Audit Committee Priorities for 2024	Feb 2024
What Directors Think 2024 Survey	Jan 2024
Compensation Committee Priorities for 2024: Navigating the Latest Compensation Trends	Jan 2024
2023 Conference Recap: Five Themes from the Top Board Governance Events	Dec 2023
Nominating & Governance Committee Priorities for 2024: Excelling in Board Leadership	Dec 2023
2023 Audit Committee Transparency Barometer	Dec 2023
Audit Quality Reminders Through the Lens of the Audit Committee	Oct 2023
Considerations for the Board's Role in Post Merger Integration	Sept 2023
Board Requisite for Data Quality and Oversight	July 2023
BEPS 2.0: Addressing Organizational Impact of Global Tax Reform	June 2023

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