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Accounting Roundup

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In This Issue

Welcome to the April 2016 edition of *Accounting Roundup*. Highlights of this issue include the following:

- The FASB's release of an ASU amending certain aspects of the guidance in ASU 2014-09 (the Board's new revenue standard) on (1) identifying performance obligations and (2) licensing.
- The IASB's issuance of a final standard clarifying the guidance in IFRS 15 (the IASB's counterpart revenue standard) on (1) identifying performance obligations, (2) principal-versus-agent considerations, and (3) licensing.
- The inaugural meeting of the FASB's credit losses TRG and the Board's decision to issue a final standard on credit impairment.
- The increased use and scrutiny of non-GAAP measures, including recent SEC comments on this topic.
- The SEC's release of a request for comment that seeks feedback on modernizing the business and financial disclosure requirements of Regulation S-K.

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.

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Deloitte Publications

Publication	Title	Affects
April 29, 2016, *Audit & Assurance Update*	*PCAOB Issues Proposal for Audits Involving Other Auditors*	Auditors.
April 21, 2016, *Heads Up*	*FASB Simplifies the Accounting for Share-Based Payments*	All entities.
April 18, 2016, *Heads Up*	*SEC Concept Release Seeks Comments on Regulation S-K*	SEC registrants.
April 15, 2016, *Heads Up*	*FASB Clarifies Guidance on Licensing and Identifying Performance Obligations*	All entities.
April 7, 2016, *Heads Up*	*Top 10 Questions to Ask When Using a Non-GAAP Measure*	SEC registrants.
April 2016 *TRG Snapshot*	*Meeting on Revenue: April 2016*	All entities.
April 2016 *TRG Snapshot*	*Meeting on Credit Losses: April 2016*	All entities.

Accounting — New Standards and Exposure Drafts

In This Section

Revenue Recognition

FASB Clarifies Guidance on Licensing and Identifying Performance Obligations

Affects: All entities.

Summary: On April 14, 2016, the FASB issued ASU 2016-10, which amends certain aspects of the guidance in ASU 2014-09 (the Board's new revenue standard) on (1) identifying performance obligations and (2) licensing. The amendments include the following:

- Identifying performance obligations:
  - *Immaterial promised goods or services* — Entities may disregard goods or services promised to a customer that are immaterial in the context of the contract.
  - *Shipping and handling activities* — Entities can elect to account for shipping or handling activities occurring after control has passed to the customer as a fulfillment cost rather than as a revenue element (i.e., a promised service in the contract).
  - *Identifying when promises represent performance obligations* — The new guidance refines the separation criteria for assessing whether promised goods and services are distinct, specifically the "separately identifiable" principle (the "distinct within the context of the contract" criterion) and supporting factors.
- Licensing implementation guidance:
  - *Determining the nature of an entity's promise in granting a license* — Intellectual property (IP) is classified as either functional or symbolic, and such classification should generally dictate whether, for a license granted to that IP, revenue must be recognized at a point in time or over time, respectively.
  - *Sales-based and usage-based royalties* — The sales-based and usage-based royalty exception applies whenever the royalty is predominantly related to a license of IP. The ASU therefore indicates that an "entity should not split a sales-based or usage-based royalty into a portion subject to the recognition guidance on sales-based and usage-based royalties and a portion that is not subject to that guidance."
  - *Restrictions of time, geographical location, and use* — The ASU's examples illustrate the distinction between restrictions that represent attributes of a license and provisions that specify that additional licenses have been provided.
  - *Renewals of licenses that provide a right to use IP* — Revenue should not be recognized for renewals or extensions of licenses to use IP until the renewal period begins.

The amendments reflect feedback received by the FASB-IASB joint revenue recognition transition resource group (TRG), which was formed to address potential issues associated with the implementation of the new revenue standard, as well as comments received from stakeholders on the FASB's proposed guidance.

> **Editor's Note:** The IASB has also issued clarifications to its counterpart revenue standard, IFRS 15, that address (1) identifying performance obligations, (2) principal-versus-agent considerations, and (3) licensing. For more information, see the "IASB Publishes Clarifications to IFRS 15" article below.

Next Steps: The ASU's effective date and transition provisions are aligned with the requirements in the FASB's new revenue standard, ASU 2014-09, which is not yet effective. For more information about these requirements, see Deloitte's May 28, 2014, *Heads Up*.

Other Resources: Deloitte's April 15, 2016, *Heads Up*.

Statement of Cash Flows

FASB Proposes Guidance on Restricted Cash

Affects: All entities.

Summary: On April 28, 2016, the FASB issued a proposed ASU on restricted cash in response to an EITF consensus-for-exposure. The proposed ASU would require an entity to include in its cash and cash-equivalent balances in the statement of cash flows those amounts that are deemed to be restricted cash and restricted cash equivalents. The proposal's primary purpose is to eliminate the diversity in practice related to how entities classify and present changes in restricted cash in the cash flow statement in accordance with ASC 230.

Next Steps: Comments on the proposed ASU are due by June 27, 2016.

Other Resources: Deloitte's March 2016 *EITF Snapshot*.

Technical Corrections

FASB Proposes Technical Corrections and Improvements to the Codification

Affects: All entities.

Summary: On April 21, 2016, the FASB issued a proposed ASU that would make certain technical corrections (i.e., minor changes, simplifications, and other enhancements) to the *FASB Accounting Standards Codification*. The technical corrections are divided into four main categories:

1. Amendments to align Codification wording with that in pre-Codification standards.
2. Corrections to references and clarification of guidance to avoid misapplication and misinterpretation.
3. Minor edits to simplify the Codification and thereby improve its usefulness.
4. Minor enhancements to Codification guidance that are not expected to have a significant effect on current practice.

Accounting topics that would be affected by the proposed amendments include insurance, troubled debt restructurings, fair value measurement, and transfers and servicing.

Next Steps: Comments on the proposed ASU are due by July 5, 2016.

International

IASB Publishes Clarifications to IFRS 15

Affects: Entities reporting under IFRSs.

Summary: On April 12, 2016, the IASB published final clarifications to its revenue standard, IFRS 15, which address (1) identifying performance obligations, (2) principal-versus-agent considerations, and (3) licensing. The amendments also provide some transition relief for modified contracts and completed contracts. Specific provisions of the amendments include the following:

- *Identifying performance obligations* — Clarification that the objective of the assessment of a promise to transfer goods or services to a customer is to determine whether the nature of the promise, within the context of the contract, is to transfer each of those goods or services individually or, instead, to transfer a combined item or items to which the promised goods or services are inputs.
- *Principal-versus-agent considerations* — Extension of the application guidance.

- *Licensing* — Clarification of whether an entity's promise to grant a license of its IP should be recognized as revenue at a point in time or over time on the basis of whether the licensor's ongoing activities significantly affect the IP.
- *Transition relief* — Two additional (optional) practical expedients.

Editor's Note: The FASB decided to publish more extensive amendments to its counterpart revenue standard, ASU 2014-09. Final amendments to the application guidance on principal-versus-agent considerations were published in March 2016 (ASU 2016-08), and an ASU on identifying performance obligations and licensing was issued in April 2016 (ASU 2016-10). Further, the FASB expects to publish a final standard on other narrow scope amendments and practical expedients in the second quarter of 2016.

Next Steps: The amendments are 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.

Other Resources: Deloitte's April 20, 2016, *IFRS in Focus*. Also see the press release and interview with Ian Mackintosh on the IASB's Web site.

Accounting — Other Key Developments

In This Section

Credit Losses

Credit Losses TRG Holds Inaugural Meeting; FASB Decides to Issue Final Standard on Credit Impairment

Affects: All entities.

Summary: On April 1, 2016, the credit losses TRG held its first public meeting with the FASB. At the meeting, the TRG and Board discussed various aspects of the draft measurement guidance from the upcoming standard — which will be codified in ASC 326-20 — to ensure that the guidance is understandable and operational and reflects the Board's decisions to date. The discussion included the TRG's observations on how an entity would estimate expected credit losses on loans, specifically with respect to the draft measurement guidance stating that an entity:

- May use various methods to determine its expectation of credit losses.
- "[W]ill not be required to forecast conditions over the entire life of a financial asset."
- "[H]as flexibility to determine the historical loss information to which it would revert and the method of reversion."
- "[S]hould incorporate information [into] its expectations of credit losses that [is] relevant to the entity and accessible without undue cost or effort"; external information that is "less relevant than an entity's own internal information" would be excluded.

The TRG agreed that these concepts from the draft measurement guidance are clear.

Editor's Note: The purpose of the credit losses TRG is similar to that of the TRG that the FASB and IASB established to discuss their joint revenue recognition standard. That is, it does not issue guidance but provides feedback on potential implementation issues associated with the FASB's upcoming standard on accounting for credit losses. By analyzing and discussing such issues, the TRG helps the Board determine whether it needs to take additional action, such as providing clarification or issuing other guidance. The credit losses TRG comprises financial statement preparers, auditors, users, and financial services regulators. FASB members attend the TRG's meetings. In addition, representatives from the SEC, PCAOB, Federal Reserve, OCC, FDIC, NCUA, and FHFA are invited to observe the meetings.

Further, at its April 27, 2016, meeting, the FASB discussed its credit impairment project and the progress of the credit losses TRG. The Board authorized the staff to draft a final standard and made tentative decisions related to (1) credit quality disclosures, (2) the effective date of the final standard and whether to permit early adoption, and (3) the costs and benefits of the final standard.

Next Steps: For public business entities that meet the definition of an SEC filer in U.S. GAAP, the final standard will be effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For public business entities that do not meet the definition of an SEC filer in U.S. GAAP, the final standard will be effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. For all other entities, the final standard will be effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years beginning after December 15, 2021. In addition, the Board decided that an entity will be permitted to early adopt the final standard for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years.

Other Resources: Deloitte's April 2016 *TRG Snapshot* and April 27, 2016, journal entry.

Non-GAAP Measures

Top 10 Questions to Ask When Using a Non-GAAP Measure

Affects: SEC registrants.

Summary: Recently, press coverage and SEC scrutiny of non-GAAP measures have exploded. The intense focus on these measures results from their increased use and prominence, the nature of the adjustments, and the progressively large difference between the amounts reported for GAAP measures and those reported for non-GAAP measures. For example, a study published by FactSet determined that for 2015, 67 percent of the companies in the Dow Jones Industrial Average reported non-GAAP earnings per share and, on average, that the difference between the GAAP and non-GAAP earnings per share for these companies was approximately 30 percent, representing a significant increase from approximately 12 percent in 2014.

SEC officials have commented on this sharp rise in the use of non-GAAP measures. In a recent speech, SEC Chief Accountant James Schnurr noted that the "SEC staff has observed a significant and, in some respects, troubling increase . . . in the use of, and nature of adjustments within, non-GAAP measures" as well as their prominence. He further noted that non-GAAP measures are intended to "supplement . . . not supplant" the information in the financial statements. His remarks build on recent comments by SEC Chair Mary Jo White at the U.S. Chamber of Commerce 2016 Capital Markets Summit, where she indicated that the use of non-GAAP measures is "something we are really looking at — whether we need to actually rein that in a bit even by regulation."

The rise in the number of comments issued to companies as part of the review process by the SEC's Division of Corporation Finance (the "Division") corresponds to the increase in the use of non-GAAP measures. The Division's recent comment letters have particularly focused on the use of non-GAAP measures in press releases. In many instances, the Division has asked companies to make sure that non-GAAP measures are not more prominent than GAAP measures. See Deloitte's *SEC Comment Letters — Including Industry Insights: What "Edgar" Told Us* for a more detailed discussion of trends identified in the SEC staff's comment letters on non-GAAP measures.

> **Editor's Note:** While such instances have been infrequent, the SEC has objected to the use of non-GAAP measures when they are potentially misleading. For example, in one comment letter, the SEC objected to a non-GAAP measure that excluded certain marketing expenses that were considered normal recurring operating cash expenditures.

Other Resources: Deloitte's April 7, 2016, *Heads Up*.

Revenue Recognition

First FASB-Only Revenue Recognition TRG Meeting Held

Affects: All entities.

Summary: On April 18, 2016, the TRG for revenue recognition, which was created by the FASB and IASB to address potential issues related to the implementation of the boards' new revenue standard, held its first FASB-only session. Topics discussed at the meeting included:

- Scope considerations related to incentive-based capital allocations, such as carried interests.
- Considering the class of customer in the evaluation of whether a customer option gives rise to a material right.
- Scope considerations for financial institutions.

- Evaluating how control is transferred over time.
- Treatment of contract assets in contract modifications.

Editor's Note: On January 21, 2016, the IASB announced that it has completed its decision-making process related to clarifying the new revenue standard and that it no longer plans to schedule TRG meetings for IFRS constituents. Therefore, TRG meetings will now be FASB-only; however, IASB staff members may participate as observers.

Next Steps: The revenue recognition TRG's next meeting is scheduled for July 25, 2016.

Other Resources: Deloitte's April 2016 *TRG Snapshot*.

SASB

SASB Issues Three Documents for Comment

Affects: All entities.

Summary: On April 7, 2016, the SASB issued the following three EDs for public comment as part of the second phase of its standards development:

- *Rules of Procedure* — This proposal would "establish the processes, practices, and procedures related to SASB's standard-setting activities." Such activities would include "development activities, ongoing consultation with corporate issuers and investors, and codification and ongoing maintenance of the Standards."
- *Conceptual Framework* — This ED would amend the SASB's existing conceptual framework "in accordance with the Rules of Procedure to focus on the fundamental principles that guide SASB's work [and] outlines SASB's purpose and role in the broader sustainability, accounting, and financial reporting arenas."
- *Sustainable Industry Classification System™* — This proposal requests feedback on a few amendments that would be in line with the SASB's "purpose of grouping related industries based on the similarities of their sustainability profiles and shared sustainability risks and opportunities."

Next Steps: Comments on all three EDs are due by July 6, 2016.

Other Resources: For more information, see the press release.

Auditing Developments

In This Section

AICPA

AICPA Clarifies and Recodifies Attestation Standards

Affects: Auditors that perform and report on examination, review, and agreed-upon procedures engagements.

Summary: In April 2016, the ASB of the AICPA issued SSAE 18, which marks the completion of the AICPA's project to redraft its attestation standards in a manner consistent with its clarity drafting conventions. As part of the redrafting process, the current "AT" sections have been recodified as "AT-C" sections to indicate that they have been clarified and to distinguish them from superseded sections. Improvements to the new sections include:

- Creating an objective for each AT-C section.
- Incorporating a definitions section into each AT-C section as appropriate.
- Differentiating "requirements from application and other explanatory material."
- Using an "A- prefix" to number "application and other explanatory material paragraphs . . . and presenting them in a separate section that follows the requirements section."
- Improving readability through the use of formatting techniques (e.g., bulleted lists).
- When relevant, including special considerations related to (1) "audits of smaller, less complex entities" and (2) "examination, review, or agreed-upon procedures engagements for governmental entities."

PCAOB

PCAOB Issues Practice Alert on Audit Document Alterations

Affects: Auditors.

Summary: On April 21, 2016, the PCAOB issued a staff audit practice alert that reminds auditors of serious disciplinary actions that can result from the improper alteration of audit documentation in connection with a PCAOB inspection or investigation. The alert notes that "[c]hanges and additions to audit documentation, if any, following the documentation completion date must be made strictly in accordance with AS 1215."

Other Resources: For more information, see the press release and *Enforcement Spotlight* on the PCAOB's Web site.

PCAOB Issues Staff Inspection Briefs

Affects: Auditors.

Summary: On April 19, 2016, the PCAOB issued the following two staff inspection briefs:

- *Preview of Observations From 2015 Inspections of Auditors of Issuers* — Notes that fewer audit deficiencies were identified in 2015 than in the previous year. The most frequent audit deficiencies involved (1) auditing internal control over financial reporting; (2) assessing and responding to risks of material misstatement; and (3) auditing accounting estimates, including fair value measurements.
- *Preview of Observations From 2015 Inspections of Auditors of Brokers and Dealers* — Indicates that there were "fewer independence impairments of auditors of broker-dealers [in 2015] than in prior years." However, deficiencies were observed in the following areas:

(1) auditor independence; (2) financial statement audit procedures; (3) audit procedures on the supplemental schedules to the financial statements; (4) the examination of compliance reports and the review of exemption reports under newly applicable PCAOB standards; and (5) engagement quality review.

Other Resources: For more information, see the issuer and broker-dealer inspection brief press releases on the PCAOB's Web site.

PCAOB Issues Proposal on Audits Involving Other Auditors

Affects: Auditors.

Summary: On April 12, 2016, the PCAOB issued a proposal for public comment that would "amend its auditing standards to strengthen the requirements that apply to audits that involve accounting firms and individual accountants outside the accounting firm that issues the audit report." The enhancements "are intended to increase the lead auditor's involvement in and evaluation of the work of other auditors, enhance the ability of the lead auditor to prevent or detect deficiencies in the work of other auditors, and facilitate improvements in the quality of the work of other auditors."

Next Steps: Comments on the proposal are due by July 29, 2016.

Other Resources: For more information, see Deloitte's April 29, 2016, *Audit & Assurance Update* as well as the press release and fact sheet on the PCAOB's Web site.

PCAOB Requests Comments on Engagement Quality Review Standard as Part of New Post-Implementation Review Program

Affects: Auditors that perform engagement quality reviews.

Summary: On April 6, 2016, the PCAOB issued a request for comment on the overall effect of Auditing Standard 7 (on engagement quality review) as part of its new post-implementation review (PIR) program. Topics on which the request for comment is seeking feedback include:

- Whether Auditing Standard 7 has achieved its objective.
- The standard's effect on "the credibility of financial reporting."
- The experiences of preparers, auditors, and audit committees with implementing the standard, including the costs and benefits of implementation.
- Whether the standard could be enhanced and, if so, how.

The purpose of the new PIR program is "to evaluate whether adopted rules and standards are accomplishing their intended purposes, and identify any unintended consequences, as well as gauge the overall effects of the rules or standards."

Next Steps: Comments are due by July 5, 2016.

Other Resources: For more information, see the press release and PIR page on the PCAOB's Web site.

Governmental Accounting and Auditing Developments

In This Section

FASAB

FASAB Issues Statement on Disclosure Requirements Related to Public-Private Partnerships

Affects: Entities applying federal financial accounting standards.

Summary: On April 27, 2016, the FASAB issued Statement 49, which "establishes principles" for disclosing information about public-private partnerships in a reporting entity's general-purpose federal financial reports. In addition to providing a definition of these partnerships, the Statement identifies "risk-based characteristics that need to exist before considering the [public-private partnership] arrangement or transaction for disclosure."

Next Steps: Statement 49 is effective for periods beginning after September 30, 2018. Early adoption is permitted.

Other Resources: For more information, see the press release on the FASAB's Web site.

GASB

GASB Issues Guidance on Pension Issues

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

Summary: On April 11, 2016, the GASB issued Statement 82, which addresses implementation issues related to certain aspects of the GASB's pension standards, including:

- Presenting "payroll-related measures in required supplementary information."
- Selecting "assumptions and the treatment of deviations from guidance in Actuarial Standards of Practice for financial reporting purposes."
- Classifying "payments made by employers to satisfy plan member contribution requirements."

Next Steps: Statement 82 is effective for reporting periods beginning after June 15, 2016. Early application is encouraged.

Other Resources: For more information, see the press release on the GASB's Web site.

International

IPSASB Removes Definition of Government Business Enterprise From IPSASs

Affects: Public-sector entities.

Summary: On April 21, 2016, the IPSASB issued a final pronouncement that eliminates the definition of government business enterprise (GBE) from IPSAS 1 and makes other related revisions to its IPSASs and RPGs. The amendments are being made in response to feedback indicating that the current GBE definition is overly ambiguous and difficult to interpret. The IPSASB has also revised the IPSAS preface to reflect these changes.

The amendments are effective as of December 31, 2015.

Other Resources: For more information, see the press release on IFAC's Web site.

IPSASB Publishes *Improvements to IPSAS 2015*

Affects: Public-sector entities.

Summary: On April 19, 2016, the IPSASB published *Improvements to IPSAS 2015*, which contains various amendments to IPSASs. The amendments can be divided into four categories:

- Consequential amendments related to chapters 1–4 of the conceptual framework.
- General IPSAS enhancements.
- Alignments with government finance statistics.
- Revisions to reflect changes related to the IASB's projects on annual improvements and narrow scope amendments.

Other Resources: For more information, see the press release on IFAC's Web site.

Regulatory and Compliance Developments

In This Section

SEC

SEC Staff Publishes C&DI on Form ABS-EE Filing

Affects: SEC registrants.

Summary: On April 28, 2016, the staff in the SEC's Division of Corporation Finance updated its C&DI related to Regulation AB to include guidance on filing asset-level disclosures on Form ABS-EE.

SEC Proposes National Market System Plan to Create a Consolidated Audit Trail

Affects: SEC registrants.

Summary: On April 27, 2016, the SEC issued for public comment a national market system (NMS) plan under which a consolidated audit trail (CAT) and other related data would be created, implemented, and maintained. The NMS plan describes how self-regulatory organizations and broker-dealers "would record and report information, including the identity of the customer, resulting in a range of data elements that together provide the complete lifecycle of all orders and transactions in the U.S. equity and options markets."

In her statement regarding the plan, SEC Chair Mary Jo White stated that the CAT "will generate enormous benefits for the SEC's mission of protecting investors, maintaining fair, orderly, and efficient markets, and facilitating capital formation."

Next Steps: Comments on the proposed plan 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.

SEC Updates EDGAR Filer Manual and Technical Specifications

Affects: SEC registrants.

Summary: On April 27, 2016, the SEC issued a final rule that updates its EDGAR System Filer Manual (Volume II) to include new submission forms related to the registration of security-based swap dealers and major security-based swap participants. In addition, the SEC has implemented XML technical specifications related to ABS asset data file types, Form 17-H, and SBS entity forms.

Other Resources: For more information, see the EDGAR page on the SEC's Web site.

SEC Announces Tool for Estimating Registration Fees

Affects: SEC registrants.

Summary: On April 18, 2016, the SEC announced the launch of a new online tool to help companies calculate registration fees for certain form submissions to its EDGAR System Filer Manual. The tool is "intended to improve the accuracy of fee calculations and minimize the need for corrections." It covers the most common filings companies use to register initial public offerings, debt offerings, asset-backed securities, closed-end mutual funds, limited partnerships, and small business investment companies.

Other Resources: For more information, see the press release on the SEC's Web site.

SEC Publishes Final Rules on Security-Based Swaps

Affects: SEC registrants.

Summary: On April 14, 2016, the SEC issued final rules on security-based swaps that "implement provisions of Title VII relating to business conduct standards and the designation of a chief compliance officer for security-based swap [SBS] dealers and major [SBS] participants." In addition, the rules address "the cross-border application of the rules and the availability of substituted compliance." The final rules include:

- *Rule 15Fh-1* — Defines the scope of the rules.
- *Rule 15Fh-2* — Defines terms used throughout the rules.
- *Rule 15Fh-3* — Addresses the business conduct requirements applicable to SBS entities.
- *Rule 15Fh-4* — Outlines unlawful activities for SBS entities and contains requirements for SBS dealers that advise special entities.
- *Rule 15Fh-5* — Provides requirements for SBS entities that act as counterparties to special entities.
- *Rule 15Fh-6* — Imposes pay-to-play restrictions on SBS dealers.
- *Rule 15k-1* — Outlines requirements for chief compliance officers.

Next Steps: The final rules will become effective on June 27, 2016.

Other Resources: For more information, see the speech by SEC Chair Mary Jo White on the SEC's Web site.

SEC Requests Comments on Regulation S-K

Affects: SEC registrants.

Summary: On April 13, 2016, the SEC issued a concept release that seeks feedback from constituents on modernizing certain business and financial disclosure requirements of Regulation S-K. The main requirements of Regulation S-K, which is the central repository for nonfinancial statement disclosure requirements for public companies, were established more than 30 years ago, and the modernization and optimization of these requirements may be called for as a result of evolving business models, new technology, and changing investor interests.

The release is part of 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. It follows the SEC's issuance last fall of a request for comment that sought feedback on the effectiveness of financial disclosure requirements in Regulation S-X that apply to certain entities other than the registrant.

Next Steps: Comments on the concept release are due by July 21, 2016.

Other Resources: Deloitte's April 18, 2016, *Heads Up*.

SEC Seeks Comments on PCAOB Rule on Inspections

Affects: SEC registrants.

Summary: On April 7, 2016, the SEC issued a notice to solicit public comments on the PCAOB's proposed amendments to Rule 4003 on frequency of inspections. The amendments would (1) eliminate triennial inspections of firms that play a substantial role in audits but do not issue audit reports and (2) eliminate references to "substantial role only" firms and modify other definitions.

Next Steps: Comments are due by May 4, 2016.

Appendix A: Current Status of FASB Projects

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

Project	Description	Status and Next Steps
Recognition and Measurement Projects		
Accounting for financial instruments	The overall purpose of the project is to "significantly improve the decision usefulness of financial instrument reporting for users of financial statements. [The FASB believes] that simplification of the accounting requirements for financial instruments should be an outcome of this improvement."	**Impairment** At its April 27, 2016, meeting, the FASB discussed its credit impairment project and the progress of the TRG on credit losses. The Board authorized the staff to draft a final standard and made tentative decisions related to (1) credit quality disclosures, (2) the effective date of the final standard and whether the guidance can be early adopted, and (3) the costs and benefits of the final standard. The final ASU is expected to be issued by the end of the second quarter of 2016. The FASB staff will continue to assess and present to the Board any additional issues identified during the drafting of the final ASU. For more information, see Deloitte's April 23, 2015; November 12, 2015; and April 27, 2016, journal entries. **Hedging** The Board is deliberating targeted improvements to the hedge accounting model under U.S. GAAP. At its June 29, 2015, and October 7, 2015, meetings, the Board made a number of tentative decisions that would significantly modify certain aspects of the existing hedge accounting model. The Board has directed its staff to (1) draft a proposed ASU, (2) prepare a cost-benefit analysis related to the proposed amendments, and (3) recommend a comment deadline. At its March 23, 2016, meeting, the Board made tentative decisions about transition. The proposed ASU is expected to be issued during the third quarter of 2016. For more information, see Deloitte's June 30, 2015, and October 16, 2015, journal entries.
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 October 28, 2015, the FASB decided to (1) prohibit not-for-profit entities from using the private-company alternative in ASU 2014-02, (2) require entities to write off all goodwill if a reporting unit has a zero or negative carrying value and it is more likely than not that goodwill is impaired, (3) retain current U.S. GAAP presentation requirements, and (4) require prospective application of the simplified impairment test. At its January 6, 2016, meeting, the FASB made tentative decisions about (1) reporting units with zero or negative carrying amounts, (2) disclosures, and (3) transition disclosures. The Board directed its staff to begin drafting a proposed ASU for a vote by written ballot. The proposed ASU is expected to be issued during the second quarter of 2016.
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.

[1] The quoted material related to the projects' objectives is from the respective project pages on the FASB's Web site.

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."	On January 22, 2015, the FASB issued an ED 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. At its October 7, 2015, meeting, the Board discussed stakeholders' comments on the ED and instructed the staff to conduct further research.
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."	At its March 18, 2015, meeting, the FASB added this project to its agenda. On September 16, 2015, the Board tentatively decided that for purchased callable debt securities, (1) premiums would be amortized to the first call date and (2) discounts would be amortized to the maturity date. For more information, see Deloitte's March 23, 2015, and September 17, 2015, journal entries.
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 proposed ASU 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, *Heads Up*.
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).	At its December 16, 2015, meeting, the FASB added this project to its agenda. At its March 30, 2016, meeting, the Board tentatively decided to reinstate the consolidation guidance from ASC 810-20 that was removed by ASU 2015-02. This guidance would now be housed in ASC 958-810. In addition, the FASB directed its staff to begin drafting a proposed ASU for a vote by written ballot. A proposed ASU is expected to be issued in the second quarter of 2016.
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 January 6, 2016, the Board made tentative decisions related to what types of transactions are partial sales, the partial sales model, the scope of ASC 610-20, and in-substance nonfinancial assets. At its February 17, 2016, meeting, the FASB made tentative decisions related to (1) undivided interests, (2) the unit of account in partial sales transactions, and (3) transition. At its April 20, 2016, meeting, the FASB discussed feedback it received from external reviewers on a draft of its proposed ASU, the comment period for the proposed guidance, and the results of its cost-benefit analysis. The Board directed its staff to draft a proposed ASU for a vote by written ballot. The proposed ASU is expected to be issued during the third quarter of 2016 for a 60-day comment period. For more information, see Deloitte's February 24, 2016, journal entry.

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."	At its January 20, 2016, meeting, the FASB tentatively decided to amend the guidance in ASC 810-10-25-42 by removing the last sentence that states, "Indirect interests held through related parties that are under common control with the decision maker should be considered the equivalent of direct interests in their entirety." The Board also instructed the staff to evaluate whether any amendments to the guidance in ASC 810-10 that addresses fees paid to decision makers or service providers are needed. The Board directed the staff to draft a proposed ASU for a vote by written ballot. The proposed ASU is expected to be released during the second quarter of 2016.
Improving the equity method of accounting	The purpose of this project is to simplify the equity method of accounting.	On November 19, 2015, the Board directed its staff to research additional alternatives for improving the equity method of accounting. (Separately, the FASB has decided to simplify the transition to the equity method of accounting.)
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."	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. The Board directed the staff to draft a proposed ASU for a vote by written ballot. The proposed ASU is expected to be issued during the third quarter of 2016. For more information, see Deloitte's November 20, 2014; February 19, 2015; July 24, 2015; September 17, 2015; October 29, 2015; November 20, 2015; February 26, 2016; and March 25, 2016, journal entries.
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. The FASB expects to issue a proposed ASU in the second quarter of 2016. For more information, see Deloitte's September 17, 2015, journal entry.
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. Board members expressed preferences for alternatives that would expand the scope of ASC 718 to either (1) include share-based payment transactions with nonemployees who provide services that are similar to those provided by employees or (2) include all share-based payment transactions related to acquiring goods or services with nonemployees. For more information, see Deloitte's December 16, 2015, journal entry.
Private companies: applying variable interest entity guidance to entities under common control (PCC Issue 15-02)	The purpose of this project is to develop examples of situations in which entities under common control would apply variable interest entity guidance.	At its December 4, 2015, meeting, the PCC voted to add to its agenda a project to address concerns with the application of the variable interest entity guidance to entities under common control that are not already addressed in ASC 810. For more information, see the PCC's December 4, 2015, agenda decision and April 12, 2016, media meeting recap.

Revenue recognition: identifying performance obligations and licenses	The purpose of this project is to clarify the guidance in ASC 606 related to identifying performance obligations and accounting for a license of intellectual property (IP).	On April 14, 2016, the FASB issued ASU 2016-10, which amends certain aspects of the Board's new revenue standard, specifically the standard's guidance on identifying performance obligations and the implementation guidance on licensing. The amendments in the ASU reflect feedback received by the FASB-IASB joint revenue recognition TRG as well as comments received from stakeholders on the FASB's proposed guidance. For more information, see Deloitte's April 15, 2016, *Heads Up*.
Revenue recognition: narrow-scope improvements and practical expedients	The purpose of this project is to provide narrow-scope amendments and certain practical expedients to clarify and address implementation issues related to ASC 606.	On September 30, 2015, the FASB issued a proposed ASU that would amend ASC 606 to clarify and provide practical expedients related to certain aspects of the new revenue recognition standard. Specifically, the proposal contains amendments related to (1) assessing the collectibility criterion, (2) presentation of sales taxes and similar taxes collected from the customer, (3) clarification of the measurement date and applicability of variable consideration in noncash consideration transactions, (4) a practical expedient for contract modifications when an entity adopts the new revenue standard, and (5) certain disclosure requirements for entities that elect to use the full retrospective transition method to adopt the new revenue standard. Comments on the proposed ASU were due by November 16, 2015. On February 10, 2016, the Board reaffirmed most of the amendments in the proposed ASU and directed the staff to draft a final ASU for a vote by written ballot. The final ASU is expected to be issued in the second quarter of 2016. For more information, see Deloitte's February 11, 2016, journal entry.
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 to its technical agenda revenue recognition of grants and contracts by not-for-profit entities. The Board directed the staff to further research the best ways to address issues identified by stakeholders.
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.) The Board plans to continue discussions at a future Board meeting.
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 proposed ASU that would make minor changes to the *FASB Accounting Standards Codification*. Comments on the proposed ASU are due by July 5, 2016.
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."	In the second quarter of 2016, the FASB expects to release a proposed ASU that would make technical corrections and improvements related to revenue recognition. At its March 9, 2016, meeting, the FASB tentatively decided to amend the requirements in ASC 606 related to disclosures about an entity's remaining performance obligations. For more information, see Deloitte's March 11, 2016, journal entry.

Presentation and Disclosure Projects		
Clarifying certain existing principles related to the statement of cash flows (EITF Issue 15-F)	The purpose of this project is "to reduce diversity in practice in financial reporting by clarifying certain existing principles in [ASC 230], including providing additional guidance on how and what an entity should consider in determining the classification of certain cash flows."	At its November 12, 2015, meeting, the EITF reached a consensus-for-exposure regarding the classification in the statement of cash flows of cash receipts and cash payments related to (1) debt prepayments or extinguishment costs, (2) settlement of zero-coupon bonds, (3) settlement of contingent consideration after a business combination, (4) proceeds from the settlement of insurance claims, (5) proceeds from the settlement of corporate-owned life insurance policies, (6) distributions from equity method investees, and (7) payments on a transferor's beneficial interests in securitized trade receivables. The EITF also reached a consensus-for-exposure to provide additional application guidance on the classification of cash flows. On January 29, 2016, the FASB issued an ED based on this consensus-for-exposure. Comments were due by March 29, 2016. For more information, see Deloitte's June 2015, September 2015, and November 2015 *EITF Snapshot* newsletters.
Conceptual framework: presentation and 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 presentation and measurement concepts, such as factors for aggregating individual assets, liabilities, equity, revenues, expenses, gains, and losses into line items, principles for subtotals, methods of determining initial carrying amounts and changes in carrying amounts.
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.)"	**FASB's Decision Process** On March 4, 2014, the FASB issued an ED 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, *Heads Up*. On September 24, 2015, the FASB issued an ED 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. **Entity's Decision Process** On September 24, 2015, the FASB issued a proposed ASU 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. For more information, see Deloitte's September 28, 2015, *Heads Up*. At its March 2, 2016, meeting, the FASB discussed comments received on the proposed ASU. No decisions were made.
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 proposed ASU 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, *Heads Up*. At its March 2, 2016, meeting, the FASB discussed comments received on the proposed ASU. No decisions were made.

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 proposed ASU that would modify the disclosure requirements on fair value measurements. Comments were due by February 29, 2016. For more information, see Deloitte's December 8, 2015, *Heads Up*.
Disclosure framework: disclosure review — income taxes	The purpose of this project is to improve the effectiveness of income tax disclosures.	At its October 21, 2015, meeting, the FASB made tentative decisions regarding income tax disclosure requirements, including those related to (1) income taxes paid, (2) deferred income taxes, (3) valuation allowances, and (4) income tax rate reconciliations. For more information, see Deloitte's August 28, 2015, and October 26, 2015, journal entries. At its March 23, 2016, meeting, the Board reversed certain prior decisions related to line item disclosure of deferred taxes and domestic income tax expense on foreign sourced earnings. The Board decided that private entities did not have to disclose certain information. The Board decided to require prospective transition for all income tax disclosures.
Disclosure framework — 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 — inventory	The purpose of this project is to improve the effectiveness of inventory disclosures.	On January 7, 2015, the FASB directed its staff "to begin pre-agenda research on a potential project related to disclosure requirements for [ASC] 705 and other Topics containing guidance on cost of sales or services when staff resources become available."
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.	At its April 20, 2016, meeting, the FASB decided to add to its agenda a project on improving the presentation and disclosure guidance for employee benefit plans that have investments held in master trusts. The Board referred this project to the EITF.

Financial statements of not-for-profit entities	The purpose of this project is to "reexamine existing standards for financial statement presentation by not-for-profit entities, focusing on improving: 1. Net asset classification requirements 2. Information provided in financial statements and notes about liquidity, financial performance, and cash flows."	The FASB issued an ED on April 22, 2015. Comments were due by August 20, 2015. On October 28, 2015, the FASB discussed feedback received on the ED and tentatively decided to split its redeliberations into two phases: (1) issues that do not depend on other projects and that the Board would consider finalizing in the near term and (2) proposed changes that the Board would most likely need more time to resolve. For more information, see Deloitte's May 8, 2015, *Heads Up*. On December 11, 2015, as part of the first phase of its project, the FASB made tentative decisions related to methods of presenting operating cash flows, the net asset classification scheme and related issues, and the provision of useful information for assessing liquidity. At its February 3, 2016, meeting, the FASB made tentative decisions related to (1) netting of external and direct internal investment expenses against investment return, (2) disclosure of netted investment expenses, (3) expenses by nature and analysis of expenses by function and nature, and (4) enhanced disclosures about cost allocations and improved guidance on management and general activities. At its March 2, 2016, meeting, the FASB made tentative decisions on (1) disclosures about operating measures and (2) information that can be used in the assessment of liquidity and resource availability. On March 24, 2016, the FASB decided to keep "the current requirement to report expenses by their functional classification either on the statement of activities or in the notes to the financial statements" and concluded that all expenses (other than netted investment expenses) should be reported "by function and nature in one location." At its March 30, 2016, meeting, as part of phase 1 of its project on the presentation of financial statements of not-for-profit entities, the FASB continued to redeliberate its proposed ASU and made tentative decisions about the transition provisions and effective date of its forthcoming standard. A final ASU on issues addressed in the first phase of the project is expected to be issued in the third quarter of 2016. For more information, see Deloitte's December 18, 2015; March 25, 2016; and April 4, 2016, journal entries.
Government assistance disclosures	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 proposed ASU 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. For more information, see Deloitte's November 20, 2015, *Heads Up*.

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 proposed ASU 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. For more information, see Deloitte's January 28, 2016, *Heads Up*.
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, either on the statement of cash flows or in the financial statement footnotes, the cash and cash-equivalent amounts in the statement of cash flows to the amounts in the statement of financial condition. In addition, an entity would be required to disclose the nature and types of restrictions on the amounts deemed to be restricted cash and restricted cash equivalents. The Task Force decided not to define restricted cash and restricted cash equivalents. The Task Force decided that the guidance would be applied retrospectively to all periods presented. On April 28, 2016, the FASB issued a proposed ASU in response to the EITF's consensus-for-exposure. Comments on the proposed ASU are due by June 27, 2016. For more information, see Deloitte's March 2016 *EITF Snapshot*.
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 third quarter of 2016. For more information, see Deloitte's January 29, 2015, and July 30, 2015, journal entries.

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
Final Guidance		
ASU 2016-10, *Revenue From Contracts With Customers: Identifying Performance Obligations and Licensing* (issued April 14, 2016)	Entities with transactions that are within the scope of ASC 606. The scope of that Codification topic includes entities that enter into contracts with customers to transfer goods or services (that are an output of the entity's ordinary activities) in exchange for consideration.	The amendments in the ASU affect the guidance in ASU 2014-09, which is not yet effective. The effective date and transition requirements for the amendments in the ASU are the same as the effective date and transition requirements in ASC 606 (and any other Codification topic amended by ASU 2014-09). ASU 2015-14 defers the effective date of ASU 2014-09 by one year.
ASU 2016-09, *Improvements to Employee Share-Based Payment Accounting* (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, *Revenue From Contracts With Customers: Principal Versus Agent Considerations (Reporting Revenue Gross Versus Net)* (issued March 17, 2016)	Entities that enter into contracts with customers to transfer goods or services (that are an output of the entity's ordinary activities) in exchange for consideration.	See status column for ASU 2014-09 below.
ASU 2016-07, *Investments — Equity Method and Joint Ventures: Simplifying the Transition to the Equity Method of Accounting* (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, *Derivatives and Hedging: Contingent Put and Call Options in Debt Instruments* — 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, *Derivatives and Hedging: Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships* — 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, *Liabilities — Extinguishments of Liabilities: Recognition of Breakage for Certain Prepaid Stored-Value Products* — 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, *Intangibles — Goodwill and Other; Business Combinations; Consolidation; and Derivatives and Hedging: Effective Date and Transition Guidance* — a consensus of the Private Company Council (issued March 7, 2016)	Private entities.	Effective upon issuance.
ASU 2016-02, *Leases* (issued February 25, 2016)	All entities.	Effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, for any of the following: • Public business entities. • 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. • Employee benefit plans that file financial statements with the SEC. 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. Early application of the amendments in the ASU is permitted for all entities.
ASU 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities* (issued January 5, 2016)	Entities that hold financial assets or owe financial liabilities.	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.
ASU 2015-17, *Balance Sheet Classification of Deferred Taxes* (issued November 20, 2015)	All entities.	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.

ASU 2015-16, *Simplifying the Accounting for Measurement-Period Adjustments* (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 2015-15, *Presentation and Subsequent Measurement of Debt Issuance Costs Associated With Line-of-Credit Arrangements: Amendments to SEC Paragraphs Pursuant to Staff Announcement at June 18, 2015 EITF Meeting* (issued August 18, 2015)	SEC registrants.	Effective upon issuance.
ASU 2015-14, *Revenue From Contracts With Customers (Topic 606): Deferral of the Effective Date* (issued August 12, 2015)	All entities.	See status column for ASU 2014-09 below.
ASU 2015-13, *Application of the Normal Purchases and Normal Sales Scope Exception to Certain Electricity Contracts Within Nodal Energy Markets* — a consensus of the FASB Emerging Issues Task Force (issued August 10, 2015)	All entities.	The amendments in the ASU are effective upon issuance and should be applied prospectively. Therefore, an entity will be able to designate, on or after the date of issuance, any qualifying contracts as normal purchases or normal sales.
ASU 2015-12, *(Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient* — consensuses 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, *Simplifying the Measurement of Inventory* (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, *Technical Corrections and Improvements* (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, *Disclosures About Short-Duration Contracts* (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.
ASU 2015-08, *Pushdown Accounting: Amendments to SEC Paragraphs Pursuant to Staff Accounting Bulletin No. 115* (issued May 8, 2015)	All entities.	Effective upon issuance.
ASU 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* — 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, *Effects on Historical Earnings per Unit of Master Limited Partnership Dropdown Transactions* — 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, *Customer's Accounting for Fees Paid in a Cloud Computing Arrangement* (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, *Practical Expedient for the Measurement Date of an Employer's Defined Benefit Obligation and Plan Assets* (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, *Simplifying the Presentation of Debt Issuance Costs* (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, *Amendments to the Consolidation Analysis* (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, *Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items* (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.
ASU 2014-18, *Accounting for Identifiable Intangible Assets in a Business Combination* — 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 Codification 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, *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* — 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, *Disclosure of Uncertainties About an Entity's Ability to Continue as a Going Concern* (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, *Classification of Certain Government-Guaranteed Mortgage Loans Upon Foreclosure* — 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, *Measuring the Financial Assets and the Financial Liabilities of a Consolidated Collateralized Financing Entity* — 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, *Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved After the Requisite Service Period* — 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.
ASU 2014-11, *Repurchase-to-Maturity Transactions, Repurchase Financings, and Disclosures* (issued June 12, 2014)	Entities that enter into repurchase-to-maturity transactions or repurchase financings.	For public business entities, the accounting changes in the ASU are effective for the first interim or annual period beginning after December 15, 2014. For all other entities, the accounting changes are effective for annual periods beginning after December 15, 2014, and interim periods beginning after December 15, 2015. Early application for a public business entity is prohibited; however, all other entities may elect to apply the requirements for interim periods beginning after December 15, 2014.
ASU 2014-10, *Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation* (issued June 10, 2014)	Development-stage entities under U.S. GAAP, and reporting entities that may hold an interest in an entity that is a development-stage entity.	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. 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.
ASU 2014-09, *Revenue From Contracts With Customers* (issued May 28, 2014; effective date amended by ASU 2015-14, which was issued August 12, 2015)	All entities.	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. 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.

ASU 2014-07, *Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements* — a consensus of the Private Company Council (issued March 20, 2014)	All entities other than public business entities, not-for-profit entities, or employee benefit plans within the scope of ASC 960 through ASC 965.	Effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early application is permitted, including application to any period for which an entity's annual or interim financial statements have not yet been made available for issuance.
ASU 2014-05, *Service Concession Arrangements* — a consensus of the FASB Emerging Issues Task Force (issued January 23, 2014)	Operating entities in a service concession arrangement entered into with a public-sector entity grantor when the grantor (1) controls or has the ability to modify or approve the services that the operating entity must provide with the infrastructure, to whom it must provide them, and at what price and (2) controls, through ownership, beneficial entitlement, or otherwise, any residual interest in the infrastructure at the end of the term of the arrangement.	For public business entities, the ASU is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2014. For entities other than public business entities, the ASU is effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early adoption is permitted. The ASU should be applied on a modified retrospective basis to service concession arrangements that exist at the beginning of an entity's fiscal year of adoption.
ASU 2014-04, *Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans Upon Foreclosure* — a consensus of the FASB Emerging Issues Task Force (issued January 17, 2014)	Creditors who obtain physical possession (resulting from an in-substance repossession or foreclosure) of residential real estate property collateralizing a consumer mortgage loan in satisfaction of a receivable.	For public business entities, the ASU is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2014. For entities other than public business entities, the ASU is effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015.
ASU 2014-03, *Accounting for Certain Receive-Variable, Pay-Fixed Interest Rate Swaps — Simplified Hedge Accounting Approach* — a consensus of the Private Company Council (issued January 16, 2014)	All entities except (1) public business entities and not-for-profit entities as defined in the Master Glossary of the *FASB Accounting Standards Codification*, (2) employee benefit plans within the scope of ASC 960 through ASC 965 on plan accounting, and (3) financial institutions.	Effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015, with early adoption permitted. Private companies have the option of applying the amendments in this ASU by using either a modified retrospective approach or a full retrospective approach. Early application is permitted for any period for which the entity's financial statements have not yet been made available for issuance.
ASU 2014-02, *Accounting for Goodwill* — a consensus of the Private Company Council (issued January 16, 2014)	All entities except (1) public business entities and not-for-profit entities as defined in the Master Glossary of the *FASB Accounting Standards Codification* and (2) employee benefit plans within the scope of ASC 960 through ASC 965 on plan accounting.	The accounting alternative, if elected, should be applied prospectively to goodwill existing as of the beginning of the period of adoption and new goodwill recognized in annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early application is permitted, including application to any period for which the entity's annual or interim financial statements have not yet been made available for issuance.
ASU 2014-01, *Accounting for Investments in Qualified Affordable Housing Projects* — a consensus of the FASB Emerging Issues Task Force (issued January 15, 2014)	For reporting entities that meet the conditions for, and elect to use, the proportional-amortization method to account for investments in qualified affordable housing projects, all amendments in this ASU apply. For reporting entities that do not meet the conditions or do not elect the proportional-amortization method, only the disclosure-related amendments in this ASU apply.	The amendments in this ASU are effective for public business entities for annual periods, and interim reporting periods within those annual periods, beginning after December 15, 2014. For all entities other than public business entities, the amendments are effective for annual periods beginning after December 15, 2014, and interim periods within annual reporting periods beginning after December 15, 2015. Early adoption is permitted. The amendments in this ASU should be applied retrospectively to all periods presented.

Projects in Request-for-Comment Stage		
Proposed ASU, *Restricted Cash* — a consensus of the FASB Emerging Issues Task Force (issued April 28, 2016)	Entities that have restricted cash or restricted cash equivalents and that must present a statement of cash flows in accordance with ASC 230.	Comments due June 27, 2016.
Proposed ASU, *Technical Corrections and Improvements* (issued April 21, 2016)	All entities.	Comments due July 5, 2016.

AICPA	Affects	Status
Final Guidance		
SAS 131, *Amendment to Statement on Auditing Standards No. 122 Section 700*, Forming an Opinion and Reporting on Financial Statements (issued January 2016)	Auditors.	Effective for financial statement audits for periods ending on or after June 15, 2016.
SAS 130, *An Audit of Internal Control Over Financial Reporting That Is Integrated With an Audit of Financial Statements* (issued October 28, 2015)	Auditors that perform integrated audits.	Effective for integrated audits for periods ending on or after December 15, 2016.
SSARS 21, *Statements on Standards for Accounting and Review Services: Clarification and Recodification* (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		
Exposure Draft, *Proposed Statements on Standards for Accounting and Review Services: Compilation of Prospective Financial Information, Compilation of Pro Forma Financial Information, Omnibus Statement on Standards for Accounting and Review Services — 2016* (issued December 10, 2015)	All entities.	Comments due May 6, 2016.
Exposure Draft, *Omnibus Proposal* (issued November 25, 2015)	All entities.	Comments due May 16, 2016.

SEC	Affects	Status
Final Guidance		
Final Rule, *Adoption of Updated EDGAR Filer Manual* (33-10071) (issued April 27, 2016)	SEC registrants.	Effective on the date of publication in the *Federal Register*.
Final Rule, *Business Conduct Standards for Security-Based Swap Dealers and Major Security-Based Swap Participants* (34-77617) (issued April 14, 2016)	Registered security-based swap dealers and registered major security-based swap participants.	Effective June 27, 2016.
Final Rule, *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* (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, *Regulation Systems Compliance and Integrity; Correction* (34-73639A) (issued December 22, 2015)	SEC registrants.	Effective December 30, 2015.
Final Rule, *Adoption of Updated EDGAR Filer Manual* (33-9987) (issued December 11, 2015)	SEC registrants.	Effective January 4, 2016.
Final Rule, *Crowdfunding* (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.

Final Rule, *Removal of Certain References to Credit Ratings and Amendment to the Issuer Diversification Requirement in the Money Market Fund Rule* (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, *Adoption of Updated EDGAR Filer Manual* (33-9911) (issued September 15, 2015)	SEC registrants.	Effective October 2, 2015.
Final Rule, *Designation of the Financial Industry Regulatory Authority to Administer Professional Qualification Tests for Associated Persons of Registered Municipal Advisors* (34-75714) (issued August 17, 2015)	SEC registrants.	Effective August 17, 2015.
Final Rule, *Registration Process for Security-Based Swap Dealers and Major Security-Based Swap Participants* (34-75611) (issued August 5, 2015)	Registered security-based swap dealers and registered major security-based swap participants.	Effective October 13, 2015.
Final Rule, *Pay Ratio Disclosure* (33-9877) (issued August 5, 2015)	SEC registrants.	Effective for the first fiscal year beginning on or after January 1, 2017.
Final Rule, *Adoption of Updated EDGAR Filer Manual* (33-9874) (issued August 3, 2015)	SEC registrants.	Effective August 24, 2015.
Final Rule, *Freedom of Information Act Regulations: Fee Schedule, Addition of Appeals Time Frame, and Miscellaneous Administrative Changes* (34-75388) (issued July 8, 2015)	SEC registrants.	Effective August 14, 2015.
Final Rule, *Adoption of Updated EDGAR Filer Manual* (33-9849) (issued June 18, 2015)	SEC registrants.	Effective June 29, 2015.
Final Rule, *Adoption of Updated EDGAR Filer Manual* (33-9773) (issued May 18, 2015)	SEC registrants.	Effective May 26, 2015.
Final Rule, *Amendments to Regulation A* (33-9741) (issued March 25, 2015)	SEC registrants.	Effective June 19, 2015.
Final Rule, *Security-Based Swap Data Repository Registration, Duties, and Core Principles* (34-74246) (issued February 11, 2015)	Registered security-based swap dealers and registered major security-based swap participants.	Effective May 18, 2015.
Final Rule, *Regulation SBSR — Reporting and Dissemination of Security-Based Swap Information* (34-74244) (issued February 11, 2015)	Registered security-based swap dealers and registered major security-based swap participants.	Effective May 18, 2015.
Final Rule, *Credit Risk Retention* (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.
Final Rule, *Nationally Recognized Statistical Rating Organizations* (34-72936) (issued August 27, 2014)	Nationally recognized statistical rating organizations.	Effective November 14, 2014, except that the amendments to Sections 240.17g-3(a)(7) and (b)(2) and Form NRSRO become effective on January 1, 2015, and the amendments to Sections 240.17g-2(a)(9), (b)(13), (b)(14), and (b)(15); 240.17g-5(a)(3)(iii)(E), (c)(6), (c)(7), and (c)(8); 240.17g-7(a) and (b); and Form ABS-15G become effective on June 15, 2015.
Interim Final Temporary Rule, *Simplification of Disclosure Requirements for Emerging Growth Companies and Forward Incorporation by Reference on Form S-1 for Smaller Reporting Companies* (33-10003) (issued January 13, 2016)	SEC registrants.	Effective January 19, 2016.

Interim Final Temporary Rule, *Extension of Exemptions for Security-Based Swaps* (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.
Final Interpretation, *Interpretation of the SEC's Whistleblower Rules Under Section 21F of the Securities Exchange Act of 1934* (34-75592) (issued August 4, 2015)	SEC registrants.	Effective August 10, 2015.
Final Interpretation, *Commission Guidance Regarding the Definition of the Terms "Spouse" and "Marriage" Following the Supreme Court's Decision in United States v. Windsor* (33-9850) (issued June 19, 2015)	SEC registrants.	Effective July 1, 2015.
Final Interpretation, *Forward Contracts With Embedded Volumetric Optionality* (34-74936) (issued May 12, 2015)	SEC registrants.	Effective May 18, 2015.
Project in Request-for-Comment Stage		
Concept Release, *Business and Financial Disclosure Required by Regulation S-K* (33-10064) (issued April 13, 2016)	SEC registrants.	Comments due July 21, 2016.
PCAOB	**Affects**	**Status**
Final Guidance		
Release No. 2015-002, *Reorganization of PCAOB Auditing Standards and Related Amendments to PCAOB Standards and Rules* (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, *Improving the Transparency of Audits: Rules to Require Disclosure of Certain Audit Participants on a New PCAOB Form and Related Amendments to Auditing Standards* (issued December 15, 2015)	Auditors of public entities.	Subject to approval of the new rules and amendments by the SEC, Form AP disclosure regarding the engagement partner will be required for audit reports issued on or after the later of three months after SEC approval of the final rules or January 31, 2017. Disclosure regarding other accounting firms will be required for audit reports issued on or after June 30, 2017.
Projects in Request-for-Comment Stage		
Request for Comment, *Review of AS No. 7,* Engagement Quality Review (issued April 6, 2016)	Auditors of public entities.	Comments due July 5, 2016.
Proposal, *Proposed Amendments Relating to the Supervision of Audits Involving Other Auditors and Proposed Auditing Standard — Dividing Responsibility for the Audit With Another Accounting Firm* (issued April 12, 2016)	Auditors of public entities.	Comments due July 29, 2016.
GASB	**Affects**	**Status**
Final Guidance		
Statement 82, *Pension Issues* — 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, *Irrevocable Split-Interest Agreements* (issued March 29, 2016)	Governmental entities.	Effective for periods beginning after December 15, 2016. Early application is encouraged.
Implementation Guide No. 2016-1, *Implementation Guidance Update — 2016* (issued March 24, 2016)	Governmental entities.	Effective for reporting periods beginning after June 15, 2016.
Statement 80, *Blending Requirements for Certain Component Units* — 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, *Certain External Investment Pools and Pool Participants* (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.
Implementation Guide No. 2015-1 (issued August 27, 2015)	Governmental entities.	Effective for reporting periods beginning after June 15, 2015.
Statement 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans* (issued December 11, 2015)	Governmental entities.	Effective for reporting periods beginning after December 15, 2015. Early application is encouraged.
Statement 77, *Tax Abatement Disclosures* (issued August 14, 2015)	Governmental entities.	Effective for financial statements for periods beginning after December 15, 2015. Early application is encouraged.
Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* (issued June 29, 2015)	Governmental entities.	Effective for reporting periods beginning after June 15, 2015. Early application is permitted.
Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (issued June 29, 2015)	Governmental entities.	Effective for fiscal years beginning after June 15, 2017. Early application is encouraged.
Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* (issued June 29, 2015)	Governmental entities.	Effective for financial statements for fiscal years beginning after June 15, 2016. Early application is encouraged.
Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* (issued June 29, 2015)	Governmental entities.	For employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, the Statement is effective for fiscal years beginning after June 15, 2016. For assets accumulated to provide those pensions, the Statement is effective for fiscal years beginning after June 15, 2015. For pension plans that are within the scope of Statement 67 or for pensions that are within the scope of Statement 68, the Statement is effective for fiscal years beginning after June 15, 2015. Early application is encouraged.
Project in Request-for-Comment Stage		
Proposed Statement, *Leases* (issued February 8, 2016)	Governmental entities.	Comments due May 31, 2016.
FASAB	**Affects**	**Status**
Final Guidance		
Statement 49, *Public-Private Partnerships Disclosure Requirements* (issued April 27, 2016)	U.S. federal government entities.	Effective for periods beginning after September 30, 2018. Early adoption is permitted.
Statement 48, *Opening Balances for Inventory, Operating Materials and Supplies, and Stockpile Materials* (issued January 27, 2016)	U.S. federal government entities.	Effective for periods beginning after September 30, 2016. Early implementation is encouraged.

Technical Release 16, *Implementation Guidance for Internal Use Software* (issued January 19, 2016)	U.S. federal government entities.	Effective upon issuance.
Statement 47, *Reporting Entity* (issued December 23, 2014)	U.S. federal government entities.	Effective for periods beginning after September 30, 2017. Earlier application is prohibited.
IASB/IFRIC	**Affects**	**Status**
Final Guidance		
Clarifications to IFRS 15 (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.
Disclosure Initiative — 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 ffective date, entities need not provide comparative information when they first apply the amendments.
Recognition of Deferred Tax Assets for Unrealised Losses — 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, *Leases* (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, *Revenue From Contracts With Customers*, on or before the date of initial application of IFRS 16.
Effective Date of Amendments to IFRS 10 and IAS 28 (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.
2015 Amendments to the IFRS for SMEs (issued May 21, 2015)	Small and medium-sized entities reporting under IFRSs.	Effective January 1, 2017.
Disclosure Initiative — 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.
Investment Entities: Applying the Consolidation Exception — 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.
Annual Improvements to IFRSs: 2012–2014 Cycle (issued September 25, 2014)	Entities reporting under IFRSs.	Varies for each IFRS affected.
Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture — 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."
Equity Method in Separate Financial Statements — 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, *Financial Instruments* (issued July 24, 2014)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.
Agriculture: Bearer Plants — 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, *Revenue From Contracts With Customers* (issued May 28, 2014)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.
Clarification of Acceptable Methods of Depreciation and Amortisation — 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.
Accounting for Acquisitions of Interests in Joint Operations — 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, *Regulatory Deferral Accounts* (issued January 30, 2014)	Entities reporting under IFRSs.	Effective January 1, 2016. Earlier application is permitted.

Appendix C: Glossary of Standards and Other Literature

FASB Accounting Standards Update No. 2016-10, *Identifying Performance Obligations and Licensing*

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

FASB Proposed Accounting Standards Update, *Restricted Cash* — a consensus of the FASB Emerging Issues Task Force

FASB Proposed Accounting Standards Update, *Technical Corrections and Improvements*

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

AICPA Statement on Standards for Attestation Engagements No. 18, *Attestation Standards: Clarification and Recodification*

SEC Final Rule Release No. 34-77617, *Business Conduct Standards for Security-Based Swap Dealers and Major Security-Based Swap Participants*

SEC Final Rule Release No. 33-10071, *Adoption of Updated EDGAR Filer Manual*

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

SEC Release No. 34-77558, *Public Company Accounting Oversight Board; Notice of Filing of Proposed Amendments to Board Rules Relating to Inspections*

PCAOB Auditing Standard No. 7, *Engagement Quality Review*

PCAOB Rule No. 4003, *Frequency of Inspections*

PCAOB Staff Audit Practice Alert No. 14, *Improper Alteration of Audit Documentation*

PCAOB Staff Inspection Brief, *Preview of Observations From 2015 Inspections of Auditors of Issuers*

PCAOB Staff Inspection Brief, *Preview of Observations From 2015 Inspections of Auditors of Brokers and Dealers*

PCAOB Release No. 2016-002, *Proposed Amendments Relating to the Supervision of Audits Involving Other Auditors and Proposed Auditing Standard — Dividing Responsibility for the Audit With Another Accounting Firm*

PCAOB Request for Comment, *Post-Implementation Review of Auditing Standard No. 7,* Engagement Quality Review

GASB Statement No. 82, *Pension Issues* — an amendment of GASB Statements No. 67, No. 68, and No. 73

FASAB Statement No. 49, *Public-Private Partnerships Disclosure Requirements*

IFRS 15, *Revenue From Contracts With Customers*

IPSASB Final Pronouncement, *The Applicability of IPSASs*

SASB Exposure Draft, *Rules of Procedure*

SASB Exposure Draft, *Conceptual Framework*

SASB Exposure Draft, *Sustainable Industry Classification System™*

Appendix D: Abbreviations

Abbreviation	Definition
ABS	asset-backed security
AICPA	American Institute of Certified Public Accountants
ASB	Auditing Standards Board
ASC	FASB Accounting Standards Codification
ASU	FASB Accounting Standards Update
AT	U.S. Attestation Standards
AT-C	U.S. Clarified Attestation Standards
C&DI	SEC Compliance and Disclosure Interpretation
CAT	consolidated audit trail
CPE	continuing professional education
ED	exposure draft
EDGAR	SEC's Electronic Data Gathering, Analysis, and Retrieval system
EDT	Eastern Daylight Time
EITF	Emerging Issues Task Force
FASAB	Federal Accounting Standards Advisory Board
FASB	Financial Accounting Standards Board
FDIC	Federal Deposit Insurance Corporation
FHFA	Federal Housing Finance Agency
GAAP	generally accepted accounting principles
GASB	Governmental Accounting Standards Board
GBE	government business enterprise
IAS	International Accounting Standard

Abbreviation	Definition
IASB	International Accounting Standards Board
IFAC	International Federation of Accountants
IFRIC	IFRS Interpretations Committee
IFRS	International Financial Reporting Standard
IP	intellectual property
IPSAS	International Public Sector Accounting Standard
IPSASB	International Public Sector Accounting Standards Board
NCUA	National Credit Union Administration
NMS	national market system
OCC	Office of the Comptroller of the Currency
PCAOB	Public Company Accounting Oversight Board
PIR	post-implementation review
RPG	recommended practice guideline
SASB	Sustainability Accounting Standards Board
SBS	security-based swap
SEC	Securities and Exchange Commission
SSAE	Statement on Standards for Attestation Engagements
SSARS	Statement on Standards for Accounting and Review Services
TRG	transition resource group
XML	eXtensible Markup 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 (FASB); www.fasb.org/eitf/agenda.shtml (EITF); www.aicpa.org (AICPA); www.sec.gov (SEC); www.pcaob.org (PCAOB); www.fasab.gov (FASAB); www.gasb.org (GASB); and www.ifrs.org — or on www.iasplus.com/en (IASB and IFRS Interpretations Committee).

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