

CRI Client Revenue Recognition Report

CRI asked clients questions related to key components of the new revenue recognition standard to gauge what impact it will likely have on businesses.

NEW 5-STEP REV REC MODEL



2 out of 3 companies surveyed will - based upon their answers - likely require significant changes to their revenue recognition model, systems, processes, and/or disclosures

MATERIALS & EQUIPMENT NEEDED



42%

had contracts with multiple deliverables (i.e., multiple-element arrangements)



24%

had debt covenants tied to revenue goals or net income



30%

currently took advantage of the IRS' deferral method for recognition of advance payments



1 out of 3 had contracts with significant financing components



1 out of 4 companies were often entitled to variable or contingent consideration

Create and execute a rev rec implementation plan. Visit CRI's Rev Rec Tool Center at RevRecTools.com for help getting started.



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