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## Accounting Roundup

by Magnus Orrell and Joseph Renouf, Deloitte & Touche LLP

Welcome to the quarterly edition of *Accounting Roundup*. In the third quarter of 2016, the FASB released a number of proposed and final standards. In addition to issuing two final ASUs — on (1) simplification of a not-for-profit entity's (NFP's) financial statements and (2) classification of certain cash receipts and cash payments in the statement of cash flows — the Board issued proposed ASUs that would amend its guidance on the following topics:

- Long-duration insurance contracts.
- The amortization period for callable debt securities purchased at a premium.
- Employee benefit plans.
- Hedge accounting.
- The income tax disclosure requirements.
- The consolidation guidance for NFPs.
- Technical corrections and improvements to the Board's new revenue standard, ASU 2014-09.

In addition, the FASB published for public comment an (1) invitation to comment that requests stakeholder feedback on which financial accounting and reporting topics should be added to the FASB's agenda and (2) ED of a proposed concepts statement that would add a new

chapter (Chapter 7) on presentation of financial information to the Board's conceptual framework for financial reporting.

In other news, in recent speeches, the SEC staff has reminded registrants about best practices to follow in the periods leading up to the adoption of ASU 2014-09 (on revenue), ASU 2016-02 (on leases), and ASU 2016-13 (on credit losses). The staff's comments, which reiterated themes it has addressed over the past year, focused on internal controls over financial reporting, auditor independence, and disclosures related to implementation activities.

On the international front, the IASB recently published amendments to its insurance contracts standard, IFRS 4. The amendments address concerns about the different effective dates of IFRS 9 and the IASB's forthcoming insurance contracts standard, which is expected to be issued as IFRS 17 in March 2017.

Note that in this quarterly edition, an asterisk in the article title denotes events that occurred in September or that were not addressed in the [July](#) or [August](#) issue of *Accounting Roundup*, including updates to previously reported topics. Events without asterisks were covered in those monthly issues.

Be sure to monitor upcoming issues of *Accounting Roundup* for new developments. We value your feedback and would appreciate any comments you may have on this publication. Take a moment to tell us what you think by sending us an e-mail at [accountingstandards@deloitte.com](mailto:accountingstandards@deloitte.com).

## Leadership Changes

**FASB:** On September 22, 2016, the FASB announced the restructuring of its [Small Business Advisory Committee](#) and the appointment of 16 members to the committee.

**IFRS Foundation Monitoring Board:** On August 19, 2016, the IFRS Foundation Monitoring Board announced that the [Ministry of Finance of the People's Republic of China](#) has been appointed as a member. The appointment became effective on August 11, 2016.

Further, on July 13, 2016, the IFRS Foundation Monitoring Board announced that it has appointed [Ryozo Himino](#) as chairman to replace Masamichi Kono, who recently stepped down from the position. Mr. Himino's term will last until February 2017 (i.e., the remainder of Mr. Kono's term before he stepped down).

**IFRS Interpretations Committee:** On July 1, 2016, the IFRS Foundation announced that [Andrew Buchanan](#) has been appointed to the IFRS Interpretations Committee for a three-year term. Further, on September 14, 2016, the IFRS Foundation announced that [Wayne Upton](#), who had been chairman of the IFRS Interpretations Committee since 2011, passed away on September 13, 2016.

**SEC:** On July 21, 2016, the SEC named [Wesley Bricker](#) as the interim chief accountant in the SEC's Office of the Chief Accountant. Mr. Bricker will hold the position while Chief Accountant James Schnurr recovers from a bicycle accident. In addition, on July 22, 2016, the SEC announced that Deputy Chief Accountant [Brian T. Croteau](#) will be leaving the Commission.

For the latest news and publications, visit [Deloitte's US GAAP Plus Web site](#) or [subscribe](#) to *Weekly Roundup*. Also see our [Twitter](#) feed for up-to-date information on the latest news, research, events, and more.

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- Tuesday, October 18, 3:00 p.m. (EDT): [Developments in Global Outsourcing: Looking Beyond Simple Cost-Cutting](#).
- Wednesday, October 19: [Elevating Risk: A New Paradigm for Risk Management Leadership](#).
- Wednesday, October 26: [Tax Legislation and the 2016 Election: All Roads Point to Change?](#)
- Thursday, October 27: [The Cybersecurity Examination: Raising the Bar for Cyber Risk Management Oversight and Reporting](#).
- Friday, November 4: [Leadership Resilience Amid Disruption: A Report From the Front Lines](#).
- Wednesday, November 9: [SEC Hot Topics: Year-End Update](#).
- Wednesday, November 16, 3:00 p.m. (EST): [Margin Analysis: New Analytics Tools Offer Deeper Insights for Management Decision Making](#).
- Thursday, November 17: [Third-Party Risk Management: From Reactive to Dynamic, Continuous Monitoring](#).
- Monday, November 21: [EITF Roundup: Highlights From the November Meeting](#).
- Wednesday, December 7, 3:00 p.m. (EST): [Leadership Transitions: Making the Leap From CFO to CEO](#).
- Wednesday, December 14: [Beyond Passwords: Innovative Identity and Access Management in the Digital Economy](#).
- Thursday, December 15: [Boardroom Agenda 2017: Hot Topics and the Future Landscape](#).
- Friday, December 16, 11:00 a.m. (EST): [Quarterly Accounting Roundup: An Update on Important Developments](#).

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## **Featured Publications**

In the third quarter of 2016, Deloitte issued the following Roadmaps:

- [A Roadmap to Applying the New Revenue Recognition Standard](#) — Summarizes (1) key provisions of the FASB's new standard on revenue from contracts with customers, including the specific steps the standard outlines for recognizing revenue; (2) the standard's disclosure requirements; (3) the standard's effective date and transition; (4) other provisions and impacts of the standard, including implementation guidance and tax implications; and (5) recent developments related to applying and implementing the standard.
- [A Roadmap to Reporting Discontinued Operations](#) — Provides Deloitte's insights into and interpretations of the accounting guidance on reporting discontinued operations in ASC 205-20.

- [A Roadmap to Non-GAAP Financial Measures](#) — Helps registrants assess the appropriateness of their non-GAAP measures by combining the SEC’s guidance on non-GAAP measures with Deloitte’s interpretations and examples in a comprehensive, reader-friendly format.
- [A Roadmap to Consolidation — Identifying a Controlling Financial Interest](#) — Reflects changes to the consolidation guidance made by ASU 2015-02 (issued in February 2015) and incorporates additional interpretations and guidance in response to recent developments, including FASB and SEC activity.

## Other Deloitte Publications

| Publication   | Title   | Affects               |
|---|---|-----------------------|
| September 2016 <a href="#">EITF Snapshot</a>                  |   | All entities.         |
| September 2016 <a href="#">Oil &amp; Gas Spotlight</a>        | <i>Production Phase of the Leases Standard Complete</i>   | Oil and gas entities. |
| September 23, 2016, <a href="#">Heads Up</a>                  | <i>FASB Proposes Amendments to the Amortization Period for Callable Debt Securities Purchased at a Premium</i>  | All entities.         |
| September 22, 2016, <a href="#">Financial Reporting Alert</a> | <i>SEC Reminds Registrants of Best Practices for Implementing New Revenue, Lease, and Credit Loss Accounting Standards</i>  | SEC registrants.      |
| September 14, 2016, <a href="#">Heads Up</a>                  | <i>FASB Proposes Targeted Improvements to Hedge Accounting</i>  | All entities.         |
| September 12, 2016, <a href="#">Heads Up</a>                  | <i>FASB Overhauls Guidance on Presentation of Financial Statements for Not-for-Profit Entities</i>  | All entities.         |
| August 30, 2016, <a href="#">Heads Up</a>                     | <i>FASB Issues Guidance on Cash Flow Classification</i>   | All entities.         |
| August 24, 2016, <a href="#">Financial Reporting Alert</a>    | <i>Employers’ Accounting for Defined Benefit Plans — Alternatives for Applying Discount Rates in the Measurement of Benefit Cost Under a Bond-Matching Approach</i> | All entities.         |
| July 29, 2016, <a href="#">Heads Up</a>                       | <i>FASB Proposes Updates to Income Tax Disclosure Requirements</i>  | All entities.         |
| July 19, 2016, <a href="#">Heads Up</a>                       | <i>Controls and Non-GAAP Measures</i>   | SEC registrants.      |
| July 18, 2016, <a href="#">Heads Up</a>                       | <i>SEC Proposes to Eliminate Outdated and Duplicative Disclosure Requirements</i>   | SEC registrants.      |

# Accounting — New Standards and Exposure Drafts

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## Agenda Consultation

### FASB Solicits Feedback on Agenda Consultation

**Affects:** All entities.

**Summary:** On August 4, 2016, the FASB issued an [invitation to comment](#) to solicit stakeholder feedback on which financial accounting and reporting topics should be added to the FASB's agenda. The invitation to comment was developed on the basis of an annual survey, conducted by the FASAC, that sought feedback from stakeholders on what the Board's future standard-setting priorities should be. Topics that the invitation to comment identifies as warranting particular attention include:

- Intangible assets, including research and development.
- Pensions and other postretirement benefit plans.
- Distinguishing liabilities from equity.
- Reporting performance and cash flows.

**Next Steps:** Comments are due by October 17, 2016. Public roundtable meetings on the invitation to comment are expected to be held in the fourth quarter of 2016.

**Other Resources:** For more information, see the [press release](#) on the FASB's Web site.

## Debt Securities

### FASB Proposes Amendments to the Amortization Period for Callable Debt Securities Purchased at a Premium\*

**Affects:** All entities.

**Summary:** On September 22, 2016, the FASB issued for public comment a [proposed ASU](#) that would amend the amortization period for callable debt securities purchased at a premium. Under current GAAP, the premium on a callable debt security is generally amortized as an adjustment of yield over the contractual life of the instrument. Accordingly, there is no consideration of early payment of principal, and any unamortized premium is recorded as a loss in earnings upon the debtor's exercise of a call on a callable debt security purchased at a premium. The amendments would require that the premium be amortized to the earliest call date but would retain the accounting for the amortization of discounts on purchased callable debt securities (i.e., the discount will continue to be amortized to maturity).



#### Editor's Note

Constituents have noted that under current guidance, (1) the amortization of premiums does not reflect the economics of the underlying transaction and (2) the model for pricing securities in the United States includes consideration for calls. In addition, investors generally price a security to the call date when the security is trading at a premium. The proposed amendments would "more closely align the amortization period of premiums and discounts to expectations incorporated in market pricing on the underlying securities."

**Next Steps:** Comments on the proposed ASU are due by November 28, 2016.

**Other Resources:** Deloitte's September 23, 2016, [Heads Up](#).

## Employee Benefit Plans

### FASB Proposes Guidance on Employee Benefit Plans

**Affects:** All entities.

**Summary:** On July 28, 2016, the FASB issued a [proposed ASU](#) in response to an EITF consensus-for-exposure on an employee benefit plan's presentation and disclosure of interests in a master trust. The proposed ASU would:

- “[R]equire a plan’s interest in a master trust and any change in interest in the master trust to be presented in single line items in the statement of net assets available for benefits and in the statement of changes in net assets available for benefits.”
- “[R]equire all plans to disclose (1) their master trust’s other asset and liability balances and (2) the dollar amount of the plan’s interest in each of those balances.”
- “[N]ot require the plan to provide other applicable GAAP disclosures (for example, those required by [ASC 815] and [ASC 820]) for the underlying investments held by a master trust.”
- “[R]emove . . . redundancy and not require the 401(h) account investment disclosures to be provided in [a] health and welfare benefit plan’s financial statements.”
- “[R]equire [a] health and welfare benefit plan to disclose the name of the defined benefit pension plan in which those investment disclosures are provided.”

Comments on the proposed ASU were due by September 26, 2016.

**Other Resources:** Deloitte’s June 2016 [EITF Snapshot](#).

## Financial Statement Presentation

### FASB Proposes Concepts Statement on Presentation

**Affects:** All entities.

**Summary:** On August 11, 2016, the FASB issued an [ED](#) of a proposed concepts statement that would add a new chapter (Chapter 7) on presentation of financial information to the Board’s conceptual framework for financial reporting. The new chapter would address the information that entities should include in their general-purpose financial statements as well as “how appropriate presentation can contribute to achieving the objective [footnote omitted] of financial reporting.” The FASB plans to use the information in this chapter as a basis for developing future presentation requirements.

**Next Steps:** Comments on the ED are due by November 9, 2016.

**Other Resources:** For more information, see the [press release](#) and [FASB in Focus](#) newsletter on the FASB’s Web site.

## Hedge Accounting

### FASB Proposes Targeted Improvements to Hedge Accounting\*

**Affects:** All entities.

**Summary:** On September 8, 2016, the FASB issued a [proposed ASU](#) that would make targeted improvements to the accounting for hedging activities. Specifically, the proposal:

- Expands “the use of component hedging for both nonfinancial and financial risks.”
- Refines “the measurement techniques for hedged items in fair value hedges of benchmark interest rate risk.”
- Eliminates “the separate measurement and reporting of hedge ineffectiveness.”
- Requires “for cash flow and net investment hedges that all changes in fair value of the hedging instrument included in the hedging relationship be deferred in other comprehensive income and released to the income statement in the period(s) when the hedged item affects earnings.”
- Requires that “changes in the fair value of hedging instruments be recorded in the same income statement line item as the earnings effect of the hedged item.”
- Requires “enhanced disclosures to highlight the effect of hedge accounting on individual income statement line items.”

In addition, the proposal would simplify the application of hedge accounting by:

- “Providing more time for the completion of initial quantitative assessments of hedge effectiveness.”
- “Allowing subsequent assessments of hedge effectiveness to be performed on a qualitative basis when an initial quantitative test is required.”
- “Clarifying the application of the critical terms match method for a group of forecasted transactions.”
- “Allowing an institution that elects the shortcut method to continue hedge accounting by using a ‘long-haul’ method to assess hedge effectiveness if use of the shortcut method was not or no longer is appropriate after hedge inception.”



#### Editor's Note

The Board acknowledges that, unlike the existing hedge accounting model, its proposed model will defer the timing of recognition of any economic ineffectiveness arising from cash flow or net investment overhedges (and eliminate recognition of ineffectiveness arising from net investment underhedges); however, it believes that the new model will benefit constituents by (1) reducing the costs of administering a hedging program and (2) allowing users to more clearly identify how an entity's hedging program has affected its financial statements, thereby resulting in more decision-useful information.

**Next Steps:** Comments on the proposed ASU are due by November 22, 2016; however, for those who are interested in participating in public roundtable discussions on the proposal, the FASB has asked for comments by November 4, 2016.

**Other Resources:** Deloitte's September 14, 2016, [Heads Up](#). Also see the [press release](#) and [FASB in Focus](#) newsletter on the FASB's Web site.

## Income Taxes

### FASB Proposes Amendments to Income Tax Disclosure Requirements

**Affects:** All entities.

**Summary:** On July 26, 2016, the FASB issued a [proposed ASU](#) that would amend the income tax disclosure requirements in ASC 740. Although many of the proposed amendments would apply to all entities, certain would apply only to public business entities. All entities would be required to provide the following disclosures:

- “Description of an enacted change in tax law that is probable to have an effect on the reporting entity in a future period.”
- “Income (or loss) from continuing operations before income tax expense (or benefit) disaggregated between domestic and foreign.”
- “Income tax expense (or benefit) from continuing operations disaggregated between domestic and foreign.”
- “Income taxes paid disaggregated between domestic and foreign, and the amount of income taxes paid to any country that is significant to total income taxes paid.”
- “An explanation of circumstances that caused a change in assertion about the indefinite reinvestment of undistributed foreign earnings and the corresponding amount of those earnings.”
- “The aggregate of cash, cash equivalents, and marketable securities held by foreign subsidiaries.”

The following disclosure requirements would apply only to public business entities:

- “Within the reconciliation of the total amounts of unrecognized tax benefits at the beginning and end of the period, settlements using existing deferred tax assets separate from those that have been or will be settled in cash.”
- “The line items in the statement of financial position in which the unrecognized tax benefits are presented and the related amounts of such unrecognized tax benefits. If the unrecognized tax benefits are not presented in the statement of financial position, those amounts should be disclosed separately.”
- “The amount and explanation of the valuation allowance recognized and/or released during the reporting period.”
- “The total amount of unrecognized tax benefits that offsets the deferred tax assets for carryforwards.”

Comments on the proposed ASU were due by September 30, 2016.

**Other Resources:** Deloitte’s July 29, 2016, [Heads Up](#). Also see the [press release](#) and [FASB in Focus](#) newsletter on the FASB’s Web site.

## Insurance

### FASB Issues Proposed ASU on Long-Duration Insurance Contracts\*

**Affects:** All entities.

**Summary:** On September 29, 2016, the FASB issued a [proposed ASU](#) that would make targeted amendments to the accounting and disclosure model for long-duration insurance contracts under U.S. GAAP. The proposal would improve the following aspects of the financial reporting for such contracts:



- Measurement of the liability for future policy benefits.
- Market risk benefits.
- Deferred acquisition costs.
- Disclosures.

Specifically, the proposal aims to:

- “Improve the timeliness of recognizing changes in the liability for future policy benefits by requiring that updated assumptions be used to measure the liability for future policy benefits (that is, that assumptions be ‘unlocked’) and modify the rate used to discount future cash flows.”
- “Simplify and improve the accounting for certain options or guarantees embedded in variable contracts.”
- “Simplify the amortization of deferred acquisition costs.”
- “Improve the effectiveness of the required disclosures.”

**Next Steps:** Comments on the proposed ASU are due by December 15, 2016.

**Other Resources:** For more information, see the [press release](#) and *FASB in Focus* newsletter on the FASB’s Web site.

## Not-for-Profit Entities

### FASB Issues ASU on Not-for-Profit Financial Statements

**Affects:** NFPs.

**Summary:** On August 18, 2016, the FASB issued [ASU 2016-14](#), which simplifies how an NFP (1) classifies net assets and (2) presents information in financial statements. The purpose of the ASU is to improve “presentation and disclosures to help not-for-profits provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users.” According to the *FASB in Focus* newsletter on the ASU, the new standard addresses:

- “Complexity and understandability of net asset classifications.”
- “Deficiencies in information about liquidity and availability of resources.”
- “Lack of consistency in the type of information provided about expenses and investment return.”
- “Misunderstandings about and opportunities to enhance the utility of the statement of cash flows.”

**Next Steps:** The ASU is effective for annual reporting periods beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Earlier application is permitted for an annual fiscal period or for the first interim period within the fiscal year of adoption.

**Other Resources:** For more information, see the [press release](#), *FASB in Focus* newsletter, [cost-benefit analysis](#), and [video](#) discussion of the new standard on the FASB’s Web site.

## FASB Proposes Amendments to Consolidation Guidance for Not-for-Profit Entities

**Affects:** NFPs.

**Summary:** On August 3, 2016, the FASB issued a [proposed ASU](#) that would amend the consolidation guidance to clarify when an NFP that is a general partner should consolidate a for-profit limited partnership or similar legal entity. The proposal would retain certain guidance that was in ASC 810-20 before the effective date of ASU 2015-02 by including it in ASC 958-810. That guidance requires that an NFP that is a general partner of a for-profit limited partnership be presumed to control the for-profit limited partnership, regardless of the extent of its ownership interest, unless the presumption can be overcome. Like the guidance in ASC 810-20, the proposal indicates that the presumption can be overcome if the limited partners have either substantive kick-out rights or substantive participation rights.



### Editor's Note

ASU 2015-02 supersedes the guidance in ASC 810-20, thereby eliminating the presumption of control by the general partner, and adds new guidance to the general subsection of ASC 810-10 on when limited partners should consolidate a legal entity. This guidance presumes that a reporting entity would first navigate through the variable interest entity (VIE) subsection of ASC 810-10 before applying the guidance in the general subsection. However, since NFPs are generally outside the scope of the VIE subsection and the general subsection of ASC 810-10 (as amended by ASU 2015-02) does not address when a general partner should consolidate a limited partnership, questions have arisen regarding the application of the consolidation guidance to NFPs after the effective date of ASU 2015-02. The proposed ASU would resolve these questions by retaining the guidance in ASC 810-20 for NFPs and including it in ASC 958-810.

Comments on the proposed ASU were due by October 3, 2016.

**Other Resources:** Deloitte's August 5, 2016, [journal entry](#).

## Statement of Cash Flows

### FASB Issues ASU on Cash Flow Classification

**Affects:** All entities.

**Summary:** On August 26, 2016, the FASB issued [ASU 2016-15](#), which amends the guidance in ASC 230 on the classification of certain cash receipts and payments in the statement of cash flows. The primary purpose of the ASU is to reduce the diversity in practice that has resulted from the lack of consistent principles on this topic. The ASU's amendments add or clarify guidance on eight cash flow issues:

- Debt prepayment or debt extinguishment costs.
- Settlement of zero-coupon debt instruments or other debt instruments with coupon interest rates that are insignificant in relation to the effective interest rate of the borrowing.
- Contingent consideration payments made after a business combination.
- Proceeds from the settlement of insurance claims.
- Proceeds from the settlement of corporate-owned life insurance policies, including bank-owned life insurance policies.

- Distributions received from equity method investees.
- Beneficial interests in securitization transactions.
- Separately identifiable cash flows and application of the predominance principle.

**Next Steps:** For public business entities, the guidance in the ASU is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. For all other entities, it is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted for all entities. Entities must apply the guidance retrospectively to all periods presented but may apply it prospectively from the earliest date practicable if retrospective application would be impracticable.

**Other Resources:** Deloitte's August 30, 2016, [Heads Up](#).

## Technical Corrections

### FASB Proposes Additional Technical Corrections and Improvements to New Revenue Standard\*

**Affects:** All entities.

**Summary:** On September 19, 2016, the FASB issued a [proposed ASU](#) that would make certain technical corrections (i.e., minor changes) and improvements to its new revenue standard, ASU 2014-09. The proposal, which constitutes the second set of revenue-related technical corrections the FASB has exposed for comment this year, would affect the following aspects of the new revenue standard:

- Loan guarantee fees.
- Contract assets versus receivables.
- Refund liabilities.
- Advertising costs.

**Next Steps:** Comments on the proposed ASU are due by October 4, 2016.

**Other Resources:** Deloitte's September 20, 2016, [journal entry](#).

## International

### IASB Amends Insurance Contracts Standard\*

**Affects:** Entities reporting under IFRSs.

**Summary:** On September 12, 2016, the IASB published amendments to its insurance contracts standard, IFRS 4.

The amendments address concerns about the different effective dates of IFRS 9 and the IASB's forthcoming insurance contracts standard, which is expected to be issued as IFRS 17 in March 2017. The amendments provide two approaches:

- *Overlay approach* — Permits entities that issue insurance contracts within the scope of IFRS 4 to reclassify — from profit or loss to other comprehensive income — some of the income or expenses arising from designated financial assets. An entity would

apply the overlay approach retrospectively to qualifying financial assets when it first applies IFRS 9.

- *Deferral approach* — Temporary exemption from applying IFRS 9 for entities whose predominant activity is to issue contracts within the scope of IFRS 4. An entity would apply the deferral approach for annual periods beginning on or after January 1, 2018.

In addition, an entity is permitted to stop applying either approach before applying the new insurance contracts standard.

**Next Steps:** IFRS 17 is expected to become effective no sooner than 2020.

**Other Resources:** Deloitte's September 21, 2016, *IFRS in Focus*. Also see the [press release](#) on the IASB's Web site.

# Accounting — Other Key Developments

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## Banking

### OCC Updates Bank Accounting Advisory Series

**Affects:** Banking entities.

**Summary:** On August 18, 2016, the OCC released an [update](#) to its Bank Accounting Advisory Series (BAAS), which “expresses the office’s views on accounting topics relevant to national banks and federal savings associations.” The August 2016 update of the BAAS contains revisions related to the following topics:

- Contingencies.
- Fair value accounting.
- Deferred taxes.
- Transfers of financial assets and servicing.
- Acquisitions.

**Other Resources:** For more information, see the [press release](#) on the OCC’s Web site.

## Defined Benefit Plans

### Employers’ Accounting for Defined Benefit Plans — Alternatives for Applying Discount Rates in the Measurement of Benefit Cost Under a Bond-Matching Approach

**Affects:** All entities.

**Summary:** Some companies develop their discount rate assumption for measuring the projected benefit obligation or accumulated projected benefit obligation by using a bond-matching approach (sometimes also referred to as a hypothetical bond portfolio or a bond-model approach). In light of the SEC staff’s recent acceptance of the use of a spot rate approach for measuring interest cost by entities that develop their discount rate assumption by using a yield curve approach, entities and actuaries have been exploring whether other acceptable methods similar to the spot rate approach could be developed for entities that use a bond-matching approach to measure their defined benefit obligation.

In an August 2, 2016, meeting with representatives of the Big Four accounting firms and a large actuarial firm, the SEC staff stated that it objected to a proposed approach to adapting bond matching that would facilitate the use of a spot rate method for measuring interest cost. Under this approach, the implied spot rates at each maturity that are present in the entity-specific hypothetical bond portfolio for the measurement of the interest cost component of net periodic benefit cost would be derived and used in a manner similar to the spot rate approach.

**Other Resources:** Deloitte’s August 24, 2016, [Financial Reporting Alert](#).

## Revenue Recognition

### AICPA Publishes Working Drafts Related to Revenue Implementation Issues

**Affects:** Entities in various industries.

**Summary:** On July 5, 2016, the FinREC of the AICPA released for public comment its second set of working drafts on accounting issues associated with implementation of the FASB's May 2014 revenue standard, ASU 2014-09 (the first set was released in November 2015). The purpose of the working drafts is to help entities in various industries implement the requirements of the new standard, which will eliminate the bulk of the industry-specific revenue guidance when it becomes effective.

The working drafts apply to entities in nine industries: (1) [aerospace and defense](#), (2) [airlines](#), (3) [brokers and dealers in securities](#), (4) [engineering and construction contracting](#), (5) [gaming](#), (6) [health care](#), (7) [asset management](#), (8) [not-for-profit entities](#), and (9) [software](#).

Comments on these working drafts were due by September 1, 2016.

Further, on August 1, 2016, the AICPA's Telecommunication Entities Revenue Recognition Task Force released for public comment working drafts on the following two topics associated with implementation of the new revenue standard in the telecommunications sector: (1) [portfolio accounting](#) and (2) [contract costs](#). Comments on these working drafts were due by October 1, 2016.

**Other Resources:** For more information, see the [revenue recognition resource page](#) on the AICPA's Web site.

## XBRL

### FASB Releases Proposed 2017 Financial Reporting Taxonomy for Public Comment

**Affects:** All entities.

**Summary:** On September 1, 2016, the FASB released for public comment its proposed 2017 U.S. GAAP [financial reporting taxonomy](#), which "contains updates for accounting standards and other recommended improvements."

**Next Steps:** Comments on the proposed taxonomy are due by October 31, 2016. The final taxonomy is expected to be approved by the SEC in early 2017.

**Other Resources:** For more information, see the [press release](#) on the FASB's Web site. In addition, the FASB is also holding a [webcast](#) on October 4, 2016, to discuss taxonomy-related issues.

# Auditing Developments

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## AICPA

### AICPA Issues SSARS on Compilation of Pro Forma Financial Information\*

**Affects:** Entities that perform compilation engagements related to pro forma financial information.

**Summary:** On September 23, 2016, the ARSC of the AICPA issued [SSARS 22](#), which amends AR Section 120 to put its guidance on compilation of pro forma financial information into "clarity format." The revisions mark the completion of the AICPA's clarity project related to its SSARSs (i.e., its efforts to "make the standards easier to read, understand, and apply").

**Next Steps:** SSARS 22 "is effective for compilation reports on pro forma financial information dated on or after May 1, 2017."

### AICPA Issues Proposals on Cybersecurity Risk Management\*

**Affects:** Auditors.

**Summary:** On September 15, 2016, the ASEC of the AICPA issued the following EDs related to cybersecurity risk management:

- [Proposed Description Criteria for Management's Description of an Entity's Cybersecurity Risk Management Program](#) — "[I]ntended for use by management in designing and describing its cybersecurity risk management program and by public accounting firms to report on management's description."
- [Proposed Revision of Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy](#) — "[O]utlines revised AICPA trust services criteria for use by public accounting firms that provide advisory or attestation services to evaluate the controls within an entity's cyber risk management program."

**Next Steps:** Comments on both EDs are due by December 5, 2016.

**Other Resources:** For more information, see the [press release](#) on the AICPA's Web site.

### AICPA Issues Proposal on Auditor's Involvement With Exempt Offering Documents

**Affects:** Auditors.

**Summary:** On July 13, 2016, the ASB of the AICPA issued an ED of a [proposed SAS](#) that addresses the responsibilities of an auditor that is deemed "involved" with a document related to an exempt offering (i.e., a securities offering exempt from registration under the Securities Act of 1933). For auditor involvement to exist in such situations, the following two conditions would need to be met:

- "The auditor's report on financial statements or the auditor's review report on interim financial information is included or incorporated by reference in an exempt offering document."

- “The auditor performs one or more specified activities with respect to the exempt offering document. Specified activities which trigger involvement are included in the proposed SAS.”

**Next Steps:** Comments on the ED are due by October 13, 2016.

## **AICPA Proposes Revisions to Guidance on Supplementary Information**

**Affects:** Entities that provide accounting and review services.

**Summary:** On July 6, 2016, the ARSC of the AICPA issued an ED of a [proposed SSARS](#) that would amend the guidance in AR-C Section 90 on supplementary information accompanying reviewed financial statements. Specifically, the proposed SSARS would “clarify the definition of *supplementary information* and . . . revise the accountant’s reporting responsibilities when supplementary information accompanies reviewed financial statements and the accountant’s review report thereon.”

Comments on the ED were due by September 2, 2016.

## **AICPA Proposes Amendments to Going-Concern Guidance**

**Affects:** Auditors.

**Summary:** On July 5, 2016, the ASB of the AICPA issued a [proposed SAS](#) that would supersede SAS 126, which provides guidance on the auditor’s consideration of an entity’s ability to continue as a going concern, and would amend various sections of SAS 122. The proposal is part of an effort to converge the AICPA’s guidance with the IAASB’s ISAs. The amendments would affect:

- “Audits of special purpose frameworks and audits of single financial statements and specific elements, accounts, or items of a financial statement.”
- “Interim financial information.”

Comments on the ED were due by September 5, 2016.

## **PCAOB**

### **PCAOB Issues Annual Report on Interim Inspection Program for Broker-Dealers**

**Affects:** Auditors.

**Summary:** On August 18, 2016, the PCAOB issued an [annual report](#) on its interim inspection program for broker-dealers, which addresses audit deficiencies and independence findings the PCAOB discovered in audit firm inspections it conducted during 2015. Accounting areas in which the PCAOB noted deficiencies included revenue recognition, fair value measurements, risks of material misstatement due to fraud, the net capital rule, the customer protection rule, and engagement quality review.

**Other Resources:** For more information, see the [press release](#) and [fact sheet](#) on the PCAOB’s Web site.



## PCAOB Issues Staff Inspection Briefs Related to Audits of Public Companies and Broker-Dealers

**Affects:** Auditors.

**Summary:** On July 14, 2016, the PCAOB issued two inspection briefs that detail “the scope, focus, and objectives of its ongoing 2016 inspections” of auditors of (1) [public companies](#) and (2) [broker-dealers](#). Key focuses of the 2016 inspections include:

- Auditors of public companies:
  - Audit areas for which the PCAOB has identified “frequent and recurring deficiencies,” including (1) auditing ICFR; (2) assessing and responding to risks of material misstatement; and (3) auditing accounting estimates, including fair value measurement.
  - Economic developments that could affect audits, including (1) “the effect on multinational public companies of the recent significant appreciation in the U.S. dollar index,” (2) “merger and acquisition activity,” (3) the “search for higher yielding investment returns in a low interest rate environment,” and (4) “fluctuations in oil and natural gas prices.”
  - “Audits of certain areas that may involve significant judgment,” such as segment identification and disclosures, an entity’s ability to continue as a going concern, and income tax accounting and disclosures.
  - Auditors’ implementation of PCAOB Auditing Standard 2410 on related parties, which became effective for financial statement audits for fiscal years beginning on or after December 15, 2014.
  - “Audit procedures involving information technology,” such as “auditors’ use of software tools, and procedures to assess and address risks of material misstatement posed by cybersecurity.”
  - A firm’s system of quality control.
- Auditors of broker-dealers:
  - Independence of auditors.
  - “Financial statement areas with recurring deficiencies, including revenue, the assessment and response to risks of material misstatement due to fraud, financial statement presentation and disclosures, and fair value measurements.”
  - Audit procedures related to related-party transactions.
  - “Audit procedures on the supporting schedules to the financial statements.”
  - Attestation engagement procedures, including “the examination of compliance reports and the review of exemption reports.”
  - Engagement quality review.

**Other Resources:** For more information, see the press releases on the inspections of [public-company](#) and [broker-dealer](#) auditors on the PCAOB’s Web site.

## International

### IAASB Issues Discussion Paper on Credibility and Trust in Emerging Forms of External Reporting

**Affects:** All entities.

**Summary:** On August 18, 2016, the IAASB issued a [discussion paper](#) that explores how the credibility and trust in emerging forms of external reporting (e.g., integrated reporting) can be improved. Topics addressed in the discussion paper include:

- “[F]actors that can enhance credibility and trust, internally and externally, in relation to emerging forms of external reports.”
- “[T]ypes of professional services covered by the IAASB’s international standards most relevant to these reports, in particular assurance engagements.”
- “[K]ey challenges in relation to assurance engagements.”
- “[T]he type of guidance that might be helpful to support the quality of these assurance engagements.”

**Next Steps:** Comments on the discussion paper are due by December 15, 2016.

**Other Resources:** For more information, see the [press release](#) on IFAC’s Web site.

### IESBA Issues Standard on Responding to Noncompliance With Laws and Regulations

**Affects:** Professional accountants.

**Summary:** On July 14, 2016, the IESBA issued a [final pronouncement](#) that “sets out a framework to guide auditors and other professional accountants in what actions to take in the public interest when they become aware of a potential illegal act, known as non-compliance with laws and regulations . . . committed by a client or employer.” The standard “provides a clear pathway for auditors and other professional accountants to disclose potential non-compliance situations to appropriate public authorities in certain situations without being constrained by the ethical duty of confidentiality.”

**Other Resources:** For more information, see the [press release](#) and [at-a-glance document](#) on IFAC’s Web site.

# Governmental Accounting and Auditing Developments

## In This Section

- [FASAB](#)
  - [FASAB Issues Concepts Statement on Federal Financial Reporting\\*](#)
  - [FASAB Releases Exposure Draft on Leases\\*](#)
  - [FASAB Issues Guidance on Establishing Opening Balances for General Property, Plant, and Equipment](#)
- [GASB](#)
  - [GASB Issues Exposure Draft of Omnibus Statement\\*](#)
  - [GASB Proposes Guidance on Certain Debt Extinguishment Issues](#)
- [International](#)
  - [IPSASB Releases Guidance on Employee Benefits](#)
  - [IPSASB Amends Guidance on Impairment of Revalued Assets](#)
  - [IPSASB Issues Consultation Paper on Accounting for Public-Sector Financial Instruments](#)

## FASAB

### FASAB Issues Concepts Statement on Federal Financial Reporting\*

**Affects:** Entities applying federal financial accounting standards.

**Summary:** On September 29, 2016, the FASAB issued an [ED](#) of a proposed concepts statement that requests feedback on the role of financial statements and RSI and how they are related to other reported financial information. Specific topics addressed in the ED include:

- The “content and presentation of financial statements and RSI for government-wide and component reporting entities.”
- The “presentation of budgetary information in component reporting entity financial statements and RSI.”
- The “presentation of performance information in financial statements and RSI.”
- “[S]ummary level information relating to financial statements and RSI.”

The purpose of the proposed concepts statement is to help the FASAB develop “reporting models for the government-wide and component reporting entities.”

**Next Steps:** Comments on the ED are due by January 6, 2017.

**Other Resources:** For more information, see the [press release](#) on the FASAB’s Web site.

### FASAB Releases Exposure Draft on Leases\*

**Affects:** Entities applying federal financial accounting standards.

**Summary:** On September 26, 2016, the FASAB released for public comment an [ED](#) that would revise the existing federal lease accounting standards “to provide relevant and meaningful financial information needed by federal financial statement users.” Specifically, “[t]he revised standard would include a comprehensive set of lease accounting standards to recognize federal lease activities in the reporting entity’s general purpose federal financial reports, as well as appropriate disclosures.”

**Next Steps:** Comments on the ED are due by January 6, 2017.

**Other Resources:** For more information, see the [press release](#) on the FASAB’s Web site.

### FASAB Issues Guidance on Establishing Opening Balances for General Property, Plant, and Equipment

**Affects:** Entities applying federal financial accounting standards.

**Summary:** On August 4, 2016, the FASAB issued [Statement 50](#), which amends its existing standards to permit entities that meet certain criteria “to apply alternative methods in establishing opening balances for general property, plant, and equipment (PP&E).” Such alternative methods would include “(1) using deemed cost to establish opening balances of general PP&E, (2) selecting between deemed cost and prospective capitalization of internal use software, and (3) allowing an exclusion of land and land rights from opening balances with disclosure of acreage information and expensing of future acquisitions.”

**Next Steps:** Statement 50 is effective for periods beginning after September 30, 2016. Early adoption is encouraged.

**Other Resources:** For more information, see the [press release](#) on the FASAB's Web site.

## **GASB**

### **GASB Issues Exposure Draft of Omnibus Statement\***

**Affects:** Entities reporting under financial accounting and reporting standards for state and local governments.

**Summary:** On September 26, 2016, the GASB issued an [ED](#) of an omnibus statement that addresses various “practice issues that have been identified during implementation and application of certain GASB Statements.” Topics covered in the ED include “issues related to component unit presentation, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits . . .).”

**Next Steps:** Comments on the ED are due by November 23, 2016.

**Other Resources:** For more information, see the [press release](#) on the GASB's Web site.

### **GASB Proposes Guidance on Certain Debt Extinguishment Issues**

**Affects:** Entities reporting under financial accounting and reporting standards for state and local governments.

**Summary:** On August 29, 2016, the GASB issued an [ED](#) that governmental entities “would apply when extinguishing debt prior to its maturity.” Specifically, the proposal would provide guidance on “transactions in which only existing resources are placed in a trust for the purpose of extinguishing debt.”

**Next Steps:** Comments on the ED are due by October 28, 2016.

**Other Resources:** For more information, see the [press release](#) on the GASB's Web site.

## **International**

### **IPSASB Releases Guidance on Employee Benefits**

**Affects:** Public-sector entities.

**Summary:** On July 28, 2016, the IPSASB issued [IPSAS 39](#), which supersedes the guidance on employee benefits in IPSAS 25. Specifically, the new IPSAS:

- Removes “an option that allowed an entity to defer the recognition of changes in the net defined benefit liability (the ‘corridor approach’).”
- Introduces “the net interest approach for defined benefit plans.”
- Amends “certain disclosure requirements for defined benefit plans and multi-employer plans.”
- Simplifies “the requirements for contributions from employees or third parties to a defined benefit plan when those contributions are applied to a simple contributory plan that is linked to service.”
- Removes “the requirements for Composite Social Security Programs.”

**Next Steps:** IPSAS 39 will become effective on January 1, 2018; early adoption is encouraged.

**Other Resources:** For more information, see the [press release](#) on IFAC's Web site.

## **IPSASB Amends Guidance on Impairment of Revalued Assets**

**Affects:** Public-sector entities.

**Summary:** On July 28, 2016, the IPSASB issued [amendments](#) that revise the guidance on impairment of revalued assets in IPSASs 21 and 26. The amendments "provide users with relevant information on impairment losses to property, plant, and equipment and intangible assets on the revaluation model [and clarify] that impairments to individual assets, or a group of assets within a class of property, plant, and equipment, in [IPSAS 17] do not necessitate a revaluation of the entire class to which that impaired asset or group of assets belongs."

**Next Steps:** The amendments will become effective on January 1, 2018.

**Other Resources:** For more information, see the [press release](#) on IFAC's Web site.

## **IPSASB Issues Consultation Paper on Accounting for Public-Sector Financial Instruments**

**Affects:** Public-sector entities.

**Summary:** On July 27, 2016, the IPSASB published a [consultation paper](#) on accounting for public-sector financial instruments. Topics on which the consultation paper is requesting comment include currency in circulation, monetary gold, and the IMF Quota Subscription and special drawing rights.

**Next Steps:** Comments on the consultation paper are due by December 31, 2016.

**Other Resources:** For more information, see the [press release](#) on IFAC's Web site.

# Regulatory and Compliance Developments

## In This Section

- Corporate Governance
  - Group of CEOs Publishes Corporate Governance Principles
- SEC
  - SEC Issues Rules for Securities Clearing Agencies\*
  - SEC Reminds Registrants of Best Practices for Implementing New Revenue, Lease, and Credit Loss Accounting Standards\*
  - SEC Proposes to Shorten Standard Settlement Cycle for Broker-Dealer Securities Transactions\*
  - CAQ SEC Regulations Committee Releases Highlights of June 14, 2016, Joint Meeting With SEC Staff\*
  - SEC Staff Updates C&Dis\*
  - SEC Proposes Rule on Exhibit Hyperlinks
  - SEC Issues Final Rule Granting Regulatory Access to Data Held by Security-Based Swap Data Repositories
  - SEC Issues Final Rule for Investment Advisers
  - SEC Requests Comments on Certain Regulation S-K Disclosure Requirements
  - Controls and Non-GAAP Measures
  - SEC Proposes to Eliminate Outdated and Duplicative Disclosure Requirements
  - CAQ Releases Highlights of May 2016 Meeting Between IPTF and SEC Staff
  - SEC Issues Final Rule on Administrative Proceedings

## Corporate Governance

### Group of CEOs Publishes Corporate Governance Principles

**Affects:** All entities.

**Summary:** On July 27, 2016, a group of CEOs issued a set of “commonsense” [corporate governance](#) principles for public companies, boards of directors, and shareholders. The principles focus on the following topics:

- Composition, internal governance, and responsibilities of board of directors.
- Shareholder rights.
- Public reporting.
- Board leadership.
- Management — succession planning and compensation.
- Role of asset managers in corporate governance.

**Other Resources:** For more information, see the [press release](#).

## SEC

### SEC Issues Rules for Securities Clearing Agencies\*

**Affects:** SEC-registered clearing agencies.

**Summary:** On September 28, 2016, the SEC issued a [final rule](#) and [proposed rule](#) related to covered clearing agencies.

The final rule establishes “enhanced standards for the operation and governance” of covered clearing agencies. The final rule’s scope includes “SEC-registered securities clearing agencies that have been designated as systemically important by the Financial Stability Oversight Council . . . or that are involved in more complex transactions.” Such clearing agencies “will be subject to new requirements regarding, among other things, their financial risk management, governance, recovery planning, operations, and disclosures to market participants and the public.”

Under the proposed rule, a covered clearing agency would be defined as “any registered clearing agency that provides the services of a central counterparty, central securities depository, or a securities settlement system.” The proposal would also define various terms related to covered clearing agencies.

**Next Steps:** The final rule will become effective 60 days after the date of its publication in the *Federal Register*.

**Other Resources:** For more information, see the [press release](#) on the SEC’s Web site.

- [SEC Issues Final Rule on Regulation SBSR](#)
- [SEC Proposes Amendments to Broker-Dealers' Disclosures About Order Handling Information](#)

## SEC Reminds Registrants of Best Practices for Implementing New Revenue, Lease, and Credit Loss Accounting Standards\*

**Affects:** SEC registrants.

**Summary:** In recent speeches, the SEC staff has reminded registrants about best practices to follow in the periods leading up to the adoption of ASU 2014-09 (on revenue), ASU 2016-02 (on leases), and ASU 2016-13 (on credit losses). The staff's comments, which reiterated themes it has addressed over the past year, focused on internal controls over financial reporting, auditor independence, and disclosures related to implementation activities.

**Other Resources:** Deloitte's September 22, 2016, [Financial Reporting Alert](#).

## SEC Proposes to Shorten Standard Settlement Cycle for Broker-Dealer Securities Transactions\*

**Affects:** SEC registrants.

**Summary:** The SEC has issued a [proposed rule](#) that would "shorten the standard settlement cycle for most broker-dealer transactions from three business days after the trade date ('T+3') to two business days after the trade date ('T+2')." The purpose of the proposed amendments is "to reduce a number of risks, including credit risk, market risk, and liquidity risk and, as a result, reduce systemic risk for U.S. market participants."

**Next Steps:** Comments on the proposed rule are due 60 days after the date of its publication in the *Federal Register*.

**Other Resources:** For more information, see the [press release](#) on the SEC's Web site.

## CAQ SEC Regulations Committee Releases Highlights of June 14, 2016, Joint Meeting With SEC Staff\*

**Affects:** SEC registrants.

**Summary:** On September 15, 2016, the CAQ posted to its Web site the [highlights](#) of the June 14, 2016, CAQ SEC Regulations Committee joint meeting with the SEC staff. Topics discussed at the meeting include:

- Non-GAAP measures.



### Editor's Note

SEC scrutiny of non-GAAP measures continues, and the SEC staff has remarked publicly that the quarter after the issuance of the updated C&DIs would be "a great opportunity for companies to self-correct" any items considered in the C&DIs. The intense focus on these measures results from their increased use, the nature of the adjustments, and the progressively large difference between the amounts reported for GAAP measures and those reported for non-GAAP measures. See Deloitte's [A Roadmap to Non-GAAP Financial Measures](#) for additional information about the presentation and use of non-GAAP measures.

- Industry Guide 3 and revised FDIC coverage disclosures.
- Changes in ICFR in preparation for the adoption of the new revenue standard.
- The requirement to provide restated financial statements when a Form S-3 registration statement is filed after the registrant has filed its first Form 10-Q reflecting full retrospective adoption of the new revenue accounting standard.

- Transition questions related to the new leasing standard, ASU 2016-02.
- Differing adoption dates for ASU 2014-09.
- Implications of General Instruction A.4 of Form 10-K on Form S-3.

**Other Resources:** Deloitte's September 16, 2016, [journal entry](#).

## SEC Staff Updates C&DIs\*

**Affects:** SEC registrants.

**Summary:** In the third quarter of 2016, the staff in the SEC's Division of Corporation Finance issued the following C&DIs:

- [Question 103.11](#) related to filing Schedules 13D and 13G (Rule 13d-1) — Addresses whether a shareholder is exempt from filing on Schedule 13G on the basis of the provisions in the Hart-Scott-Rodino Act.
- [Questions 111.02, 125.13, 139.33, and 126.41](#) related to Securities Act sections and forms — Questions 111.02 and 125.13 pertain to an issuer's representation about the absence of a distribution of the securities received in an exchange. Questions 126.41 and 139.33 include guidance on self-directed "brokerage windows."
- [Question 140.02](#) related to Regulation S-K — Discusses how, in situations in which "a selling security holder is not a natural person," a registrant should "satisfy the obligation in Item 507 of Regulation S-K to disclose the nature of any position, office, or other material relationship that the selling security holder has had within the past three years with the registrant or any of its predecessors or affiliates."
- [Question 301.03](#) related to Regulation AB — Clarifies whether a funding-agreement-backed note with certain characteristics should be considered an "asset-backed security," as that term is defined in either Item 1101(c) of Regulation AB or Section 3(a)(79) of the Securities Exchange Act of 1934.

## SEC Proposes Rule on Exhibit Hyperlinks

**Affects:** SEC registrants.

**Summary:** On August 31, 2016, the SEC issued a [proposed rule](#) that would "require registrants that file registration statements and periodic and current reports that are subject to the exhibit requirements under Item 601 of Regulation S-K, or that file on Forms F-10 or 20-F, to include a hyperlink to each exhibit listed in the exhibit index of these filings." In addition, the hyperlinks must be in HTML format.

**Next Steps:** Comments on the proposed rule are due by October 27, 2016.

**Other Resources:** For more information, see the [press release](#) on the SEC's Web site.

## SEC Issues Final Rule Granting Regulatory Access to Data Held by Security-Based Swap Data Repositories

**Affects:** SEC registrants.

**Summary:** On August 29, 2016, the SEC issued a [final rule](#) that amends Rule 13n-4 of the Securities Exchange Act of 1934 to give certain regulators and other authorities access to security-based swap data repositories. Specifically, the final rule:



- Requires “either a memorandum of understanding or other arrangement between the Commission and the recipient of the data to address the confidentiality of the security-based swap data provided to the recipient.”
- Identifies “the five prudential regulators named in the statute, as well as the Federal Reserve banks and the Office of Financial Research, as being eligible to access data.”
- Addresses “factors that the Commission may consider in determining whether to permit other entities to access data.”

**Next Steps:** The final rule will become effective on November 1, 2016.

**Other Resources:** For more information, see the [press release](#) on the SEC’s Web site.

## SEC Issues Final Rule for Investment Advisers

**Affects:** SEC registrants.

**Summary:** On August 25, 2016, the SEC issued a [final rule](#) to improve the reporting and disclosure requirements for investment advisers. Specifically, the final rule amends:

- Form ADV to (1) require investment advisers to disclose additional information (e.g., about their “separately managed account business”), (2) include an approach under which “private fund adviser entities operating a single advisory business” can use a single Form ADV to register, and (3) make certain technical corrections to “Form ADV items and instructions.”
- Investment Advisers Act rules to (1) require advisers to maintain additional records of performance-related calculations and communications and (2) “remove transition provisions that are no longer necessary.”

**Next Steps:** The final rule will become effective on October 31, 2016, and advisers will need to begin complying with the amendments on October 1, 2017.

**Other Resources:** For more information, see the [press release](#) on the SEC’s Web site.

## SEC Requests Comments on Certain Regulation S-K Disclosure Requirements

**Affects:** SEC registrants.

**Summary:** On August 25, 2016, the SEC published a [request for comment](#) as part of its disclosure effectiveness initiative. The request for comment seeks feedback on certain disclosure requirements in Subpart 400 of Regulation S-K related to management, certain security holders, and corporate governance matters. The Commission plans to take the comments received into account when developing its study on Regulation S-K, which is required by the Fixing America’s Surface Transportation Act.

**Next Steps:** Comments are due by October 31, 2016.

**Other Resources:** For more information, see the [press release](#) on the SEC’s Web site.

## Controls and Non-GAAP Measures

**Affects:** SEC registrants.

**Summary:** In a [speech](#) on June 27, 2016, SEC Chair Mary Jo White reiterated the SEC’s concerns about practices that can result in misleading non-GAAP disclosures. She exhorted companies “to carefully consider [SEC guidance on this topic] and revisit their approach

to non-GAAP disclosures.” She also urged “that appropriate controls be considered and that audit committees carefully oversee their company’s use of non-GAAP measures and disclosures.”

**Other Resources:** Deloitte’s [A Roadmap to Non-GAAP Financial Measures](#). Also see Deloitte’s July 19, 2016, [Heads Up](#), which discusses the types of controls that could be established and provides high-level examples of control issues and related considerations associated with non-GAAP measures.

## SEC Proposes to Eliminate Outdated and Duplicative Disclosure Requirements

**Affects:** SEC registrants.

**Summary:** On July 13, 2016, the SEC issued a [proposed rule](#) that would amend certain of its disclosure requirements that may be redundant, duplicative, or outdated, or may overlap with other SEC, U.S. GAAP, or IFRS disclosure requirements. The proposal also seeks comment on whether certain of the SEC’s disclosure requirements that overlap with U.S. GAAP requirements should be retained, modified, eliminated, or referred to the FASB for potential incorporation into U.S. GAAP.

The proposed amendments are a step in the SEC’s ongoing [disclosure effectiveness](#) initiative, which is a broad-based review of the Commission’s disclosure, presentation, and delivery requirements for public companies. As part of the initiative, the SEC also issued a [concept release](#) in April of this year that sought feedback on modernizing certain business and financial disclosure requirements of Regulation S-K as well as a [request for comment](#) last September on the effectiveness of certain financial disclosure requirements in Regulation S-X.

The proposed amendments to the disclosure requirements would affect U.S. issuers, FPIs, investment advisers, investment companies, broker-dealers, and nationally recognized statistical rating organizations. The effect on each type of issuer varies depending on the amendment proposed. The SEC intends to improve the disclosure requirements and simplify registrants’ compliance efforts “without significantly altering the total mix of information” that is ultimately provided to investors.



### Editor’s Note

The implications of the proposal are likely to vary depending on the category of change (e.g., duplicate, overlapping, superseded). The effect of some changes may not be significant if their purpose is only to eliminate a duplicated or superseded requirement. Changes to address overlapping requirements could have a more significant effect since they can result in what the SEC describes as (1) disclosure location considerations and (2) bright-line threshold considerations.

**Next Steps:** Comments on the proposed rule were originally due by October 3, 2016. However, on September 23, 2016, the SEC extended the comment period. Comments are now due by November 2, 2016.

**Other Resources:** Deloitte’s July 18, 2016, [Heads Up](#). Also see the [press release](#) on the SEC’s Web site.

## CAQ Releases Highlights of May 2016 Meeting Between IPTF and SEC Staff

**Affects:** SEC registrants.

**Summary:** On July 18, 2016, the CAQ released [highlights](#) of the May 17, 2016, joint meeting between the SEC staff and the IPTF. Topics discussed at the meeting included:

- Monitoring inflation in certain countries.
- New NYSE rule related to interim financial information.
- “Updating annual financial statements for retrospective accounting that is first reflected in a full set of interim financial statements, that are not needed to meet nine-month financial statement timeliness requirements under Item 8.A.5 of Form 20-F.”
- “More current interim financial statements provided on a local GAAP basis (i.e., other than US GAAP or IFRS-IASB), that is not needed to meet nine-month financial statement timeliness requirements under Item 8.A.5 of Form 20-F.”
- “More current interim financial information provided on a local GAAP basis (other than IFRS-IASB or US GAAP), for an FPI that files its annual financial statements under IFRS-IASB.”
- “Period to be covered for changes in internal control over financial reporting in the first 10-K filed by an issuer that was previously an FPI filing annual reports on Form 20-F.”
- SEC staff matters, including disclosure effectiveness, non-GAAP measures, and XBRL IFRS briefing.

## SEC Issues Final Rule on Administrative Proceedings

**Affects:** SEC registrants.

**Summary:** On July 14, 2016, the SEC issued a [final rule](#) that amends its rules of practice related to administrative proceedings. According to SEC Chair Mary Jo White, this final rule will offer parties “additional opportunities to conduct depositions and add flexibility to the timelines of [the SEC’s] administrative proceedings, while continuing to promote the fair and timely resolution of the proceedings.”

The final rule became effective on September 27, 2016.

## SEC Issues Final Rule on Regulation SBSR

**Affects:** SEC registrants.

**Summary:** On July 13, 2016, the SEC issued a [final rule](#) that amends Regulation SBSR on the reporting and dissemination of security-based swap information. The purpose of the final rule, which implements requirements in Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, is to “increase transparency in the security-based swap market.”

**Next Steps:** The final rule will become effective on October 11, 2016.

**Other Resources:** For more information, see the [press release](#) on the SEC’s Web site.

## **SEC Proposes Amendments to Broker-Dealers' Disclosures About Order Handling Information**

**Affects:** Broker-dealers.

**Summary:** On July 14, 2016, the SEC issued a [proposed rule](#) that would enhance the requirements related to broker-dealers' disclosures about order handling information. Specifically, the proposal would require broker-dealers to "disclose the handling of institutional orders to customers" and to include additional information in their existing retail order disclosures.

Comments on the proposed rule were due by September 26, 2016.

**Other Resources:** For more information, see the [press release](#) on the SEC's Web site.

# Appendix A: Current Status of FASB Projects

This appendix summarizes the objectives,<sup>1</sup> current status, and next steps for the FASB's active standard-setting projects (excluding research initiatives).

| Project  | Description  | Status and Next Steps   |
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| <b>Recognition and Measurement Projects</b>  |  |   |
| Accounting for financial instruments: hedging  | The purpose of this project is to "make targeted improvements to the hedge accounting model based on the feedback received from preparers, auditors, users and other stakeholders."  | On September 8, 2016, the FASB issued a <a href="#">proposed ASU</a> that would make targeted improvements to the accounting for hedging activities. Comments are due by November 22, 2016. For more information, see Deloitte's September 14, 2016, <a href="#">Heads Up</a> .   |
| Accounting for goodwill impairment   | The objective of this project is to "reduce the cost and complexity of the subsequent accounting for goodwill by simplifying the impairment test . . . by removing the requirement to perform a hypothetical purchase price allocation when the carrying value of a reporting unit exceeds its fair value (step 2 of the impairment model in current GAAP)." | On May 12, 2016, the FASB issued a <a href="#">proposed ASU</a> that would simplify the subsequent measurement of goodwill by removing the requirement to compare the implied fair value of goodwill with its carrying amount. Under the proposed amendments, "an entity would perform its annual, or any interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount." The proposed ASU would also remove existing special requirements for reporting units with a zero or negative carrying amount. Comments on the proposed ASU were due by July 11, 2016. For more information, see Deloitte's May 24, 2016, <a href="#">Heads Up</a> .  |
| Accounting for identifiable intangible assets in a business combination for public business entities and not-for-profit entities | The purpose of the project is to "evaluate whether certain intangible assets should be subsumed into goodwill, with a focus on customer relationships and noncompete agreements."  | At its October 28, 2015, meeting, the FASB staff updated the Board on its research related to the initial recognition of customer-relationship intangible assets and noncompetition agreements. The Board decided to continue the project and directed the staff to perform additional research.  |
| Accounting for income taxes: intra-entity asset transfers  | The purpose of this project is to "simplify certain aspects of ASC 740 related to intra-entity differences between the tax basis of the assets in a buyer's tax jurisdiction and their cost as reported in the consolidated financial statements."   | <p>On January 22, 2015, the FASB issued an <a href="#">ED</a> that proposes (1) "to eliminate the exception in GAAP that prohibits recognizing current and deferred income tax consequences for an intra-entity asset transfer until the asset or assets have been sold to an outside party" and (2) "that an entity recognize the current and deferred income tax consequences of an intra-entity asset transfer when the transfer occurs." Comments on the ED were due by May 29, 2015.</p> <p>At its June 15, 2016, meeting, the FASB tentatively decided to proceed with the proposed amendment to remove the exception in ASC 740 that prohibits the immediate recognition of the tax consequences (both current and deferred) of intra-entity asset transfers, except for transfers of inventory. In addition, the Board decided what the final ASU's effective date will be and to permit early adoption. Further, the Board authorized the staff to draft a final ASU, which is expected to be issued in the fourth quarter of 2016. For more information, see Deloitte's June 16, 2016, <a href="#">journal entry</a>.</p> |

<sup>1</sup> The quoted material related to the projects' objectives is from the respective project pages on the FASB's Web site.

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| Accounting for interest income associated with the purchase of callable debt securities   | This project aims “to enhance the transparency and usefulness of the information provided in the notes to the financial statements about interest income on purchased debt securities and loans” and “will also consider targeted improvements regarding the accounting for the amortization of premiums for purchased callable debt securities.” | On September 22, 2016, the FASB issued a proposed ASU that would shorten the amortization period for investments in callable debt securities purchased at a premium by requiring that the premium be amortized to the earliest call date. Comments are due by November 28, 2016. For more information, see Deloitte’s September 23, 2016, <a href="#">Heads Up</a> .  |
| Accounting for service concession arrangements (EITF Issue 16-C)  | The purpose of this project is to resolve diversity in practice related to the accounting for service concession arrangements.  | On September 22, 2016, the EITF reached the following consensus-for-exposure for contracts within the scope of ASC 853: <ul style="list-style-type: none"> <li>• Under ASC 606, when it becomes effective, the grantor is always considered the operating entity’s customer.</li> <li>• Major maintenance that the operating entity performs to repair or maintain the asset owned by the grantor would be evaluated under the revenue model in ASC 606 when it becomes effective.</li> <li>• Other than transition disclosures, which would be similar to those required by ASC 606, no additional disclosures are necessary.</li> </ul> <p>The Board expects to issue a proposed ASU in the fourth quarter of 2016. For more information, see Deloitte’s September 2016 <a href="#">EITF Snapshot</a>.</p>    |
| Clarifying the definition of a business (phase 1)   | The purpose of this project is to “clarify the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses.”  | On November 23, 2015, the FASB issued a <a href="#">proposed ASU</a> to help entities evaluate whether to account for transactions as acquisitions (or disposals) of assets or as businesses. Under the proposal, “to be considered a business, a set [of assets and activities] must include, at a minimum, an input and a substantive process that together contribute to the ability to create outputs.” Comments on the proposal were due by January 22, 2016. For more information, see Deloitte’s December 4, 2015, <a href="#">Heads Up</a> .  |
| Clarifying the scope of ASC 610-20 and accounting for partial sales of nonfinancial assets (formerly clarifying the definition of a business phase 2) | The purpose of this project is to clarify the scope of ASC 610-20 and the accounting for partial sales of nonfinancial assets.  | On June 6, 2016, the FASB issued a <a href="#">proposed ASU</a> that would amend the guidance on nonfinancial assets in ASC 610-20. The proposed amendments include: <ul style="list-style-type: none"> <li>• Clarifying the scope of ASC 610-20 to indicate that it applies to “the derecognition of all nonfinancial assets and in substance nonfinancial assets unless other specific guidance applies.”</li> <li>• Stipulating that “a distinct nonfinancial asset would be the unit of account for applying the nonfinancial asset derecognition guidance.”</li> <li>• Providing guidance on accounting for partial sales of nonfinancial assets.</li> </ul> <p>Comments on the proposed ASU were due by August 5, 2016. For more information, see Deloitte’s June 14, 2016, <a href="#">Heads Up</a>.</p> |
| Clarifying when a not-for-profit entity that is a general partner should consolidate a for-profit limited partnership (or similar entity)             | The purpose of this project is to clarify when a not-for-profit entity that is a general partner should consolidate a for-profit limited partnership (or similar entity).   | On August 3, 2016, the FASB issued a <a href="#">proposed ASU</a> that would amend the consolidation guidance for not-for-profit entities to clarify when a not-for-profit entity that is a general partner should consolidate a for-profit limited partnership or similar legal entity. Comments on the proposal were due by October 3, 2016. For more information, see Deloitte’s August 5, 2016, <a href="#">journal entry</a> .   |

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| Conceptual framework: measurement   | The objective of the conceptual framework project is “to develop an improved conceptual framework that provides a sound foundation for developing future accounting standards.”  | Beginning in 2014, the Board has deliberated measurement concepts, such as methods of determining initial carrying amounts of assets, liabilities, and equity. In addition, the Board has discussed concepts related to measuring changes in carrying amounts.  |
| Consolidation: interests held through related parties that are under common control | The purpose of this project is to address how a single decision maker that is determining whether it should consolidate another entity “should treat indirect interests held by its related parties when the decision maker and its related parties are under common control.” | <p>On June 23, 2016, the FASB issued a <a href="#">proposed ASU</a> related to the evaluation of whether a single decision maker is the primary beneficiary (PB) of a variable interest entity (VIE) when it holds indirect interests through related parties that are under common control. Comments on the proposal were due by July 25, 2016.</p> <p>On August 24, 2016, the Board discussed a summary of comments received and decided that when determining whether a single decision maker is the PB of a VIE, the single decision maker will no longer be required to consider indirect interests held through related parties that are under common control with the single decision maker to be the equivalent of direct interests in their entirety. Instead, the single decision maker will include such interests on a proportionate basis. Further, the Board decided that the guidance will be effective for public business entities for annual periods beginning after December 15, 2016, including interim periods within those periods. For all other entities, the ASU will be effective for annual periods beginning after December 15, 2016, and interim periods within annual periods beginning after December 15, 2017. The Board directed the staff to prepare a final ASU for a vote by written ballot. The FASB expects to issue a final ASU in the fourth quarter of 2016. For more information, see Deloitte’s <a href="#">June 27, 2016</a>, and <a href="#">August 30, 2016</a>, journal entries.</p> |
| Insurance: targeted improvements to the accounting for long-duration contracts      | The purpose of this project is to “develop targeted improvements to insurance accounting. Those improvements may address recognition, measurement, presentation, and disclosure requirements for long-duration insurance contracts.”   | <p>At its February 24, 2016, meeting, the Board tentatively decided to require insurers to separately present (1) the carrying amount of the liability for market risk benefits in the statement of financial position and (2) changes in the fair value of that liability (excluding changes in an entity’s own credit) in the statement of operations. The FASB also tentatively approved proposed disclosure requirements related to (1) liabilities for future policy benefits, (2) policyholder account balances, (3) market risk benefits, (4) separate account liabilities, and (5) deferred acquisition costs. On March 23, 2016, the Board approved transition methods for the aforementioned disclosure requirements. For more information, see Deloitte’s <a href="#">November 20, 2014</a>; <a href="#">February 19, 2015</a>; <a href="#">July 24, 2015</a>; <a href="#">September 17, 2015</a>; <a href="#">October 29, 2015</a>; <a href="#">November 20, 2015</a>; <a href="#">February 26, 2016</a>; and <a href="#">March 25, 2016</a>, journal entries.</p> <p>On September 29, 2016, the FASB issued a <a href="#">proposed ASU</a>. Comments are due by December 15, 2016.</p>   |

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| Liabilities and equity: targeted improvements   | The purpose of this project is to “simplify the accounting guidance related to financial instruments with characteristics of liabilities and equity.”                          | On September 16, 2015, the Board tentatively decided to replace (1) the existing guidance on “down-round” features in ASC 815-40 with a new accounting model and (2) the indefinite deferrals in ASC 480-10 with scope exceptions that have the same applicability. At its July 19, 2016, meeting, the PCC recommended that the Board consider a disclosure-only private-company alternative for equity-classified instruments that have “down-round” features. The FASB expects to issue a proposed ASU in the fourth quarter of 2016. For more information, see Deloitte’s September 17, 2015, <a href="#">journal entry</a> .   |
| Nonemployee share-based payment accounting improvements                                     | The purpose of this project is “to reduce cost and complexity and improve the accounting for nonemployee share-based payment awards issued by public and private companies.”   | At its December 16, 2015, meeting, the FASB decided to add this project to its agenda. At its May 4, 2016, meeting, the Board tentatively decided to expand the scope of ASC 718 to include all share-based payment arrangements related to acquiring goods and services from nonemployees. At its June 15, 2016, meeting, the Board made tentative decisions about transition methods for applying the proposed guidance and disclosures. For more information, see Deloitte’s <a href="#">December 16, 2015</a> ; <a href="#">May 4, 2016</a> ; and <a href="#">June 15, 2016</a> , journal entries.   |
| Revenue recognition: grants and contracts by not-for-profit entities                        | The purpose of this project is to “improve and clarify existing guidance on revenue recognition of grants and contracts by not-for-profit entities.”                           | At its April 20, 2016, meeting, the FASB decided to add this project to its technical agenda. Stakeholders raised two main issues: (1) characterizing grants and contracts with governmental agencies and others as (a) reciprocal transactions (exchanges) or (b) nonreciprocal transactions (contributions) and (2) differentiating between conditions and restrictions for nonreciprocal transactions. At its June 15, 2016, meeting, the Board discussed the first of these issues and directed the staff to further explore an approach that would require not-for-profit entities to consider a grant (or similar contract) a reciprocal transaction in certain specified situations. On August 31, 2016, the Board discussed how to differentiate between conditions and restrictions for nonreciprocal transactions. No decisions were made. For more information, see Deloitte’s June 16, 2016, <a href="#">journal entry</a> . |
| Share-based payments: scope of modification accounting in ASC 718                           | This project is intended to reduce the cost and complexity of applying modification accounting in ASC 718.   | On August 31, 2016, the Board decided to add this project to its agenda to address when changes to share-based payment awards are within the scope of modification accounting in ASC 718.  |
| Subsequent accounting for goodwill for public business entities and not-for-profit entities | The objective of this project is to “evaluate whether additional changes need to be made to the subsequent accounting for goodwill beyond any changes to the impairment test.” | On October 28, 2015, the FASB decided on a phased approach that would simplify the accounting for goodwill for public business entities and not-for-profit entities. This is the second phase. (The purpose of the first phase is to simplify the goodwill impairment test.)   |
| Technical corrections and improvements  | The purpose of this project is to “provide regular updates and improvements to the [Codification] based on feedback received from constituents.”                               | On April 21, 2016, the FASB issued a <a href="#">proposed ASU</a> that would make minor changes to the <i>FASB Accounting Standards Codification</i> . Comments on the proposed ASU were due by July 5, 2016.  |



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| Technical corrections and improvements: revenue from contracts with customers | The purpose of the technical corrections and improvements project is to “provide regular updates and improvements to the [Codification] based on feedback received from constituents.” | On May 18, 2016, the Board issued a <a href="#">proposed ASU</a> that would make minor changes to the Board’s new revenue standard, ASU 2014-09. Comments on the proposal were due by July 2, 2016. On August 31, 2016, the Board affirmed its previous decisions on eight of the proposed technical corrections. On September 19, 2016, the FASB issued a <a href="#">proposed ASU</a> containing four additional proposed technical corrections; comments are due by October 4, 2016. For more information, see Deloitte’s <a href="#">May 19, 2016</a> ; <a href="#">September 1, 2016</a> ; and <a href="#">September 20, 2016</a> , journal entries. |
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## Presentation and Disclosure Projects

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| Conceptual framework: presentation | The objective of the conceptual framework project is to develop an improved conceptual framework that provides a sound foundation for developing future accounting standards. | On August 11, 2016, the FASB issued a <a href="#">proposed concepts statement</a> that would add a new chapter on presentation of financial statement information to the FASB’s conceptual framework. Comments are due by November 9, 2016. |
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| Disclosure framework | The disclosure framework project consists of two phases: (1) the FASB’s decision process and (2) the entity’s decision process. The overall objective of the project is to “improve the effectiveness of disclosures in notes to financial statements by clearly communicating the information that is most important to users of each entity’s financial statements. (Although reducing the volume of the notes to financial statements is not the primary focus, the Board hopes that a sharper focus on important information will result in reduced volume in most cases.)” | <p><b>FASB’s Decision Process</b></p> <p>On March 4, 2014, the FASB issued an <a href="#">ED</a> of a proposed concepts statement that would add a new chapter to the Board’s conceptual framework for financial reporting that contains a decision process for the Board and its staff to use in determining what disclosures should be required in notes to financial statements. Comments on the ED were due by July 14, 2014. For more information, see Deloitte’s March 6, 2014, <a href="#">Heads Up</a>. On September 24, 2015, the FASB issued an <a href="#">ED</a> of proposed amendments to chapter 3 of Concepts Statement 8 that would add a statement that materiality is a legal concept and include a brief summary of the U.S. Supreme Court’s definition of materiality. Comments were due by December 8, 2015.</p> <p><b>Entity’s Decision Process</b></p> <p>On September 24, 2015, the FASB issued a <a href="#">proposed ASU</a> that would amend the Codification to indicate that the omission of disclosures about immaterial information is not an accounting error. The proposal notes that materiality is a legal concept that should be applied to assess quantitative and qualitative disclosures individually and in the aggregate in the context of the financial statements taken as a whole. Comments were due by December 8, 2015. For more information, see Deloitte’s September 28, 2015, <a href="#">Heads Up</a>.</p> |
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| Disclosure framework: disclosure review — defined benefit plans | The purpose of this project is to improve the effectiveness of disclosure requirements that apply to defined benefit plans. | On January 26, 2016, the FASB issued a <a href="#">proposed ASU</a> that would modify the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. Comments on the proposal were due by April 25, 2016. For more information, see Deloitte’s January 28, 2016, <a href="#">Heads Up</a> . At its July 13, 2016, meeting, the FASB discussed feedback on its proposed ASU and directed its staff to conduct additional research. |
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| Disclosure framework: disclosure review — fair value measurement | The purpose of this project is to improve the effectiveness of fair value measurement disclosures. | On December 3, 2015, the FASB issued a <a href="#">proposed ASU</a> that would modify the disclosure requirements related to fair value measurement. Comments were due by February 29, 2016. At its June 1, 2016, meeting, the FASB discussed comments received on its proposed ASU and directed its staff to reach out to investors and other financial statement users regarding the proposal. For more information, see Deloitte’s December 8, 2015, <a href="#">Heads Up</a> . |
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| Disclosure framework: disclosure review — income taxes         | The purpose of this project is to improve the effectiveness of income tax disclosures.   | On June 26, 2016, the FASB released a <a href="#">proposed ASU</a> that would modify existing and add new income tax disclosure requirements. The proposed requirements include describing an enacted change in tax law; disaggregating certain income tax information between foreign and domestic; explaining the circumstances that caused a change in assertion about the indefinite reinvestment of undistributed foreign earnings; and disclosing the aggregate of cash, cash equivalents, and marketable securities held by foreign subsidiaries. Comments on the proposed ASU were due by September 30, 2016. For more information, see Deloitte's July 29, 2016, <a href="#">Heads Up</a> .   |
| Disclosure framework: disclosures — interim reporting          | The purpose of this project is to improve the effectiveness of interim disclosures.  | At its May 28, 2014, meeting, the FASB decided to amend ASC 270 "to reflect that disclosures about matters required to be set forth in annual financial statements should be provided on an updated basis in the interim report if there is a substantial likelihood that the updated information would be viewed by a reasonable investor as significantly altering the 'total mix' of information available to the investor."  |
| Disclosure framework: disclosure review — inventory            | The purpose of this project is to improve the effectiveness of inventory disclosures.  | On September 19, 2016, the FASB made a number of decisions about the items an entity should disclose about inventories. The Board directed the staff to draft a proposed ASU, which will have a 60-day comment period, for a vote by written ballot. The FASB expects to issue the proposed ASU in the fourth quarter of 2016.   |
| Disclosures by business entities about government assistance   | The purpose of this project is to "develop disclosure requirements about government assistance that improves the content, quality and comparability of financial information and financial statements and that is responsive to the emerging issues in the changing financial and economic environment in which reporting entities operate." | On November 12, 2015, the FASB issued a <a href="#">proposed ASU</a> that would increase financial reporting transparency by requiring specific disclosures about government assistance received by businesses. The objective of the proposed disclosure requirements is to enable financial statement users to better assess (1) the nature of the government assistance, (2) the accounting policies for the government assistance, (3) the impact of the government assistance on the financial statements, and (4) the significant terms and conditions of the government assistance arrangements. Comments on the proposed ASU were due by February 10, 2016.<br><br>At its June 8, 2016, meeting, the FASB made tentative decisions about the project's scope, whether to require disclosures about government assistance received but not recognized directly in the financial statements, and omission of information when restrictions preclude an entity from disclosing the information required. For more information, see Deloitte's November 20, 2015, <a href="#">Heads Up</a> and June 14, 2016, <a href="#">journal entry</a> . |
| Employee benefit plan master trust reporting (EITF Issue 16-B) | The purpose of this project is to improve the presentation and disclosure guidance for employee benefit plans that have investments held in master trusts.   | On July 28, 2016, the FASB issued a <a href="#">proposed ASU</a> in response to the EITF consensus-for-exposure on employee benefit plans' presentation and disclosures related to interests in a master trust. Comments on the proposed ASU were due by September 26, 2016. For more information, see Deloitte's June 2016 <a href="#">EITF Snapshot</a> .  |

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| Financial statements of not-for-profit entities (phase 2)  | The purpose of this project is to “reexamine existing standards for financial statement presentation by not-for-profit entities.”                                      | The FASB issued a <a href="#">proposed ASU</a> on April 22, 2015, on which comments were due by August 20, 2015. On October 28, 2015, the FASB discussed feedback received on the proposal and decided to split the project into two phases. The Board completed the first phase on August 18, 2016, when it issued <a href="#">ASU 2016-14</a> , which simplifies and improves how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance, and cash flows.<br><br>ASU 2016-14 indicates that the second phase of the project is “expected to address more protracted issues surrounding whether and how to define the term <i>operations</i> and align measures of operations (or financial performance) as presented in a statement of activities with measures of operations in a statement of cash flows.”  |
| Improving the presentation of net periodic pension cost and net periodic postretirement benefit cost | The purpose of this project is to “simplify and improve the reporting of net periodic pension cost and net periodic postretirement benefit cost (‘net benefit cost’).” | On January 26, 2016, the FASB issued a <a href="#">proposed ASU</a> that would require an entity to (1) disaggregate the current service cost component from the other components of net benefit cost and present it with other current compensation costs for the related employees in the income statement and (2) present the remaining components of net benefit cost elsewhere in the income statement and outside of income from operations, if such a subtotal is presented. In addition, the proposal would limit the portion of net benefit cost eligible for capitalization (e.g., as part of inventory or property, plant, and equipment) to the service cost component. Comments on the proposed ASU were due by April 25, 2016. On August 24, 2016, the Board discussed a summary of the comments it received on the proposed ASU. For more information, see Deloitte’s January 28, 2016, <a href="#">Heads Up</a> .   |
| Restricted cash (EITF Issue 16-A)  | The purpose of this project is to clarify the classification and presentation of changes in restricted cash in the statement of cash flows.                            | At its March 3, 2016, meeting, the EITF reached a consensus-for-exposure that an entity would include, in its cash and cash-equivalent balances in the statement of cash flows, amounts that are classified as restricted cash and restricted cash equivalents. Further, the Task Force decided that an entity would be required to reconcile the cash and cash-equivalent amounts in the statement of cash flows to the amounts in the statement of financial position. In addition, an entity would be required to disclose the nature of the restrictions.<br><br>On April 28, 2016, the FASB issued a <a href="#">proposed ASU</a> in response to the EITF’s consensus-for-exposure. Comments on the proposed ASU were due by June 27, 2016. On September 22, 2016, the EITF discussed the comment letters received and reached a final consensus. The FASB expects to issue a final ASU in the fourth quarter of 2016. For public business entities, the guidance related to the final consensus will be effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. For all other entities, it will be effective for annual periods beginning after December 15, 2018, and interim periods beginning after December 15, 2019. Early adoption of the guidance in the ASU will be permitted. A reporting entity will apply the guidance retrospectively. For more information, see Deloitte’s September 2016 <a href="#">EITF Snapshot</a> . |

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Simplifying the balance sheet classification of debt

The purpose of this project is to “reduce cost and complexity by replacing the fact-pattern specific guidance in GAAP with a principle to classify debt as current or noncurrent based on the contractual terms of a debt arrangement and an entity’s current compliance with debt covenants.”

At its January 28, 2015, meeting, the FASB tentatively decided to propose a new, principles-oriented approach for classifying debt as either current or noncurrent in an entity’s balance sheet. Further, the Board tentatively decided that an entity should classify debt as noncurrent when either or both of the following conditions are met: (1) the “liability is due to be settled more than 12 months (or beyond the operating cycle)” — whichever is greater — “after the reporting period” or (2) “the entity has a right to defer settlement of the liability for at least 12 months (or beyond its operating cycle [whichever is greater]) after the reporting period.” The Board also decided that the meaning of “right to defer” would be based on contractual legal rights rather than on the intentions of the borrower or lender. The presentation assessment would be performed as of the reporting date.

At its July 29, 2015, meeting, the FASB made tentative decisions related to scope, subjective acceleration clauses, waivers of debt covenant violations, recurring disclosures, and transition. In addition, the Board directed the staff to prepare a proposed ASU for a vote by written ballot. The FASB expects to publish the proposed ASU in the fourth quarter of 2016. For more information, see Deloitte’s [January 29, 2015](#), and [July 30, 2015](#), journal entries.

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# Appendix B: Significant Adoption Dates and Deadlines

The chart below illustrates significant adoption dates and deadline dates for FASB/EITF, AICPA, SEC, PCAOB, GASB, FASAB, and IASB/IFRIC standards and proposals. Content recently added or revised is highlighted in green.

| FASB/EITF   | Affects   | Status  |
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| <b>Final Guidance</b>   |   |   |
| ASU 2016-15, <i>Classification of Certain Cash Receipts and Cash Payments</i> — a consensus of the FASB Emerging Issues Task Force (issued August 26, 2016)                                       | All entities.   | For public business entities, the guidance in the ASU is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. For all other entities, it is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted for all entities. Entities must apply the guidance retrospectively to all periods presented but may apply it prospectively from the earliest date practicable if retrospective application would be impracticable.   |
| ASU 2016-14, <i>Presentation of Financial Statements of Not-for-Profit Entities</i> (issued August 18, 2016)  | Not-for-profit entities.  | Effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Application to interim financial statements is permitted but not required in the initial year of application. Early application is permitted. The amendments in the ASU should be initially adopted only for an annual fiscal period or for the first interim period within the fiscal year of adoption.  |
| ASU 2016-13, <i>Measurement of Credit Losses on Financial Instruments</i> (issued June 16, 2016)  | Entities holding financial assets and net investments in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. | For public business entities that are SEC filers, the amendments in the ASU are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other public business entities, the amendments in the ASU are effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. For all other entities, including not-for-profit entities and employee benefit plans within the scope of ASC 960 through ASC 965 on plan accounting, the amendments in the ASU are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. |
| ASU 2016-12, <i>Revenue From Contracts With Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients</i> (issued May 9, 2016)  | All entities.   | See status column for ASU 2014-09 below.  |
| ASU 2016-11, <i>Rescission of SEC Guidance Because of Accounting Standards Updates 2014-09 and 2014-16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting</i> (issued May 2, 2016) | All entities.   | Effective at the same time as ASU 2014-09 and ASU 2014-16.  |
| ASU 2016-10, <i>Identifying Performance Obligations and Licensing</i> (issued April 14, 2016)   | All entities.   | See status column for ASU 2014-09 below.  |

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| ASU 2016-09, <i>Improvements to Employee Share-Based Payment Accounting</i> (issued March 30, 2016)   | Entities that issue share-based payment awards to their employees.  | For public business entities, the amendments in the ASU are effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2016. For all other entities, the amendments are effective for annual periods beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted, including adoption in an interim period.   |
| ASU 2016-08, <i>Principal Versus Agent Considerations (Reporting Revenue Gross Versus Net)</i> (issued March 17, 2016)  | All entities.   | See status column for ASU 2014-09 below.  |
| ASU 2016-07, <i>Simplifying the Transition to the Equity Method of Accounting</i> (issued March 15, 2016)   | Entities that have an investment that becomes qualified for the equity method of accounting as a result of an increase in the level of ownership interest or degree of influence.   | All entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016. The amendments should be applied prospectively upon their effective date to increases in the level of ownership interest or degree of influence that result in the adoption of the equity method. Early adoption is permitted.   |
| ASU 2016-06, <i>Contingent Put and Call Options in Debt Instruments</i> — a consensus of the FASB Emerging Issues Task Force (issued March 14, 2016)  | Entities that are issuers of or investors in debt instruments (or hybrid financial instruments that are determined to have a debt host) with embedded call (put) options.   | For public business entities, the amendments in the ASU are effective for financial statements issued for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. For all other entities, the amendments in the ASU are effective for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted, including adoption in an interim period.                               |
| ASU 2016-05, <i>Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships</i> — a consensus of the FASB Emerging Issues Task Force (issued March 10, 2016)   | Reporting entities for which there is a change in the counterparty to a derivative instrument that has been designated as a hedging instrument under ASC 815.   | For public business entities, the amendments in the ASU are effective for financial statements issued for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. For all other entities, the amendments in the ASU are effective for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted, including adoption in an interim period.                               |
| ASU 2016-04, <i>Recognition of Breakage for Certain Prepaid Stored-Value Products</i> — a consensus of the FASB Emerging Issues Task Force (issued March 8, 2016)   | Entities that offer certain prepaid stored value products (e.g., prepaid gift cards issued on a specific payment network and redeemable at network-accepting merchant locations, prepaid telecommunication cards, and traveler's checks). | Effective for public business entities, certain not-for-profit entities, and certain employee benefit plans for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities, the amendments are effective for financial statements issued for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early application is permitted, including adoption in an interim period. |
| ASU 2016-03, <i>Intangibles — Goodwill and Other (Topic 350); Business Combinations (Topic 805); Consolidation (Topic 810); and Derivatives and Hedging (Topic 815): Effective Date and Transition Guidance</i> — a consensus of the Private Company Council (issued March 7, 2016) | Private entities.   | Effective upon issuance.  |

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| ASU 2016-02, <i>Leases</i> (issued February 25, 2016)  | All entities.   | <p>Effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, for any of the following:</p> <p>Public business entities.</p> <p>Not-for-profit entities that have issued, or are a conduit bond obligor for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market.</p> <p>Employee benefit plans that file financial statements with the SEC.</p> <p>For all other entities, the amendments in the ASU are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020.</p> <p>Early application of the amendments in the ASU is permitted for all entities.</p> |
| ASU 2016-01, <i>Recognition and Measurement of Financial Assets and Financial Liabilities</i> (issued January 5, 2016) | Entities that hold financial assets or owe financial liabilities. | <p>For public business entities, the amendments in the ASU are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. For all other entities, including not-for-profit entities and employee benefit plans within the scope of ASC 960 through ASC 965 on plan accounting, the amendments in the ASU are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. All entities that are not public business entities may adopt the amendments in the ASU earlier as of the fiscal years beginning after December 15, 2017, including interim periods within those fiscal years.</p>            |
| ASU 2015-17, <i>Balance Sheet Classification of Deferred Taxes</i> (issued November 20, 2015)                          | All entities.   | <p>For public business entities, the amendments in the ASU are effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. For all other entities, the amendments in the ASU are effective for financial statements issued for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early application is permitted for all entities as of the beginning of an interim or annual reporting period.</p>   |

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| ASU 2015-16, <i>Simplifying the Accounting for Measurement-Period Adjustments</i> (issued September 25, 2015)  | Entities that have reported provisional amounts for items in a business combination for which the accounting is incomplete by the end of the reporting period in which the combination occurs and during the measurement period have an adjustment to provisional amounts recognized. | For public business entities, the amendments in the ASU are effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. The amendments in the ASU should be applied prospectively to adjustments to provisional amounts that occur after the effective date of the ASU; early adoption is permitted for financial statements that have not been issued. For all other entities, the amendments in the ASU are effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. The amendments in the ASU should be applied prospectively to adjustments to provisional amounts that occur after the effective date of the ASU; early adoption is permitted for financial statements that have not yet been made available for issuance. |
| ASU 2015-14, <i>Revenue From Contracts With Customers (Topic 606): Deferral of the Effective Date</i> (issued August 12, 2015)   | All entities.   | See status column for ASU 2014-09 below.   |
| ASU 2015-12, <i>(Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient</i> — consensus of the FASB Emerging Issues Task Force (issued July 31, 2015) | Applies only to reporting entities within the scope of ASC 962 and ASC 965 that classify investments as fully benefit-responsive investment contracts.  | Effective for fiscal years beginning after December 15, 2015. Parts I and II of the ASU should be applied retrospectively to all periods presented. Part III of the ASU should be applied prospectively. Earlier application is permitted.   |
| ASU 2015-11, <i>Simplifying the Measurement of Inventory</i> (issued July 22, 2015)  | All entities.   | For public business entities, the amendments in the ASU are effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. For all other entities, the amendments in the ASU are effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. The amendments in the ASU should be applied prospectively, with earlier application permitted as of the beginning of an interim or annual reporting period.  |
| ASU 2015-10, <i>Technical Corrections and Improvements</i> (issued June 12, 2015)  | All entities.   | Amendments requiring transition guidance are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted. All other amendments became effective upon issuance of the ASU.  |
| ASU 2015-09, <i>Disclosures About Short-Duration Contracts</i> (issued May 21, 2015)   | All insurance entities that issue short-duration contracts as defined in ASC 944. The amendments do not apply to the holder (i.e., policyholder) of short-duration contracts.   | For public business entities, the amendments in the ASU are effective for annual periods beginning after December 15, 2015, and interim periods within annual periods beginning after December 15, 2016. For all other entities, the amendments in the ASU are effective for annual periods beginning after December 15, 2016, and interim periods within annual periods beginning after December 15, 2017. Early application is permitted.  |



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| ASU 2015-07, <i>Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)</i> — a consensus of the FASB Emerging Issues Task Force (issued May 1, 2015) | All entities.  | For public companies, the guidance in the ASU is effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. The effective date will be deferred by one year for private companies. Early adoption is permitted. The ASU should be applied retrospectively to all periods presented.  |
| ASU 2015-06, <i>Effects on Historical Earnings per Unit of Master Limited Partnership Dropdown Transactions</i> — a consensus of the FASB Emerging Issues Task Force (issued April 30, 2015)               | All entities.  | Effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. Early adoption is permitted. The ASU should be applied retrospectively to all financial statements presented.   |
| ASU 2015-05, <i>Customer's Accounting for Fees Paid in a Cloud Computing Arrangement</i> (issued April 15, 2015)   | All entities.  | For public business entities, the amendments in the ASU are effective for annual periods, including interim periods within those annual periods, beginning after December 15, 2015. For all other entities, the amendments are effective for annual periods beginning after December 15, 2015, and interim periods within annual periods beginning after December 15, 2016. Early adoption is permitted for all entities.  |
| ASU 2015-04, <i>Practical Expedient for the Measurement Date of an Employer's Defined Benefit Obligation and Plan Assets</i> (issued April 15, 2015)   | All entities.  | For public business entities, the amendments in the ASU are effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. For all other entities, the amendments in the ASU are effective for financial statements issued for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Early application is permitted.  |
| ASU 2015-03, <i>Simplifying the Presentation of Debt Issuance Costs</i> (issued April 7, 2015)   | All entities.  | For public business entities, the amendments in the ASU are effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. For all other entities, the amendments in the ASU are effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within fiscal years beginning after December 15, 2016. Early adoption is permitted for financial statements that have not been previously issued. |
| ASU 2015-02, <i>Amendments to the Consolidation Analysis</i> (issued February 18, 2015)  | Entities that are required to evaluate whether they should consolidate certain legal entities. | For public business entities, the amendments in the ASU are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2016, and for interim periods within fiscal years beginning after December 15, 2017. Early adoption, including adoption in an interim period, is permitted.   |
| ASU 2015-01, <i>Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items</i> (issued January 9, 2015)   | All entities.  | Effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. A reporting entity may apply the amendments prospectively. A reporting entity also may apply the amendments retrospectively to all prior periods presented in the financial statements. Early adoption is permitted provided that the guidance is applied from the beginning of the fiscal year of adoption.   |

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| ASU 2014-18, <i>Accounting for Identifiable Intangible Assets in a Business Combination</i> — a consensus of the Private Company Council (issued December 23, 2014)   | All entities except public business entities and not-for-profit entities, as those terms are defined in the ASC master glossary.   | The effective date depends on the timing of the first in-scope transaction. If the first in-scope transaction occurs in the first fiscal year beginning after December 15, 2015, the elective adoption will be effective for that fiscal year's annual financial reporting and all interim and annual periods thereafter. If the first in-scope transaction occurs in fiscal years beginning after December 15, 2016, the elective adoption will be effective in the interim period that includes the date of that transaction and subsequent interim and annual periods thereafter. Early application is permitted for any interim and annual financial statements that have not yet been made available for issuance. |
| ASU 2014-16, <i>Determining Whether the Host Contract in a Hybrid Financial Instrument Issued in the Form of a Share Is More Akin to Debt or to Equity</i> — a consensus of the FASB Emerging Issues Task Force (issued November 3, 2014)             | Entities that are issuers of, or investors in, hybrid financial instruments that are issued in the form of a share.  | For public business entities, the amendments in the ASU are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2015, and interim periods within fiscal years beginning after December 15, 2016. Early adoption, including adoption in an interim period, is permitted.  |
| ASU 2014-15, <i>Disclosure of Uncertainties About an Entity's Ability to Continue as a Going Concern</i> (issued August 27, 2014)   | All entities.  | Effective for annual periods ending after December 15, 2016, and interim periods thereafter. Early adoption is permitted.   |
| ASU 2014-14, <i>Classification of Certain Government-Guaranteed Mortgage Loans Upon Foreclosure</i> — a consensus of the FASB Emerging Issues Task Force (issued August 8, 2014)  | Creditors that hold government-guaranteed mortgage loans, including those guaranteed by the Federal Housing Administration and the U.S. Department of Veterans Affairs.  | For public business entities, the amendments in the ASU are effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2014. For all other entities, the amendments are effective for annual periods ending after December 15, 2015, and interim periods beginning after December 15, 2015. Early adoption, including adoption in an interim period, is permitted if the entity already has adopted ASU 2014-04.   |
| ASU 2014-13, <i>Measuring the Financial Assets and the Financial Liabilities of a Consolidated Collateralized Financing Entity</i> — a consensus of the FASB Emerging Issues Task Force (issued August 5, 2014)                                       | A reporting entity that is required to consolidate a collateralized financing entity under the variable interest entities subsections of ASC 810-10 when (1) the reporting entity measures all of the financial assets and the financial liabilities of that consolidated collateralized financing entity at fair value in the consolidated financial statements on the basis of other Codification topics and (2) the changes in the fair values of those financial assets and financial liabilities are reflected in earnings. | For public business entities, the amendments in the ASU are effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. For all other entities, the amendments are effective for annual periods ending after December 15, 2016, and interim periods beginning after December 15, 2016. Early adoption is permitted as of the beginning of an annual period.   |
| ASU 2014-12, <i>Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved After the Requisite Service Period</i> — a consensus of the FASB Emerging Issues Task Force (issued June 19, 2014) | Reporting entities that grant their employees share-based payments in which the terms of the award stipulate that a performance target that affects vesting could be achieved after the requisite service period.  | Effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. Early adoption is permitted. The effective date for public business entities is the same as that for all other entities.  |

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| <p>ASU 2014-10, <i>Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation</i> (issued June 10, 2014)</p> | <p>Development-stage entities under U.S. GAAP, and reporting entities that may hold an interest in an entity that is a development-stage entity.</p> | <p>For public entities, the ASU is effective for annual reporting periods beginning after December 15, 2014, and interim periods therein. For other entities, the ASU is effective for annual reporting periods beginning after December 15, 2014, and interim reporting periods beginning after December 15, 2015.</p> <p>For public business entities, the amendment eliminating the exception to the sufficiency-of-equity-at-risk criterion for development-stage entities in ASC 810-10-15-16 should be applied retrospectively for annual reporting periods beginning after December 15, 2015, and interim periods therein. For all other entities, the amendments to ASC 810 should be applied retrospectively for annual reporting periods beginning after December 15, 2016, and interim reporting periods beginning after December 15, 2017. Early application is permitted for any annual reporting period or interim period for which the entity's financial statements have not yet been made available for issuance.</p>   |
| <p>ASU 2014-09, <i>Revenue From Contracts With Customers</i> (issued May 28, 2014; effective date amended by ASU 2015-14, which was issued August 12, 2015)</p>                                      | <p>All entities.</p>   | <p>For public business entities, certain not-for-profit entities, and certain employee benefit plans, the ASU is effective for annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2017. Early application is permitted only as of annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2016.</p> <p>For all other entities, the ASU is effective for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. All other entities may apply the ASU early as of an annual reporting period beginning after December 15, 2016, including interim reporting periods within that reporting period. All other entities also may apply the guidance in the ASU early as of an annual reporting period beginning after December 15, 2016, and interim reporting periods within annual reporting periods beginning one year after the annual reporting period in which the entity first applies the guidance in the ASU.</p> |

### Projects in Request-for-Comment Stage

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| <p>Proposed ASU, <i>Technical Corrections and Improvements to Update No. 2014-09, Revenue From Contracts With Customers</i> (Topic 606) — <i>Additional Corrections</i> (issued September 19, 2016)</p> | <p>All entities.</p> | <p>Comments due October 4, 2016.</p>  |
| <p>Invitation to Comment, <i>Agenda Consultation</i> (issued August 4, 2016)</p>  | <p>All entities.</p> | <p>Comments due October 17, 2016.</p> |
| <p>Proposed Concepts Statement, <i>Concepts Statement 8</i> — Conceptual Framework for Financial Reporting — <i>Chapter 7: Presentation</i> (issued August 11, 2016)</p>                                | <p>All entities.</p> | <p>Comments due November 9, 2016.</p> |

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| Proposed ASU, <i>Targeted Improvements to Accounting for Hedging Activities</i> (issued September 8, 2016)           | All entities. | Comments due November 22, 2016. |
| Proposed ASU, <i>Premium Amortization on Purchased Callable Debt Securities</i> (issued September 22, 2016)          | All entities. | Comments due November 28, 2016. |
| Proposed ASU, <i>Targeted Improvements to the Accounting for Long-Duration Contracts</i> (issued September 29, 2016) | All entities. | Comments due December 15, 2016. |

| AICPA | Affects | Status |
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#### Final Guidance

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| SAS 131, <i>Amendment to Statement on Auditing Standards No. 122 Section 700, Forming an Opinion and Reporting on Financial Statements</i> (issued January 2016) | Auditors.   | Effective for financial statement audits for periods ending on or after June 15, 2016.   |
| SAS 130, <i>An Audit of Internal Control Over Financial Reporting That Is Integrated With an Audit of Financial Statements</i> (issued October 28, 2015)         | Auditors that perform integrated audits.  | Effective for integrated audits for periods ending on or after December 15, 2016.  |
| SSARS 22, <i>Compilation of Pro Forma Financial Information</i> (issued September 23, 2016)  | Entities that perform compilation engagements related to pro forma financial information. | Effective for compilation reports on pro forma financial information dated on or after May 1, 2017.                                    |
| SSARS 21, <i>Statements on Standards for Accounting and Review Services: Clarification and Recodification</i> (issued October 23, 2014)                          | Entities that perform accounting and review services.                                     | Effective for reviews, compilations, and engagements to prepare financial statements for periods ending on or after December 15, 2015. |

#### Projects in Request-for-Comment Stage

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| Proposed SAS, <i>Auditor Involvement With Exempt Offering Documents</i> (issued July 13, 2016)  | Auditors. | Comments due October 13, 2016. |
| Exposure Draft, <i>Proposed Revision of Trust Services Principles and Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy</i> (issued September 15, 2016) | Auditors. | Comments due December 5, 2016. |
| Exposure Draft, <i>Proposed Description Criteria for Management's Description of an Entity's Cybersecurity Risk Management Program</i> (issued September 15, 2016)                            | Auditors. | Comments due December 5, 2016. |

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#### Final Guidance

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| Final Rule, <i>Standards for Covered Clearing Agencies</i> (34-78961) (issued September 28, 2016)                       | SEC-registered clearing agencies. | Effective 60 days after the date of publication in the <i>Federal Register</i> . |
| Final Rule, <i>Access to Data Obtained by Security-Based Swap Data Repositories</i> (34-78716) (issued August 29, 2016) | SEC registrants.                  | Effective November 1, 2016.  |
| Final Rule, <i>Form ADV and Investment Advisers Act Rules</i> (IA-4509) (issued August 25, 2016)                        | SEC registrants.                  | Effective October 31, 2016.  |

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| Final Rule, <i>Regulation SBSR — Reporting and Dissemination of Security-Based Swap Information</i> (34-78321) (issued July 14, 2016)   | SEC registrants.  | Effective October 11, 2016.  |
| Final Rule, <i>Amendments to the Commission's Rules of Practice</i> (34-78319) (issued July 13, 2016)   | SEC registrants.  | Effective September 27, 2016.  |
| Final Rule, <i>Disclosure of Payments by Resource Extraction Issuers</i> (34-78167) (issued June 27, 2016)  | SEC registrants.  | Effective September 26, 2016.  |
| Final Rule, <i>Asset-Backed Securities Disclosure and Registration</i> (33-10099) (issued June 16, 2016)  | SEC registrants.  | Effective June 22, 2016.   |
| Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-10095) (issued June 13, 2016)   | SEC registrants.  | Effective July 1, 2016. The incorporation by reference of the EDGAR Filer Manual is approved by the director of the <i>Federal Register</i> as of July 1, 2016.  |
| Final Rule, <i>Trade Acknowledgment and Verification of Security-Based Swap Transactions</i> (34-78011) (issued June 8, 2016)   | SEC registrants.  | Effective August 16, 2016.   |
| Final Rule, <i>Changes to Exchange Act Registration Requirements to Implement Title V and Title VI of the JOBS Act</i> (33-10075) (issued May 3, 2016)  | SEC registrants.  | Effective June 9, 2016.  |
| Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-10071) (issued April 22, 2016)  | SEC registrants.  | Effective May 19, 2016.  |
| Final Rule, <i>Business Conduct Standards for Security-Based Swap Dealers and Major Security-Based Swap Participants; Correction</i> (34-77617 and 34-77617A) (issued April 14, 2016)   | Registered security-based swap dealers and registered major security-based swap participants. | Effective July 12, 2016.   |
| Final Rule, <i>Security-Based Swap Transactions Connected With a Non-U.S. Person's Dealing Activity That Are Arranged, Negotiated, or Executed by Personnel Located in a U.S. Branch or Office or in a U.S. Branch or Office of an Agent; Security-Based Swap Dealer De Minimis Exception</i> (34-77104) (issued February 10, 2016) | SEC registrants.  | Effective April 19, 2016. Entities must comply with the final rule by the later of (1) February 21, 2017, or (2) the SBS entity counting date, as defined in Section VII of the supplementary information. |
| Final Rule, <i>Regulation Systems Compliance and Integrity; Correction</i> (34-73639A) (issued December 22, 2015)   | SEC registrants.  | Effective December 30, 2015.   |
| Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-9987) (issued December 11, 2015)  | SEC registrants.  | Effective January 4, 2016.   |
| Final Rule, <i>Crowdfunding</i> (33-9974) (issued October 30, 2015)   | SEC registrants.  | The final rules and forms are effective May 16, 2016, except that instruction 3 adding part 227 and instruction 14 amending Form ID are effective January 29, 2016.  |

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| Final Rule, <i>Removal of Certain References to Credit Ratings and Amendment to the Issuer Diversification Requirement in the Money Market Fund Rule</i> (IC-31828) (issued September 16, 2015)                            | SEC registrants.  | Effective October 26, 2015; entities must comply with the final rule by October 14, 2016.  |
| Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-9911) (issued September 15, 2015)  | SEC registrants.  | Effective October 2, 2015.   |
| Final Rule, <i>Registration Process for Security-Based Swap Dealers and Major Security-Based Swap Participants</i> (34-75611) (issued August 5, 2015)  | Registered security-based swap dealers and registered major security-based swap participants. | Effective October 13, 2015.  |
| Final Rule, <i>Pay Ratio Disclosure</i> (33-9877) (issued August 5, 2015)  | SEC registrants.  | Effective for the first fiscal year beginning on or after January 1, 2017.   |
| Final Rule, <i>Credit Risk Retention</i> (34-73407) (issued October 22, 2014)  | SEC registrants.  | Effective February 23, 2015. Compliance with the rule with respect to asset-backed securities collateralized by residential mortgages is required beginning December 24, 2015. Compliance with the rule with regard to all other classes of asset-backed securities is required beginning December 24, 2016. |
| Interim Final Rule, <i>Adjustments to Civil Monetary Penalty Amounts</i> (33-10104) (issued June 27, 2016)   | SEC registrants.  | Effective August 1, 2016. Comments due August 15, 2016.  |
| Interim Final Rule, <i>Form 10-K Summary</i> (34-77969) (issued June 1, 2016)  | SEC registrants.  | Effective June 9, 2016.  |
| Interim Final Rule, <i>Simplification of Disclosure Requirements for Emerging Growth Companies and Forward Incorporation by Reference on Form S-1 for Smaller Reporting Companies</i> (33-10003) (issued January 13, 2016) | SEC registrants.  | Effective January 19, 2016.  |
| Interim Final Temporary Rule, <i>Extension of Exemptions for Security-Based Swaps</i> (33-9545) (issued February 5, 2014)  | SEC registrants.  | Effective February 10, 2014. The expiration dates in Interim Final Rule 240 under the Securities Act of 1933, Interim Final Rules 12a-11 and 12h-1(i) under the Securities Exchange Act of 1934, and Interim Final Rule 4d-12 under the Trust Indenture Act will be extended to February 11, 2017.           |

### Projects in Request-for-Comment Stage

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| Proposed Rule, <i>Exhibit Hyperlinks and HTML Format</i> (33-10201) (issued August 31, 2016)   | SEC registrants. | Comments due October 27, 2016.  |
| Request for Comment, <i>Request for Comment on Subpart 400 of Regulation S-K Disclosure Requirements Relating to Management, Certain Security Holders and Corporate Governance Matters</i> (33-10198) (issued August 25, 2016) | SEC registrants. | Comments due October 31, 2016.  |
| Proposed Rule, <i>Disclosure Update and Simplification</i> (33-10110) (issued July 13, 2016)   | SEC registrants. | Comments on the proposed rule were originally due by October 3, 2016. However, on September 23, 2016, the SEC extended the comment period. Comments are now due November 2, 2016. |

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| Proposed Rule, <i>Amendment to Securities Transaction Settlement Cycle</i> (34-78962) (issued September 28, 2016) | SEC registrants. | Comments due 60 days after the date of publication in the <i>Federal Register</i> . |
| Proposed Rule, <i>Definition of "Covered Clearing Agency"</i> (34-78963) (issued September 28, 2016)              | SEC registrants. | Comments due 60 days after the date of publication in the <i>Federal Register</i> . |

| PCAOB   | Affects                      | Status   |
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| <b>Final Guidance</b>   |                              |  |
| Release No. 2015-002, <i>Reorganization of PCAOB Auditing Standards and Related Amendments to PCAOB Standards and Rules</i> (issued March 31, 2015)   | Auditors of public entities. | Effective December 31, 2016. Auditors may use and reference the reorganized standards before the effective date, since the amendments do not substantively change the standards' requirements.   |
| Release No. 2015-008, <i>Improving the Transparency of Audits: Rules to Require Disclosure of Certain Audit Participants on a New PCAOB Form and Related Amendments to Auditing Standards</i> (issued December 15, 2015 and approved by the SEC on May 9, 2016) | Auditors of public entities. | Form AP disclosure regarding the engagement partner will be required for audit reports issued on or after January 31, 2017. Disclosure regarding other accounting firms will be required for audit reports issued on or after June 30, 2017. |

| GASB  | Affects                | Status   |
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| <b>Final Guidance</b>   |                        |  |
| Statement 82, <i>Pension Issues</i> — an amendment of GASB Statements No. 67, No. 68, and No. 73 (issued April 11, 2016)                  | Governmental entities. | Effective for reporting periods beginning after June 15, 2016, except for the requirements for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Early application is encouraged. |
| Statement 81, <i>Irrevocable Split-Interest Agreements</i> (issued March 29, 2016)  | Governmental entities. | Effective for periods beginning after December 15, 2016. Early application is encouraged.  |
| Implementation Guide No. 2016-1, <i>Implementation Guidance Update — 2016</i> (issued March 24, 2016)                                     | Governmental entities. | Effective for reporting periods beginning after June 15, 2016.   |
| Statement 80, <i>Blending Requirements for Certain Component Units</i> — an amendment of GASB Statement No. 14 (issued February 11, 2016) | Governmental entities. | Effective for reporting periods beginning after June 15, 2016. Early application is encouraged.  |

|   |                        |  |
|---|------------------------|--|
| Statement 79, <i>Certain External Investment Pools and Pool Participants</i> (issued December 23, 2015)                           | Governmental entities. | Effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. Early application is encouraged. |
| Statement 78, <i>Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans</i> (issued December 11, 2015) | Governmental entities. | Effective for reporting periods beginning after December 15, 2015. Early application is encouraged.  |
| Statement 77, <i>Tax Abatement Disclosures</i> (issued August 14, 2015)   | Governmental entities. | Effective for financial statements for periods beginning after December 15, 2015. Early application is encouraged.   |
| Statement 75, <i>Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions</i> (issued June 29, 2015)    | Governmental entities. | Effective for fiscal years beginning after June 15, 2017. Early application is encouraged.   |
| Statement 74, <i>Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans</i> (issued June 29, 2015)         | Governmental entities. | Effective for financial statements for fiscal years beginning after June 15, 2016. Early application is encouraged.  |

#### Projects in Request-for-Comment Stage

|  |                        |                                 |
|--|------------------------|---------------------------------|
| Proposed Statement, <i>Certain Debt Extinguishment Issues</i> (issued August 29, 2016) | Governmental entities. | Comments due October 28, 2016.  |
| Proposed Statement, <i>Omnibus 201X</i> (issued September 26, 2016)                    | Governmental entities. | Comments due November 23, 2016. |

#### FASAB

#### Affects

#### Status

#### Final Guidance

|  |                                   |   |
|--|-----------------------------------|---|
| Statement 50, <i>Establishing Opening Balances for General Property, Plant, and Equipment: Amending Statement of Federal Financial Accounting Standards (SFFAS) 6, SFFAS 10, SFFAS 23, and Rescinding SFFAS 35</i> (issued August 4, 2016) | U.S. federal government entities. | Effective for periods beginning after September 30, 2016. Early adoption is encouraged.       |
| Statement 49, <i>Public-Private Partnerships Disclosure Requirements</i> (issued April 27, 2016)   | U.S. federal government entities. | Effective for periods beginning after September 30, 2018. Early adoption is permitted.        |
| Statement 48, <i>Opening Balances for Inventory, Operating Materials and Supplies, and Stockpile Materials</i> (issued January 27, 2016)   | U.S. federal government entities. | Effective for periods beginning after September 30, 2016. Early implementation is encouraged. |
| Technical Release 16, <i>Implementation Guidance for Internal Use Software</i> (issued January 19, 2016)   | U.S. federal government entities. | Effective upon issuance.  |
| Statement 47, <i>Reporting Entity</i> (issued December 23, 2014)   | U.S. federal government entities. | Effective for periods beginning after September 30, 2017. Earlier application is prohibited.  |

#### Projects in Request-for-Comment Stage

|   |                                   |                               |
|---|-----------------------------------|-------------------------------|
| Proposed Concepts Statement, <i>Federal Financial Reporting</i> (issued September 29, 2016) | U.S. federal government entities. | Comments due January 6, 2017. |
| Exposure Draft, <i>Leases</i> (issued September 26, 2016)                                   | U.S. federal government entities. | Comments due January 6, 2017. |



| IASB/IFRIC  | Affects  | Status  |
|---|--|---|
| <b>Final Guidance</b>   |  |   |
| <i>Applying IFRS 9 Financial Instruments With IFRS 4 Insurance Contracts</i> — amendments to IFRS 4 (issued September 12, 2016)         | Entities reporting under IFRSs.                        | Effective at the same time as IFRS 9.   |
| <i>Classification and Measurement of Share-Based Payment Transactions</i> — amendments to IFRS 2 (issued June 20, 2016)                 | Entities reporting under IFRSs.                        | The amendments are effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted. If an entity applies the amendments for an earlier period, it must disclose that fact.   |
| <i>Clarifications to IFRS 15</i> (issued April 12, 2016)  | Entities reporting under IFRSs.                        | Effective for annual reporting periods beginning on or after January 1, 2018, which is the same effective date as that of IFRS 15. Earlier application is permitted.  |
| <i>Disclosure Initiative</i> — amendments to IAS 7 (issued January 29, 2016)  | Entities reporting under IFRSs.                        | The amendments are effective for annual periods beginning on or after January 1, 2017. Earlier application is permitted. Because the amendments are being issued less than one year before the effective date, entities need not provide comparative information when they first apply the amendments.  |
| <i>Recognition of Deferred Tax Assets for Unrealised Losses</i> — amendments to IAS 12 (issued January 19, 2016)                        | Entities reporting under IFRSs.                        | The amendments are effective for annual periods beginning on or after January 1, 2017; earlier application is permitted. As transition relief, an entity may recognize the change in the opening equity for the earliest comparative period in opening retained earnings on initial application without allocating the change between opening retained earnings and other components of equity. |
| IFRS 16, <i>Leases</i> (issued January 12, 2016)  | Entities reporting under IFRSs.                        | Effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that apply IFRS 15, <i>Revenue From Contracts With Customers</i> , on or before the date of initial application of IFRS 16.   |
| <i>Effective Date of Amendments to IFRS 10 and IAS 28</i> (issued December 17, 2015)  | Entities reporting under IFRSs.                        | The effective date of the September 2014 amendments to IFRS 10 and IAS 28 is deferred until “a date to be determined by the IASB.” The amendments should be applied prospectively.  |
| <i>2015 Amendments to the IFRS for SMEs</i> (issued May 21, 2015)   | Small and medium-sized entities reporting under IFRSs. | Effective January 1, 2017.  |
| <i>Disclosure Initiative</i> — amendments to IAS 1 (issued December 18, 2014)   | Entities reporting under IFRSs.                        | Effective for annual periods beginning on or after January 1, 2016. Earlier application is permitted. Entities are not required to disclose the information required by paragraphs 28–30 of IAS 8 in relation to these amendments.  |
| <i>Investment Entities: Applying the Consolidation Exception</i> — amendments to IFRS 10, IFRS 12 and IAS 28 (issued December 18, 2014) | Entities reporting under IFRSs.                        | Effective for annual periods beginning on or after January 1, 2016. Earlier application is permitted. If an entity applies those amendments for an earlier period, it must disclose that fact.  |
| <i>Annual Improvements to IFRSs: 2012–2014 Cycle</i> (issued September 25, 2014)  | Entities reporting under IFRSs.                        | Varies for each IFRS affected.  |

|   |                                 |   |
|---|---------------------------------|---|
| <i>Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture</i> — amendments to IFRS 10 and IAS 28 (issued September 11, 2014)               | Entities reporting under IFRSs. | The effective date has been deferred until a “date to be determined by the IASB.”   |
| <i>Equity Method in Separate Financial Statements</i> — amendments to IAS 27 (issued August 12, 2014)   | Entities reporting under IFRSs. | Effective for annual periods beginning on or after January 1, 2016. An entity must apply the amendments retrospectively in accordance with IAS 8. Earlier application is permitted. If an entity applies the amendments to an earlier period, it must disclose that fact. |
| IFRS 9, <i>Financial Instruments</i> (issued July 24, 2014)   | Entities reporting under IFRSs. | Effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.   |
| <i>Agriculture: Bearer Plants</i> — amendments to IAS 16 and IAS 41 (issued June 30, 2014)  | Entities reporting under IFRSs. | Effective for annual periods beginning on or after January 1, 2016. Earlier application is permitted.   |
| IFRS 15, <i>Revenue From Contracts With Customers</i> (issued May 28, 2014)   | Entities reporting under IFRSs. | Effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.   |
| <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> — amendments to IAS 16 and IAS 38 (issued May 12, 2014)                                       | Entities reporting under IFRSs. | Effective for annual periods beginning on or after January 1, 2016. Earlier application is permitted.   |
| <i>Accounting for Acquisitions of Interests in Joint Operations</i> — amendments to IFRS 11 (issued May 6, 2014)  | Entities reporting under IFRSs. | Effective for annual periods beginning on or after January 1, 2016. Earlier application is permitted.   |
| IFRS 14, <i>Regulatory Deferral Accounts</i> (issued January 30, 2014)  | Entities reporting under IFRSs. | Effective January 1, 2016. Earlier application is permitted.  |
| <b>Project in Request-for-Comment Stage</b>   |                                 |   |
| Exposure Draft ED/2016/1, <i>Definition of a Business and Accounting for Previously Held Interests</i> — proposed amendments to IFRS 3 and IFRS 11 (issued June 28, 2016) | Entities reporting under IFRSs. | Comments due October 31, 2016.  |

# Appendix C: Glossary of Standards and Other Literature

FASB Accounting Standards Update No. 2016-15, *Classification of Certain Cash Receipts and Cash Payments* — a consensus of the FASB Emerging Issues Task Force

FASB Accounting Standards Update No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*

FASB Accounting Standards Update No. 2016-13, *Measurement of Credit Losses on Financial Instruments*

FASB Accounting Standards Update No. 2016-02, *Leases*

FASB Accounting Standards Update No. 2015-02, *Amendments to the Consolidation Analysis*

FASB Accounting Standards Update No. 2014-09, *Revenue From Contracts With Customers*

FASB Proposed Accounting Standards Update, *Targeted Improvements to the Accounting for Long-Duration Contracts*

FASB Proposed Accounting Standards Update, *Targeted Improvements to Accounting for Hedging Activities*

FASB Proposed Accounting Standards Update, *Premium Amortization on Purchased Callable Debt Securities*

FASB Proposed Accounting Standards Update, *Technical Corrections and Improvements to Update No. 2014-09, Revenue From Contracts With Customers (Topic 606) — Additional Corrections*

FASB Proposed Accounting Standards Update, *Clarifying When a Not-for-Profit Entity That Is a General Partner Should Consolidate a For-Profit Limited Partnership or Similar Entity*

FASB Proposed Accounting Standards Update, *Employee Benefit Plan Master Trust Reporting* — a consensus of the FASB Emerging Issues Task Force

FASB Proposed Accounting Standards Update, *Changes to the Disclosure Requirements for Income Taxes*

FASB Accounting Standards Codification Subtopic 958-810, *Not-for-Profit Entities: Consolidation*

FASB Accounting Standards Codification Subtopic 810-20, *Consolidation: Control of Partnerships and Similar Entities*

FASB Accounting Standards Codification Subtopic 810-10, *Consolidation: Overall*

FASB Accounting Standards Codification Topic 820, *Fair Value Measurement*

FASB Accounting Standards Codification Topic 815, *Derivatives and Hedging*

FASB Accounting Standards Codification Topic 740, *Income Taxes*

FASB Accounting Standards Codification Topic 606, *Revenue From Contracts With Customers*

FASB Accounting Standards Codification Topic 230, *Statement of Cash Flows*

FASB Proposed Concepts Statement, *Concepts Statement 8* — Conceptual Framework for Financial Reporting — *Chapter 7: Presentation*

FASB Invitation to Comment, *Agenda Consultation*

AICPA Statement on Auditing Standards No. 126, *The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern*

AICPA Statement on Auditing Standards No. 122, *Statements on Auditing Standards: Clarification and Recodification*

AICPA Statement on Standards for Accounting and Review Services, *Compilation of Pro Forma Financial Information*

AICPA *Professional Standards*, AR Section 120, "Compilation of Pro Forma Financial Information"

AICPA *Professional Standards*, AR-C Section 90, "Review of Financial Statements"

AICPA Proposed Statement on Auditing Standards, *The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern*

AICPA Proposed Statement on Auditing Standards, *Auditor Involvement With Exempt Offering Documents*

AICPA Proposed Statement on Standards for Accounting and Review Services, *Amendment to Statement on Standards for Accounting and Review Services No. 21 Section 90, Review of Financial Statements*

AICPA Exposure Draft, *Proposed Description Criteria for Management's Description of an Entity's Cybersecurity Risk Management Program*

AICPA Exposure Draft, *Proposed Revision of Trust Services Criteria for Security, Availability, Processing Integrity, and Privacy*

AICPA Working Draft, *Telecommunications Revenue Recognition Implementation Issue No. 15-1 — Portfolio Accounting*

AICPA Working Draft, *Telecommunications Revenue Recognition Implementation Issue No. 15-4 — Accounting for Contract Costs*

PCAOB Auditing Standard No. 2410, *Related Parties*

PCAOB Release No. 2016-004, *Annual Report on the Interim Inspection Program Related to Audits of Brokers and Dealers*

SEC Regulation S-K, Item 601, "Exhibits"

SEC Regulation S-K, Item 507, "Selling Security Holders"

SEC Final Rule Release No. 34-78961, *Standards for Covered Clearing Agencies*

SEC Final Rule Release No. 34-78716, *Access to Data Obtained by Security-Based Swap Data Repositories*

SEC Final Rule Release No. 34-78321, *Regulation SBSR — Reporting and Dissemination of Security-Based Swap Information*

SEC Final Rule Release No. 34-78319, *Amendments to the Commission's Rules of Practice*

SEC Final Rule Release No. IA-4509, *Form ADV and Investment Advisers Act Rules*

SEC Proposed Rule Release No. 34-78963, *Definition of "Covered Clearing Agency"*

SEC Proposed Rule Release No. 34-78309, *Disclosure of Order Handling Information*

SEC Proposed Rule Release No. 33-10201, *Exhibit Hyperlinks and HTML Format*

SEC Proposed Rule Release No. 33-10110, *Disclosure Update and Simplification*

SEC Release No. 33-10198, *Request for Comment on Subpart 400 of Regulation S-K Disclosure Requirements Relating to Management, Certain Security Holders and Corporate Governance Matters*

SEC Release No. 33-10064, *Business and Financial Disclosure Required by Regulation S-K*

SEC Release No. 33-9929, *Request for Comment on the Effectiveness of Financial Disclosures About Entities Other Than the Registrant*

GASB Proposed Statement, *Certain Debt Extinguishment Issues*

GASB Proposed Statement, *Omnibus 201X*

FASAB Statement No. 50, *Establishing Opening Balances for General Property, Plant, and Equipment*

FASAB Proposed Concepts Statement, *Federal Financial Reporting*

FASAB Proposed Statement, *Leases*

IFRS 9, *Financial Instruments*

IFRS 4, *Insurance Contracts*

IAASB Discussion Paper, *Supporting Credibility and Trust in Emerging Forms of External Reporting: Ten Key Challenges for Assurance Engagements*

IESBA Final Pronouncement, *Responding to Non-Compliance With Laws and Regulations*

IPSASB Consultation Paper, *Public Sector Specific Financial Instruments*

IPSAS 39, *Employee Benefits*

IPSAS 26, *Impairment of Cash-Generating Assets*

IPSAS 25, *Employee Benefits*

IPSAS 21, *Impairment of Non-Cash-Generating Assets*

IPSAS 17, *Property, Plant and Equipment*

IPSASB Amendments, *Impairment of Revalued Assets* — amendments to IPSAS 21, *Impairment of Non-Cash-Generating Assets*, and IPSAS 26, *Impairment of Cash-Generating Assets*

# Appendix D: Abbreviations

| Abbreviation    | Definition   |
|-----------------|--|
| <b>AICPA</b>    | American Institute of Certified Public Accountants |
| <b>AR</b>       | Accounting and Review Services Standards           |
| <b>AR-C</b>     | Clarified Accounting and Review Services Standards |
| <b>ARSC</b>     | Accounting and Review Services Committee           |
| <b>ASB</b>      | Auditing Standards Board                           |
| <b>ASC</b>      | FASB Accounting Standards Codification             |
| <b>ASEC</b>     | Assurance Services Executive Committee             |
| <b>ASU</b>      | FASB Accounting Standards Update                   |
| <b>BAAS</b>     | Bank Accounting Advisory Series                    |
| <b>C&amp;DI</b> | compliance and disclosure interpretation           |
| <b>CAQ</b>      | Center for Audit Quality                           |
| <b>CEO</b>      | chief executive officer                            |
| <b>CFO</b>      | chief financial officer                            |
| <b>CPE</b>      | continuing professional education                  |
| <b>ED</b>       | exposure draft                                     |
| <b>EDT</b>      | Eastern Daylight Time                              |
| <b>EITF</b>     | Emerging Issues Task Force                         |
| <b>EST</b>      | Eastern Standard Time                              |
| <b>FASAB</b>    | Federal Accounting Standards Advisory Board        |
| <b>FASAC</b>    | Financial Accounting Standards Advisory Council    |
| <b>FASB</b>     | Financial Accounting Standards Board               |
| <b>FDIC</b>     | Federal Deposit Insurance Corporation              |
| <b>FinREC</b>   | Financial Reporting Executive Committee            |
| <b>FPI</b>      | foreign private issuer                             |
| <b>GAAP</b>     | generally accepted accounting principles           |
| <b>GASB</b>     | Governmental Accounting Standards Board            |

| Abbreviation    | Definition  |
|-----------------|---|
| <b>HTML</b>     | HyperText Markup Language                                 |
| <b>IAASB</b>    | International Auditing and Assurance Standards Board      |
| <b>IAS</b>      | International Accounting Standard                         |
| <b>IASB</b>     | International Accounting Standards Board                  |
| <b>ICFR</b>     | internal control over financial reporting                 |
| <b>IFAC</b>     | International Federation of Accountants                   |
| <b>IFRIC</b>    | IFRS Interpretations Committee                            |
| <b>IFRS</b>     | International Financial Reporting Standard                |
| <b>IMF</b>      | International Monetary Fund                               |
| <b>IPSAS</b>    | International Public Sector Accounting Standard           |
| <b>IPSASB</b>   | International Public Sector Accounting Standards Board    |
| <b>IPTF</b>     | International Practices Task Force                        |
| <b>ISA</b>      | International Standard on Auditing                        |
| <b>NFP</b>      | not-for-profit entity                                     |
| <b>NYSE</b>     | New York Stock Exchange                                   |
| <b>OCC</b>      | Office of the Comptroller of the Currency                 |
| <b>PCAOB</b>    | Public Company Accounting Oversight Board                 |
| <b>PP&amp;E</b> | property, plant, and equipment                            |
| <b>RSI</b>      | required supplementary information                        |
| <b>SAS</b>      | Statement on Auditing Standards                           |
| <b>SEC</b>      | Securities and Exchange Commission                        |
| <b>SSARS</b>    | Statement on Standards for Accounting and Review Services |
| <b>VIE</b>      | variable interest entity                                  |
| <b>XBRL</b>     | eXtensible Business Reporting Language                    |

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Conclusions of the FASB, GASB, IASB, and IFRS Interpretations Committee are subject to change at future meetings and generally do not affect current accounting requirements until an official position (e.g., Accounting Standards Update or IFRS) is issued. Official positions are determined only after extensive deliberation and due process, including a formal vote.

Further information about the standard setters can be found on their respective Web sites as follows: [www.fasb.org](http://www.fasb.org) (FASB); [www.fasb.org/eitf/agenda.shtml](http://www.fasb.org/eitf/agenda.shtml) (EITF); [www.aicpa.org](http://www.aicpa.org) (AICPA); [www.sec.gov](http://www.sec.gov) (SEC); <https://pcaobus.org/Pages/default.aspx> (PCAOB); [www.fasab.gov](http://www.fasab.gov) (FASAB); [www.gasb.org](http://www.gasb.org) (GASB); and [www.ifrs.org](http://www.ifrs.org) — or on [www.iasplus.com/en](http://www.iasplus.com/en) (IASB and IFRS Interpretations Committee).

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