In This Issue

Accounting Roundup

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Welcome to the quarterly edition of *Accounting Roundup*. In the first quarter of 2017, the FASB issued a number of new standards and proposals, including the following:

- ASUs on recognizing interest on callable debt securities, clarifying the definition of a business, amending the consolidation guidance for not-for-profit entities, presenting net periodic benefit cost, employee benefit plan master trust reporting, simplifying the goodwill impairment test, and amending the guidance on derecognition and partial sales of nonfinancial assets.
- Proposed ASUs on simplifying the balance sheet classification of debt, amending the inventory disclosure requirements, and improving the accounting for share-based payment arrangements with nonemployees.

In other news, the AICPA continued to address issues associated with the implementation of the FASB's new revenue standard (ASU 2014-09) for various industries. Specifically, the AICPA's revenue recognition task forces released working drafts for the software, time-share, power and utilities, insurance, aerospace and defense, broker-dealer, and telecommunications industries.

Over at the SEC, a request for comment on potential changes to Industry Guide 3, which applies to certain disclosures by bank holding companies, was issued. The Commission also released a proposed rule that, if adopted, would require the use of the inline XBRL format in future filings for operating companies and in mutual fund risk/return summaries. Michael Piwowar, the acting chairman, also made a statement in which he requested public input on implementation issues associated with the SEC's final rule on pay ratio disclosure.

On the international front, the IASB published a proposal that would amend the guidance in IFRS 8 on operating segments as well as an ED that would amend three IFRSs as part of the IASB's annual improvements process.

Note that in this quarterly edition, an asterisk in the article title denotes events that occurred in March or that were not addressed in the January or February issue of *Accounting Roundup*, including updates to previously reported topics. Events without asterisks were covered in those monthly issues.

Be sure to monitor upcoming issues of *Accounting Roundup* for new developments. We value your feedback and would appreciate any comments you may have on *Accounting Roundup: First Quarter in Review — 2017*. Take a moment to tell us what you think by sending us an e-mail at accountingstandards@deloitte.com.

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

Leadership Changes

EITF: On March 6, 2017, the FASB announced that Kimber Bascom and Lawrence Dodyk have been appointed to the EITF. Mr. Bascom will begin his term immediately and replaces current EITF member Robert Malhotra. Mr. Dodyk will begin his term on June 8, 2017, and will be replacing EITF member John Althoff.

IFRS Interpretations Committee: On March 15, 2017, the IFRS Foundation announced that Carl Douglas, Mikael Hagström, Bruce Mackenzie, and Bonnie Van Etten have been reappointed to the IFRS Interpretations Committee for a second three-year term beginning on July 1, 2017.

SEC: On January 4, 2017, Donald Trump announced that he has nominated Jay Clayton as SEC chairman. Mr. Clayton would replace Mary Jo White, who left the SEC at the end of the Obama Administration. Mr. Clayton's appointment is contingent on a Senate confirmation vote. To fill the vacancy, Michael S. Piwowar was appointed as acting SEC chairman on January 23, 2017.

Further, on March 30, 2017, the SEC announced the appointment of Sagar S. Teotia as deputy chief accountant in the Office of the Chief Accountant. Mr. Teotia joins the SEC from Deloitte & Touche LLP where he was a partner in the National Office Accounting Consultation Group. In addition, he served as an SEC accounting fellow in the Office of the Chief Accountant from 2009 to 2011.

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For more information, please see our complete *Dbriefs* program guide or click a link below for more information about any of these upcoming *Dbriefs* webcasts (all webcasts begin at 2:00 p.m. (EDT) unless otherwise noted):

- Wednesday, April 19, 3:00 p.m. (EDT): The Kinetic Enterprise: Which Technology Trends Could Turn Your World Around?

- Wednesday, April 26: Elevating Your Anti-Corruption Compliance Program: A Time for Review.
- Thursday, April 27: Enhanced Disclosures: Leading Practices and Current Trends.
- Thursday, May 4: The New FASB Revenue Recognition Standard: Charting an Effective Implementation.
- Monday, May 8: FAQs About the New FASB Leases Standard: You're Not Alone.
- Wednesday, May 17, 3:00 p.m. (EDT): Commercial Spending: The Latest Victim of Zero-Based Budgeting?
- Wednesday, May 24: Global Ethics and Compliance in Uncertain Times: Leveling the Playing Field.
- Thursday, May 25: Extended Enterprise Risk Management: New Perspectives on a Growing Imperative.
- Thursday, June 1: Improving Financial Close, Consolidation, and Reporting Processes: Time to Revisit Old Foes.
- Tuesday, June 20: EITF Roundup: Highlights From the June 2017 Meeting.
- Thursday, June 22, 3:00 p.m. (EDT): CFO Meets M&A: Value Creation in the Digital Age.
- Tuesday, June 27: Quarterly Accounting Roundup: An Update on Q2 2017 Important Developments.
- Wednesday, June 28: Supply Chain Fraud, Waste, and Abuse: The Growing Role of Forensics and Analytics.
- Thursday, June 29: Reputation Matters: Developing Resilience Ahead of a Crisis.

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Featured Publications

Key publications issued by Deloitte in the first quarter of 2017 include the following:

- *Life Sciences — Accounting and Financial Reporting Update* — Highlights key topics affecting the life sciences industry and includes interpretive guidance, an analysis of SEC comment letter trends, and a discussion of relevant standard setting.
- *Power and Utilities — Accounting, Financial Reporting, and Tax Update* — Discusses accounting, tax, and regulatory matters that are of interest to P&U entities, including updates to SEC, FASB, and tax guidance, and focuses on specialized industry accounting topics that frequently affect P&U companies, including rate-regulated entities. Several sections of the publication have been expanded this year to concentrate on accounting and reporting considerations related to the new leases and new revenue standards, including specific industry matters that remain outstanding with the AICPA's Power and Utility Entities Revenue Recognition Task Force.
- *Insurance — Accounting and Financial Reporting Update* — Highlights selected accounting and reporting developments that may be of interest to insurance entities. Among other topics, the publication discusses (1) proposed improvements to the accounting for long-duration insurance contracts, (2) the new guidance on short-duration insurance contract disclosures, and (3) the SEC's continued focus on rulemaking, particularly in connection with its efforts to complete mandated actions under the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Other Deloitte Publications

Publication	Title	Affects
April 4, 2017, *Heads Up*	*Adopting the New Revenue Standard — Where Do Companies Stand?*	All entities.
April 4, 2017, *Financial Reporting Alert*	*SEC Reemphasizes Its Continued Focus on the New Revenue Standard, Including Advancing ICFR*	SEC registrants.
April 4, 2017, *Heads Up*	*FASB Amends the Amortization Period for Certain Callable Debt Securities Purchased at a Premium*	All entities.
March, 31, 2017, *Financial Reporting Alert*	*Assessing Potential Income Tax Accounting Implications of the UK's Written Notification to Leave the EU*	All entities.
March, 31, 2017, *Financial Reporting Alert* (update to June 24, 2016, publication)	*Financial Reporting Considerations Related to the UK's Vote to Leave the EU*	All entities.
March 2017 *EITF Snapshot*		All entities.
March 17, 2017, *Financial Reporting Alert*	*Emerging Growth Companies — Interpolation Considerations for Valuing Share-Based Compensation*	Emerging growth companies.
March 14, 2017, *Heads Up*	*FASB Amends Guidance on Presentation of Net Periodic Benefit Cost Related to Defined Benefit Plans*	All entities.
March 10, 2017, *Heads Up*	*FASB Proposes Improvements to the Accounting for Share-Based Payment Arrangements With Nonemployees*	All entities.
March 2017 *Financial Services Spotlight*	*SEC Seeks Feedback on Possible Changes to Disclosure Requirements for Registrants in the Financial Services Industry*	Financial services entities.
March 2017 *Technology Spotlight*	*The Future of Revenue Recognition*	Technology entities.
March 7, 2017, *Financial Reporting Alert*	*Developments Related to Determining Whether Argentina's Economy Should Be Considered Highly Inflationary*	All entities.
February 28, 2017, *Heads Up*	*FASB Amends Guidance on Derecognition and Partial Sales of Nonfinancial Assets*	All entities.
February 22, 2017, *Heads Up*	*Forecasting Revenue Disclosures — Storm Brewing?*	All entities.
February 1, 2017, *Heads Up*	*FASB Eliminates Step 2 From the Goodwill Impairment Test*	All entities.
January 30, 2017, *Heads Up*	*FASB Amends the Consolidation Guidance for Not-for-Profit Entities*	Not-for-profit entities.
January 24, 2017, *Financial Reporting Alert*	*Variation Margin on Derivatives*	All entities.
January 13, 2017, *Heads Up*	*FASB Clarifies the Definition of a Business*	All entities.
January 12, 2017, *Heads Up*	*FASB Proposes Updates to Inventory Disclosures*	All entities.
January 12, 2017, *Heads Up*	*FASB Proposes Changes to Simplify the Balance Sheet Classification of Debt*	Entities that present a classified balance sheet.
January 2017 *Retail & Distribution Spotlight*	*Leases Refashioned*	Retail and distribution entities.

Accounting — New Standards and Exposure Drafts

In This Section

Business Combinations

FASB Clarifies the Definition of a Business

Affects: All entities.

Summary: On January 5, 2017, the FASB issued ASU 2017-01 to clarify the definition of a business in ASC 805, which was among the primary issues raised in connection with the FAF's post-implementation review report on FASB Statement 141(R) (codified in ASC 805). The amendments in the ASU are intended to make application of the guidance more consistent and cost-efficient.

Editor's Note

The definition of a business in ASC 805 also affects other aspects of accounting, such as disposal transactions, determining reporting units when goodwill is tested for recoverability, and the business scope exception in ASC 810.

The ASU's Basis for Conclusions indicates that the amendments "narrow the definition of a business and provide a framework that gives entities a basis for making reasonable judgments about whether a transaction involves an asset or a business." Specifically, the ASU:

- Provides a "screen" for determining when a set is not a business. The screen requires a determination that when substantially all of the fair value of the gross assets acquired (or disposed of) is concentrated in a single identifiable asset or group of similar identifiable assets, the set is not a business. The screen will reduce the number of transactions that an entity must further evaluate to determine whether they are business combinations or asset acquisitions.
- Specifies that if the screen's threshold is not met, a set cannot be considered a business unless it includes an input and a substantive process that together significantly contribute to the ability to create outputs. The ASU provides a framework to help entities evaluate whether both an input and a substantive process are present, and it removes the evaluation of whether a market participant could replace the missing elements.
- Narrows the definition of the term "output" to be consistent with the description of outputs in ASC 606.

The standard also provides examples that illustrate how an entity should apply the amendments in determining whether a set is a business.

Editor's Note

The definition of a business for SEC reporting purposes in Regulation S-X, Rule 11-01(d), and used by registrants to determine when financial statements and pro forma information are needed in SEC filings is different from the definition for U.S. GAAP accounting purposes. The SEC has not changed this definition as a result of the ASU's amendments.

The definition of a business in ASC 805 is currently identical to that in IFRS 3. Nevertheless, the interpretation and application of this term in jurisdictions that apply U.S. GAAP do not appear consistent with those in jurisdictions that apply IFRSs (i.e., the definition of a business in IFRS jurisdictions is not applied as broadly). Although the ASU adds implementation guidance to U.S. GAAP that is not found in IFRSs, the FASB intends to more closely align practice under U.S. GAAP with that under IFRSs by narrowing the application of the U.S. GAAP definition. Further, the IASB has added to its agenda a project on the definition of a business and issued an ED that proposes amendments similar to those in the ASU.

Next Steps: The ASU is effective for public business entities for annual periods beginning after December 15, 2017, including interim periods therein. For all other entities, the ASU is effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. The ASU must be applied prospectively on or after the effective date, and no disclosures for a change in accounting principle are required at transition.

Early adoption is permitted for transactions (i.e., acquisitions or dispositions) that occurred before the issuance date or effective date of the standard if the transactions were not reported in financial statements that have been issued or made available for issuance.

Other Resources: Deloitte's January 13, 2017, *Heads Up*. Also see the press release and *FASB in Focus* newsletter on the FASB's Web site.

Consolidation

FASB Amends Consolidation Guidance for Not-for-Profit Entities

Affects: Not-for-profit entities (NFPs).

Summary: On January 12, 2017, the FASB issued ASU 2017-02, which amends the consolidation guidance for NFPs in ASC 958-810. The amendments:

- Incorporate into ASC 958-810 the superseded consolidation guidance in ASC 810-20.
- Address when an "NFP limited partner should consolidate a for-profit limited partnership."

Next Steps: The ASU is effective for NFPs for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017.

Other Resources: Deloitte's January 30, 2017, *Heads Up*.

Debt

FASB Issues Guidance on Callable Debt Securities*

Affects: All entities.

Summary: On March 30, 2017, the FASB issued ASU 2017-08, which is intended to enhance "the accounting for the amortization of premiums for purchased callable debt securities." Specifically, the ASU shortens the amortization period for certain investments in callable debt securities purchased at a premium by requiring that the premium be amortized to the earliest call date. The ASU is being issued in response to concerns from stakeholders that "current GAAP excludes certain callable debt securities from consideration of early repayment of principal even if the holder is certain that the call will be exercised."

Next Steps: The ASU's amendments are effective for public business entities for annual periods, including interim periods within those annual periods, beginning after December 15, 2018. For other entities, the amendments are effective for annual periods beginning after December 15, 2019, and interim periods thereafter. Early adoption is permitted.

Other Resources: Deloitte's April 4, 2017, *Heads Up*.

FASB Proposes Changes to Simplify the Balance Sheet Classification of Debt

Affects: Entities that present a classified balance sheet.

Summary: On January 10, 2017, the FASB issued a proposed ASU aimed at reducing the cost and complexity of determining whether debt should be classified as current or noncurrent in a classified balance sheet. The ASU is being issued in response to feedback from stakeholders that the existing guidance on the balance sheet classification of debt is unnecessarily complex. The FASB's proposed approach would replace the current, fact-specific guidance in ASC 470-10 with a uniform principle under which a debt arrangement would be classified as noncurrent if either (1) the "liability is contractually due to be settled more than one year (or operating cycle, if longer) after the balance sheet date" or (2) the "entity has a contractual right to defer settlement of the liability for at least one year (or operating cycle, if longer) after the balance sheet date." In addition, the proposed ASU includes application guidance that would clarify how covenant violations, covenant waivers, post-balance-sheet refinancing transactions, and subjective acceleration clauses affect debt classification.

Next Steps: Comments on the proposed ASU are due by May 5, 2017.

Other Resources: Deloitte's January 12, 2017, *Heads Up*. Also see the press release on the FASB's Web site.

Employee Benefit Plans

FASB Issues Guidance on Presentation of Net Periodic Benefit Cost*

Affects: All entities.

Summary: On March 10, 2017, the FASB issued ASU 2017-07, which requires entities to (1) disaggregate the current-service-cost component from the other components of net benefit cost (the "other components") and present it with other current compensation costs for related employees in the income statement and (2) present the other components elsewhere in the income statement and outside of income from operations if that subtotal is presented. In addition, the ASU requires entities to disclose the income statement lines that contain the other components if they are not presented on appropriately described separate lines.

Editor's Note

While the ASU does not require entities to further disaggregate the other components, they may do so if they believe that the information would be helpful to financial statement users. However, entities must disclose which financial statement lines contain the disaggregated components.

Next Steps: The ASU's amendments are effective for public business entities for annual periods, including interim periods within those annual periods, beginning after December 15, 2017. For other entities, the amendments are effective for annual periods beginning after December 15, 2018, and interim periods thereafter.

Other Resources: Deloitte's March 14, 2017, *Heads Up*.

FASB Issues Guidance on Employee Benefit Plan Master Trust Reporting

Affects: Employee benefit plans.

Summary: On February 27, 2017, the FASB issued ASU 2017-06 on employee benefit plan master trust reporting in response to an EITF consensus. The ASU's provisions include the following:

- Presentation within the plan's financial statements of its interest in a master trust as a single line item.
- Disclosure of the master trust's investments by general type as well as by the dollar amount of the plan's interest in each type.
- Disclosure of the master trust's other assets and liabilities and the balances related to the plan.
- Elimination of required disclosures for Section 401(h) accounts that are already provided by the associated defined benefit plan.

Next Steps: The ASU's amendments are effective for fiscal years beginning after December 15, 2018. Early adoption is permitted.

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

Goodwill

FASB Simplifies Goodwill Impairment Test

Affects: All entities.

Summary: On January 26, 2017, the FASB issued ASU 2017-04, which removes the requirement to compare the implied fair value of goodwill with its carrying amount as part of step 2 of the goodwill impairment test. As a result, under the ASU, "an entity should perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount [and] should recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit."

In addition, the ASU:

- Clarifies the requirements for excluding and allocating foreign currency translation adjustments to reporting units in connection with an entity's testing of reporting units for goodwill impairment.
- Clarifies that "an entity should consider income tax effects from any tax deductible goodwill on the carrying amount of the reporting unit when measuring the goodwill impairment loss, if applicable."
- Makes minor changes to the overview and background sections of certain ASC subtopics and topics as part of the Board's initiative to unify and improve those sections throughout the Codification.

Editor's Note

Removing step 2 from the goodwill impairment test under ASC 350 more closely aligns U.S. GAAP with IFRSs because there is only one step in the goodwill impairment test under IFRSs. However, the impairment test required under IAS 36 is performed at the cash-generating-unit or group-of cash-generating-units level rather than the reporting-unit level as required by U.S. GAAP. Further, IAS 36 requires an entity to compare the carrying amount of the cash-generating unit with its recoverable amount, whereas the ASU requires an entity to compare the carrying amount of a reporting unit with its fair value.

Next Steps: The ASU is effective prospectively for fiscal years beginning after the following dates:

- For public business entities that are SEC filers, December 15, 2019.
- For public business entities that are not SEC filers, December 15, 2020.
- For all other entities, including not-for-profit entities, December 15, 2021.

Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017.

Other Resources: Deloitte's February 1, 2017, *Heads Up*.

Inventory

FASB Proposes Updates to Inventory Disclosures

Affects: All entities.

Summary: On January 10, 2017, the FASB issued a proposed ASU that would modify or eliminate certain disclosure requirements related to inventory and establish new requirements. The proposal is part of the FASB's disclosure framework project, which is intended to help reporting entities improve the effectiveness of financial statement disclosures by "clearly communicating the information that is most important to users of each entity's financial statements."

Editor's Note

Also as part of its disclosure framework project, the FASB proposed guidance in July 2016, January 2016, and December 2015 that would amend disclosure requirements related to income taxes, defined benefit pensions and other postretirement plans, and fair value measurement. See Deloitte's December 8, 2015; January 28, 2016; and July 29, 2016, *Heads Up* newsletters for more information.

The proposed disclosures would include the following:

- Significant changes in inventory resulting from transactions or events other than the purchase, manufacture, or sale of inventory in the normal course of business.
- The major components of inventory (e.g., raw materials, work in process, finished goods, and supplies).
- Entities that apply the LIFO method would be required to disclose (1) the excess of replacement cost or current cost over the reported inventory amount and (2) the effect on net income of the liquidation of a portion of an entity's LIFO inventory.

- For each annual period presented, "qualitative and quantitative information about the critical assumptions" used in the portions of inventory measured under the retail inventory method calculation.
- Public business entities would be required to disclose, by reportable segment, (1) total inventory and (2) a disaggregation of inventory by major component (such as raw materials, work in process, finished goods, and supplies).

Comments on the proposed ASU were due by March 13, 2017.

Other Resources: Deloitte's January 12, 2017, *Heads Up*. Also see the press release on the FASB's Web site.

Nonfinancial Assets

FASB Amends Guidance on Derecognition and Partial Sales of Nonfinancial Assets

Affects: All entities.

Summary: On February 22, 2017, the FASB issued ASU 2017-05, which clarifies the scope of the Board's guidance on nonfinancial asset derecognition (ASC 610-20) as well as the accounting for partial sales of nonfinancial assets. The ASU conforms the derecognition guidance on nonfinancial assets with the model for transactions in the new revenue standard (ASC 606, as amended).

The ASU clarifies that ASC 610-20 applies to the derecognition of all nonfinancial assets and in-substance nonfinancial assets. While the guidance in ASC 360-20 contained references to in-substance assets (e.g., in-substance real estate), it would not have applied to transactions outside of real estate. The FASB therefore added the definition of an in-substance nonfinancial asset to the ASC master glossary.

Further, the ASU amends the industry-specific guidance in ASC 970-323 to align it with the requirements in ASC 606 and ASC 610-20. It also eliminates ASC 360-20 as well as the initial-measurement guidance on nonmonetary transactions in ASC 845-10-30 to simplify the accounting for partial sales (i.e., entities would use the same guidance to account for similar transactions) and to remove inconsistencies between ASC 610-20 and the noncash consideration guidance in the new revenue standard. As a result of these changes, any transfer of a nonfinancial asset in exchange for the noncontrolling ownership interest in another entity (including a noncontrolling ownership interest in a joint venture or other equity method investment) should be accounted for in accordance with ASC 610-20.

Editor's Note

The ASU requires an entity to derecognize the nonfinancial asset or in-substance nonfinancial asset in a partial sale transaction when (1) the entity ceases to have a controlling financial interest in a subsidiary under ASC 810 and (2) control of the asset is transferred in accordance with ASC 606. The entity therefore has to consider repurchase agreements (e.g., a call option to repurchase the ownership interest in a subsidiary) in its assessment and may not be able to derecognize the nonfinancial assets, even though it no longer has a controlling financial interest in a subsidiary in accordance with ASC 810. The ASU illustrates the application of this guidance in ASC 610-20-55-15 and 55-16.

Next Steps: The effective date of the new guidance is aligned with the requirements in the new revenue standard, which is effective for public entities for annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2017, and for nonpublic entities for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. If the entity decides to early adopt the ASU's guidance, it must also early adopt ASC 606 (and vice versa).

Other Resources: Deloitte's February 28, 2017, *Heads Up*.

Revenue Recognition

FASB Makes Technical Corrections and Improvements to New Revenue Standard

Affects: All entities.

Summary: On December 21, 2016, the FASB issued ASU 2016-20, which makes certain technical corrections (i.e., minor changes and enhancements) to the Board's new revenue standard, ASU 2014-09. The amendments were issued in response to feedback received from several sources, including the TRG for revenue recognition. The amendments clarify, rather than change, the new revenue standard's core revenue recognition principles. The technical corrections affect the following aspects of the new revenue standard:

- Loan guarantee fees.
- Contract costs — impairment testing.
- Contract costs — interaction of impairment testing with guidance in other topics.
- Provisions for losses related to construction-type and production-type contracts.
- Scope of the new revenue standard.
- Disclosure of remaining performance obligations.
- Disclosure of prior-period performance obligations.
- A contract modification example.
- Contract assets versus receivables.
- Refund liabilities.
- Advertising costs.
- Fixed-odds wagering contracts in the casino industry.
- Cost capitalization for advisers to private and public funds.

Next Steps: The effective date and transition requirements in ASU 2016-20 are the same as those in the new revenue standard.

Editor's Note

In August 2015, the FASB issued ASU 2015-14, which deferred for one year the effective date of the new revenue standard for public and nonpublic entities reporting under U.S. GAAP. For public business entities, as well as certain nonprofit entities and employee benefit plans, the effective date is annual reporting periods, and interim periods therein, beginning after December 15, 2017. The effective date for all other entities is one year later (i.e., December 15, 2018). Early adoption is permitted only as of annual reporting periods, and interim periods therein, beginning after December 15, 2016.

SEC

FASB Amends Certain Topics on the Basis of SEC Staff Announcements

Affects: SEC registrants.

Summary: On January 23, 2017, the FASB issued ASU 2017-03, which amends certain SEC guidance in the *FASB Accounting Standards Codification* in response to SEC staff announcements made at the September 22, 2016, and November 17, 2016, EITF meetings. The announcements addressed the following topics:

- The "additional qualitative disclosures" that a registrant is expected to provide when it "cannot reasonably estimate the impact" that ASUs 2014-09, 2016-02, and 2016-13 will have in applying the guidance in SAB Topic 11.M (announcement made at the September 22, 2016, EITF meeting).
- Guidance in ASC 323 related to the amendments made by ASU 2014-01 regarding use of the proportional amortization method in accounting for investments in qualified affordable housing projects (announcement made at the November 17, 2016, EITF meeting).

Other Resources: Deloitte's September 22, 2016, *Financial Reporting Alert* and September 2016 and November 2016 *EITF Snapshot* newsletters.

Share-Based Payment

FASB Proposes Improvements to the Accounting for Share-Based Payment Arrangements With Nonemployees*

Affects: All entities.

Summary: On March 7, 2017, the FASB issued a proposed ASU that would simplify the accounting for share-based payments granted to nonemployees for goods and services. Under the proposal, most of the guidance on such payments would be aligned with the requirements for share-based payments granted to employees. Currently, share-based payment arrangements with employees are accounted for under ASC 718 and nonemployee share-based payments for goods and services are accounted for under ASC 505-50. ASC 505-50 differs significantly from ASC 718. Differences include (but are not limited to) the guidance on (1) determining the measurement date (which generally is the date on which the measurement of equity-classified share-based payments becomes fixed), (2) accounting for performance conditions, (3) the ability of a nonpublic entity to use certain practical expedients for measurement, and (4) accounting for (including measuring and classifying) share-based payments after vesting. The proposed ASU would eliminate most of these differences. Specifically, the proposed ASU would supersede ASC 505-50 and expand the scope of ASC 718 to include *all* share-based payment arrangements related to the acquisition of goods and services from both nonemployees and employees. As a result, most of the guidance in ASC 718, including its requirements related to classification and measurement, would apply to nonemployee share-based payment arrangements.

Editor's Note

In the proposal's Basis for Conclusions, the FASB discusses the issuance of the guidance in ASC 505-50, noting that the differences between the accounting for employee awards and that for nonemployee awards was originally based on "the view that there is a fundamental difference between the relationship that employees and nonemployees have with the entity granting the awards." However, the Board concluded that awards granted to employees are economically similar to awards granted to nonemployees and that two different accounting models were therefore not justified.

Next Steps: Comments on the proposed ASU are due by June 5, 2017.

Other Resources: Deloitte's March 10, 2017, *Heads Up*. Also see the press release and *FASB in Focus* newsletter on the FASB's Web site.

International

IASB Proposes Amendments to Guidance on Operating Segments*

Affects: Entities reporting under IFRSs.

Summary: On March 29, 2017, the IASB published for public comment an ED that would amend the guidance in IFRS 8 on operating segments. The amendments would:

- "[C]larify and emphasise the criteria that must be met before two operating segments may be aggregated."
- "[R]equire companies to disclose the title and role of the person or group that performs the function of the chief operating decision maker."
- "[R]equire companies to provide information in the notes to the financial statements if segments in the financial statements differ from segments reported elsewhere in the annual report and in accompanying materials."

The ED would also amend the guidance in IAS 34 on interim financial reporting to "require companies that change their segments to provide restated segment information for prior interim periods earlier than they currently do."

Next Steps: Comments on the ED are due by July 31, 2017.

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

IASB Proposes Changes to IFRSs as Part of Annual Improvements Process

Affects: Entities reporting under IFRSs.

Summary: On January 12, 2017, the IASB published an ED that would make minor amendments to the following three IFRSs as part of its annual improvements process:

- *IAS 12* — These amendments would "clarify that an entity should account for all income tax consequences of dividends in the same way, regardless of how the tax arises."

- *IAS 23* — This standard would be amended "to clarify that when a qualifying asset is ready for its intended use or sale, an entity treats any outstanding borrowing made specifically to obtain that qualifying asset as part of the funds that it has borrowed generally."
- *IAS 28* — These amendments would "clarify that an entity is required to apply [IFRS 9], including its impairment requirements, to long-term interests in an associate or joint venture that, in substance, form part of the net investment in the associate or joint venture but to which the equity method is not applied."

Next Steps: Comments on the ED are due by April 12, 2017.

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

Accounting — Other Key Developments

In This Section

Brexit

Assessing Potential Income Tax Accounting Implications of the UK's Written Notification to Leave the EU*

Affects: All entities.

Summary: On March 29, 2017, United Kingdom (UK) Prime Minister Theresa May provided written notification to the European Council of the UK's intention to withdraw from the European Union (EU) under Article 50 of the Lisbon Treaty. Written notification marks the opening of withdrawal negotiations between the UK and the EU, with withdrawal itself scheduled to take effect either on the date a withdrawal agreement enters into force or two years after the UK's notification under Article 50 (unless the negotiations are extended), whichever is earlier. However, because there is no precedent for the departure of an EU-member state from the EU, other significant aspects of the Article 50 process are less clear, including:

- Whether and, if so, how a notification of intention to withdraw from the EU could be revoked.
- The precise steps (at both the EU and the individual-member-state level) to be followed before withdrawal of the UK from the EU would take effect.
- What the outcome of the negotiations will be in terms of the prospective agreements and relationship between the UK and EU.
- What transitional provisions or transitional periods might be agreed to.

In the meantime, EU laws will continue to apply to UK entities exactly as they do today. Along with the many other aspects of European law that would presumably cease to apply to the UK upon its withdrawal from the EU, unless other agreements are reached, various tax exemptions and reliefs related to intra-Europe undertakings would presumably also no longer apply to dealings between UK entities and entities domiciled in EU-member states.

Other Resources: Deloitte's March 31, 2017, and June 24, 2016 (updated March 31, 2017), *Financial Reporting Alert* newsletters.

CAQ

CAQ Publishes Report on Fraud and Enhancing Financial Reporting*

Affects: All entities.

Summary: On March 16, 2017, the CAQ issued a report that addresses the challenges associated with deterring fraud and enhancing financial reporting. Specifically, the report summarizes discussions held during two 2016 workshops that explored "issues that were identified in an analysis of enforcement actions in which the SEC (1) took an action against an issuer or individual because of a securities violation and (2) asserted that there were issues with the company's ICFR." In addition, the report contains key recommendations related to accounting policies, internal controls, and staffing challenges.

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

Derivative Contracts

Variation Margin on Derivatives

Affects: Entities that have derivatives cleared through the Chicago Mercantile Exchange (CME) or London Clearing House (LCH).

Summary: The CME and LCH have amended their respective rulebooks to legally characterize variation margin payments — for derivative contracts that are referred to as settled-to-market — as settlements of the derivative's mark-to-market exposure and not collateral. As a result, accounting questions have arisen regarding the determination of the appropriate unit of account, hedge accounting upon transition and going forward, and other issues.

In May 2016, the ISDA's accounting committee submitted a whitepaper on the accounting impact of the rulebook changes to the SEC's Office of the Chief Accountant. On January 4, 2017, the ISDA issued a confirmation letter indicating that the SEC staff does not object to the conclusions reached in the whitepaper.

Next Steps: Entities should consider the impact that the changes may have in anticipation of financial statement filings for reporting periods ending after January 3, 2017.

Other Resources: Deloitte's January 24, 2017, *Financial Reporting Alert*.

Highly Inflationary Economies

Developments Related to Determining Whether Argentina's Economy Should Be Considered Highly Inflationary*

Affects: Entities with operations in Argentina.

Summary: Historically, the IMF has had concerns about the reliability of the consumer price index (CPI) inflation data produced by the government of Argentina. Because of these concerns, some stakeholders have looked to qualitative factors to help them determine whether Argentina's economy is highly inflationary. Others have looked to the wholesale price index (WPI) produced by the Argentina government as a proxy for inflation data to be used in the three-year cumulative inflation calculation. The WPI has consistently provided national coverage (unlike most of the published CPI data) and has been viewed by some local practitioners as providing the most relevant and reliable inflation measures for the country as a whole, even though it is not a CPI. Further, recent information has shown that inflation has started to decelerate under the new government, and the expectation is that inflation could continue to decelerate given the new government's anti-inflationary policies. Accordingly, entities will face practical challenges and will need to use significant judgment in assessing whether Argentina's economy is considered highly inflationary.

Other Resources: Deloitte's March 7, 2017, *Financial Reporting Alert*.

Revenue Recognition

AICPA Issues Revenue Working Drafts

Affects: All entities.

Summary: In January 2017, three AICPA revenue recognition task forces released for public comment working drafts on accounting issues associated with the implementation of the new revenue standard for the following industries: aerospace and defense, telecommunications, and time shares. The aerospace and defense working draft provides guidance on contract modifications, the working draft for time-share entities discusses performance obligations, and the two working drafts for the telecommunications industry address (1) separate performance obligations and (2) stand-alone selling prices.

Comments on these working drafts were due by March 2, 2017.

Further, in February and March 2017, the AICPA's revenue recognition task forces released for public comment working drafts for software, insurance, time-share, power and utilities, aerospace and defense, and broker-dealer entities. The working drafts address the following issues:

- Significant financing components in software arrangements (software).
- Considerations related to applying the exception in ASC 606-10-15-2 and ASC 606-10-15-4 to contracts within the scope of ASC 944 (insurance).
- Revenue recognition related to management fees (time shares).
- Accounting for tariff sales to regulated customers (power and utilities).
- Unit of account in design, development, and production contracts (aerospace and defense).
- Costs associated with underwriting (broker-dealers).
- Costs associated with investment banking advisory services (broker-dealers).

Comments on the insurance and software working drafts were due by April 3, 2017.

Next Steps: Comments on the time-share, power and utilities, aerospace and defense, and broker-dealer working drafts are due by May 1, 2017.

Other Resources: For more information, see the software, time-share, power and utilities, insurance, aerospace and defense, and broker-dealer revenue recognition task force pages on the AICPA's Web site.

XBRL

SEC Approves the 2017 U.S. GAAP Financial Reporting Taxonomy; FASB Issues XBRL Implementation Guides*

Affects: All entities.

Summary: On March 9, 2017, the FASB announced that the SEC has approved the 2017 U.S. GAAP Financial Reporting Taxonomy and has updated its EDGAR system to support the new version. The 2017 taxonomy reflects accounting standards issued during the past year as well as other corrections and improvements to the 2016 taxonomy.

In addition, the FASB's taxonomy staff has issued 2016 XBRL implementation guides on the following topics:

- Disposal groups and discontinued operations.
- Insurance: concentration of credit risk disclosures.
- Liquidation basis of accounting.
- Leases under ASC 842.
- Measurement-date practical expedient for defined benefit plans.
- Notional amount disclosures.
- Other comprehensive income.
- Repurchase-to-maturity transactions and repurchase financings.
- Retirement benefits — phase 1.
- Revenue from contracts with customers.
- Segment reporting.
- Short-duration insurance contracts.
- Subsequent events.

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

International

IASB Publishes Discussion Paper on Disclosure Principles*

Affects: Entities reporting under IFRSs.

Summary: On March 30, 2017, the IASB published a DP that explores principles for streamlining financial statement disclosures. The DP is being issued in response to stakeholder feedback indicating that current disclosures are often ineffective and contain too much irrelevant, and too little relevant, information.

Next Steps: Comments on the DP are due by October 2, 2017.

Other Resources: For more information, see the press release and *Snapshot* on the IASB's Web site.

IFRS Foundation Releases 2017 IFRS Taxonomy; SEC Announces Availability of IFRS Taxonomy for Foreign Private Issuers*

Affects: Entities reporting under IFRSs.

Summary: On March 9, 2017, the IFRS Foundation released its 2017 IFRS taxonomy, which is a classification system for tagging IFRS financial statement data in electronic filings. The 2017 IFRS taxonomy reflects IFRSs issued by the IASB as of January 1, 2017.

In addition, on March 1, 2017, the SEC announced the availability of the XBRL taxonomy for use by foreign private issuers that submit their financial statements in accordance with IFRSs.

Other Resources: For more information, see the press release and IFRS taxonomy page on the IASB's Web site as well as the press release and notice on the SEC's Web site.

Auditing Developments

AICPA

AICPA Issues SAS on the Auditor's Consideration of an Entity's Ability to Continue as a Going Concern

Affects: Auditors.

Summary: In February 2017, the ASB of the AICPA published SAS 132, which supersedes the guidance in SAS 126 on "the auditor's responsibilities in the audit of financial statements relating to the entity's ability to continue as a going concern and the implications for the auditor's report." Aspects of the guidance that the new SAS revises include:

- The auditor's objectives and related conclusions.
- Financial support by third parties or the entity's owner-manager.
- Interim financial information.
- Financial statements prepared in accordance with a special-purpose framework.

Next Steps: The new guidance will be effective for audits of financial statements for periods ending on or after December 15, 2017.

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

PCAOB

PCAOB Issues Staff Guidance on Form AP

Affects: Registered public accounting firms.

Summary: On February 16, 2017, the PCAOB issued updated staff guidance to help auditors provide disclosures on the new Form AP, as required by the Board's December 2015 final rule. (The SEC approved the rule on May 9, 2016.) On Form AP, auditors must disclose (1) "the name of the engagement partner"; (2) "the name, location, and extent of participation of each other accounting firm participating in the audit [if their] work constituted at least 5% of total audit hours"; and (3) the "number and aggregate extent of participation of all other accounting firms participating in the audit whose individual participation was less than 5% of total audit hours." The updated guidance clarifies the treatment of professional staff in secondment arrangements.

Next Steps: The requirement to disclose the engagement partner is effective for audit reports issued on or after January 31, 2017. The disclosure requirements related to other accounting firms are effective for audit reports issued on or after June 30, 2017.

Governmental Accounting and Auditing Developments

In This Section

FASAB

FASAB Issues Statement on Insurance Programs

Affects: Entities applying federal financial accounting standards.

Summary: On January 18, 2017, the FASAB issued Statement 51, which "establishes accounting and financial reporting standards for insurance programs." Specifically, the new Statement "provides standards to ensure that insurance programs are adequately defined and report consistent information about the liabilities for losses incurred and claimed as well as expected losses during remaining coverage."

Next Steps: Statement 51 is effective for reporting periods beginning after September 30, 2018.

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

FASAB Issues Exposure Draft on Budget and Accrual Reconciliation

Affects: Entities applying federal financial accounting standards.

Summary: On December 21, 2016, the FASAB issued an ED that would amend the requirements in FASAB Statement 7 on "a reconciliation between budgetary and financial accounting information." Specifically, the proposal "would replace the current reconciliation with a new budget and accrual reconciliation . . . and explain the relationship between the entity's net outlays on a budgetary basis and the net cost of operations during the reporting period."

Comments on the ED were due by March 14, 2017.

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

GASB

GASB Issues Omnibus Statement*

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

Summary: On March 20, 2017, the GASB issued Statement 85, which addresses "practice issues that have been identified during implementation and application of certain GASB Statements." Topics covered in the Statement include "issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits . . .)."

Next Steps: Statement 85 is effective for reporting periods beginning after June 15, 2017. Early application is encouraged.

GASB Issues Guidance on Fiduciary Activities

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

Summary: On January 31, 2017, the GASB issued Statement 84, which "establishes criteria for identifying fiduciary activities of all state and local governments." The primary purpose of the Statement is to "improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported."

Next Steps: Statement 84 is effective for reporting periods beginning after December 15, 2018. Early application is encouraged.

GASB Requests Feedback on Financial Reporting Model

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

Summary: On January 4, 2017, the GASB issued an invitation to comment (ITC) that requests feedback on "the Board's financial reporting model reexamination project." Specifically, the ITC "addresses potential improvements to fundamental issues of the GASB's financial reporting model reexamination project: (1) the measurement focus and basis of accounting for governmental funds and (2) the presentation of governmental fund financial statements."

Comments were due by March 31, 2017.

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

International

IPSASB Issues Guidance on Public-Sector Combinations

Affects: Public-sector entities.

Summary: On January 31, 2017, the IPSASB released IPSAS 40, which provides guidance on accounting for public-sector combinations. The new guidance contains requirements related to the following two types of combinations:

- *Amalgamations* — The "modified pooling of interests" accounting approach is used to recognize the amalgamation "on the date it takes place."
- *Acquisitions* — Entities apply the acquisition method of accounting and, in doing so, use "the same approach as in IFRS 3 . . . supplemented with additional guidance for public sector specific situations."

Next Steps: IPSAS 40 will become effective on January 1, 2019. Early adoption is encouraged.

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

Regulatory and Compliance Developments

In This Section

SEC

SEC Issues Final Rule on Inflation Adjustments*

Affects: SEC registrants.

Summary: On March 31, 2017, the SEC issued a final rule that updates the definition of "emerging growth company" to include an "inflation-adjusted threshold" and amends the dollar amounts in the SEC's Regulation Crowdfunding. In addition, the final rule contains technical amendments that "conform several rules and forms to amendments made to the Securities Act of 1933 and the Securities Exchange Act of 1934 by Title I of the Jumpstart Our Business Startups Act."

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

SEC Amends Settlement Cycle for Broker-Dealer Securities Transactions*

Affects: SEC registrants.

Summary: On March 22, 2017, the SEC issued a final rule that shortens — from three to two business days — "the standard settlement cycle for most broker-dealer securities transactions." The objective of the final rule is to "enhance efficiency, reduce risk, and ensure a coordinated and expeditious transition by market participants to a shortened standard settlement cycle."

Next Steps: The final rule will become effective on May 30, 2017. The compliance date for the final rule is September 5, 2017.

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

SEC Issues Notice on Recent EDGAR Phishing Scam*

Affects: SEC registrants.

Summary: On March 8, 2017, the SEC issued a notice related to a phishing campaign in which fraudulent e-mails have been sent to certain EDGAR filers. The e-mails falsely indicate that the SEC has recently made changes to Form 10-K and may contain malicious attachments that are designed to gain access to the user's computer or network. The SEC has confirmed that it has sent no such e-mails to EDGAR filers and that recipients should delete the e-mails.

SEC Proposes Rule on Municipal Securities Disclosures*

Affects: SEC registrants.

Summary: On March 1, 2017, the SEC issued a proposed rule that is intended "to improve investor protection and enhance transparency in the municipal securities market." The proposal would amend "the list of event notices that a broker, dealer, or municipal securities dealer acting as an underwriter in a primary offering of municipal securities subject to the Rule must reasonably determine that an issuer or obligated person has undertaken, in a written agreement for the benefit of holders of municipal securities, to provide to the Municipal Securities Rulemaking Board within ten business days of the event's occurrence."

Next Steps: Comments on the proposed rule are due by May 15, 2017.

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

SEC Issues Guidance on Exhibit Hyperlinks and HTML Format*

Affects: SEC registrants.

Summary: On March 1, 2017, the SEC issued a final rule that requires "registrants that file registration statements or reports subject to the exhibit requirements under Item 601 of Regulation S-K, or that file Forms F-10 or 20-F, to include a hyperlink to each exhibit listed in the exhibit index of these filings, and to submit such registration statements and reports on EDGAR in [HTML] format."

Next Steps: The final rule will become effective on September 1, 2017.

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

SEC Proposes Use of Inline XBRL Format

Affects: SEC registrants.

Summary: On March 1, 2017, the SEC issued a proposed rule that would "require the use of Inline XBRL format for the submission of operating company financial statement information and mutual fund risk/return summaries." In addition, "the requirement for filers to post XBRL data on their websites" would be eliminated.

Next Steps: Comments on the proposed rule are due by May 16, 2017.

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

SEC Requests Comments on Statistical and Other Disclosures by Bank Holding Companies

Affects: SEC registrants that are bank holding companies.

Summary: On March 1, 2017, the SEC issued a request for comment on potential changes to Industry Guide 3, which applies to statistical disclosures by bank holding companies. The request for comments asks for feedback on the following topics:

- "Existing disclosure guidance for bank holding companies called for by Guide 3, as well as other sources of disclosure for bank holding companies and other registrants in the financial services industry."
- "Potential improvements to the disclosure regime, which could include new disclosures, the elimination of duplicative or overlapping disclosures, or revisions to current disclosures."
- "The scope and applicability of Guide 3."
- "The effects of regulation on bank holding companies, including with regard to their operations, capital structures, dividend policies and treatment in bankruptcy."

Next Steps: Comments are due by May 8, 2017.

Other Resources: Deloitte's March 2017 *Financial Services Spotlight*. Also see the press release on the SEC's Web site.

CAQ Releases Highlights of November 2016 Meeting Between IPTF and SEC Staff

Affects: SEC registrants.

Summary: On February 24, 2017, the CAQ released the highlights of the November 17, 2016, joint meeting between the IPTF and the SEC staff. Topics discussed at the meeting included:

- Monitoring inflation in certain countries.
- Transition questions related to the new leasing standard, IFRS 16.
- Use of pre-acquisition and post-acquisition periods to satisfy SEC Regulation S-X, Rule 3-05, requirements for other than initial registration statements.
- Significant equity investee financial statements under SEC Regulation S-X, Rule 3-09.
- Use of IFRS XBRL taxonomy by foreign private issuers.

President Trump Signs Resolution Eliminating SEC Disclosure Rule

Affects: SEC registrants.

Summary: On February 14, 2017, President Trump signed H.J. Resolution 41, which eliminates the SEC's rule under which issuers engaged in the commercial development of oil, natural gas, or minerals must disclose certain payments made to U.S. federal and foreign governments. H.J. Resolution 41 repeals the Commission's June 2016 final rule on disclosures of payments by resource extraction issuers, which was implemented as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

SEC Acting Chairman Requests Feedback on Implementation of Pay Ratio Disclosure Rule

Affects: SEC registrants.

Summary: On February 6, 2017, Michael Piwowar, the SEC's acting chairman, released a public statement in which he requested public input on implementation issues associated with the SEC's final rule on pay ratio disclosure. The final rule requires registrants — except foreign private issuers, registered investment companies, and emerging growth companies — to clearly disclose the relationship between executive compensation actually paid and the financial performance of the registrant in proxy or information statements in which executive compensation disclosures are required. Mr. Piwowar noted that since compliance with the rule became effective for fiscal years beginning on or after January 1, 2017, some issuers have "begun to encounter unanticipated compliance difficulties that may hinder them in meeting the reporting deadline."

Next Steps: Interested parties are encouraged to submit comments on the SEC's Web site.

SEC Acting Chairman Makes Statements Regarding Conflict Minerals Rule

Affects: SEC registrants.

Summary: On January 31, 2017, Michael Piwowar, the SEC's acting chairman, made public statements related to the Commission's 2014 guidance on its August 2012 final rule on conflict minerals. The SEC partially stayed compliance with the conflict minerals rule after an April 2014 appellate court ruling found that the rule violated the First Amendment of the U.S. Constitution. Mr. Piwowar indicated that the "partial stay has done little to stem the tide of unintended consequences washing over the Democratic Republic of the Congo and surrounding areas." He further noted:

> [T]he temporary transition period provided for in the Rule has expired. And the reporting period beginning January 1, 2017, is the first reporting period for which no issuer falls within the terms of that transition period. In light of this, as well as the unexpected duration of the litigation, I am directing the staff to consider whether the 2014 guidance is still appropriate and whether any additional relief is appropriate in the interim.

Next Steps: Mr. Piwowar is requesting feedback "from interested persons on all aspects of the rule and guidance." A comment letter page has been set up on the SEC's Web site.

Other Resources: Mr. Piwowar's statements on the conflict minerals rule and on the reconsideration of the rule's implementation are available on the SEC's Web site.

SEC Publishes Examination Priorities for 2017

Affects: SEC registrants.

Summary: On January 12, 2017, the SEC's Office of Compliance Inspections and Examinations published its examination priorities for 2017. The priorities focus on electronic investment advice, money market funds, and financial exploitation of senior investors. In addition, the priorities "reflect a continuing focus on protecting retail investors, including individuals investing for their retirement, and assessing market-wide risks." The document is not necessarily comprehensive and "may be adjusted in light of market conditions, industry developments, and ongoing risk assessment activities."

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

SEC Chairman Discusses Global Accounting

Affects: SEC registrants.

Summary: On January 5, 2017, former SEC Chairman Mary Jo White issued a public statement in which she urged the next SEC chairman to continue to pursue global accounting standards to protect investors and the strength of the U.S. market. While Ms. White acknowledged that the Commission has not taken "formal action" related to such standards since 2010, she described the past years as a success:

> Although the FASB and IASB have completed their agreed-upon, priority convergence projects, this milestone must not mark the end of the intense collaboration that has occurred between the two Boards over the last few years. These efforts have greatly enhanced the quality of accounting standards in a number of important areas, including recently narrowing many differences in the accounting standards for revenue recognition, leases, credit losses on financial instruments, and recognition and measurement of financial assets and liabilities.

Ms. White also suggested that such progress needs to continue. She concluded:

> The United States cannot afford to be myopic about this issue in light of the benefits of these efforts for all stakeholders. Strong support of both the FASB and the IASB by U.S. investors, companies, auditors, and others, including the Commission, is essential. Indeed, it should be self-evident that the pursuit of high-quality globally accepted accounting standards is part of the SEC's continuing responsibility to encourage, facilitate and direct efforts to enhance the quality of all financial reporting that directly impacts the protection of investors and the strength of our markets.

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: hedging	The purpose of this project is to "make targeted improvements to the hedge accounting model based on the feedback received from preparers, auditors, users and other stakeholders."	On September 8, 2016, the FASB issued a proposed ASU that would make targeted improvements to the accounting for hedging activities. The proposed amendments "would expand and refine hedge accounting for both nonfinancial and financial risk components and would align the recognition and presentation of the effects of the hedging instrument and the hedged item in the financial statements." Comments on the proposal were due by November 22, 2016. For more information, see Deloitte's September 14, 2016, *Heads Up*. During the first quarter of 2017, the FASB has affirmed a number of the proposed amendments and revised others. For more information, see Deloitte's February 1, 2017; February 16, 2017; March 10, 2017; and March 23, 2017, journal entries.
Accounting for interest income associated with the purchase of callable debt securities	This project aimed "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."	On March 30, 2017, the FASB issued ASU 2017-08, which shortens the amortization period for investments in callable debt securities purchased at a premium by requiring that the premium be amortized to the earliest call date. For public business entities, the ASU is effective for fiscal years, and interim periods within those fiscal years, starting after December 15, 2018. For all other entities, it is effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. All entities are permitted to early adopt the guidance. For more information, see Deloitte's April 4, 2017, *Heads Up*.
Collaborative arrangements: targeted improvements	The purpose of this project is "to clarify when transactions between partners in a collaborative arrangement (that is within the scope of [ASC 808]) should be accounted for as revenue transactions in [ASC 606]."	The Board added this project to its technical agenda on November 16, 2016.
Conceptual framework: measurement	The objective of the conceptual framework project is "to develop an improved conceptual framework that provides a sound foundation for developing future accounting standards."	Beginning in 2014, the Board has deliberated measurement concepts, such as methods of determining initial carrying amounts of assets, liabilities, and equity. In addition, the Board has discussed concepts related to measuring changes in carrying amounts. On November 30, 2016, the Board made tentative decisions related to initial measurement concepts and asked the staff to develop a revised project plan.

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

Consolidation reorganization and targeted improvements	The purpose of this project is to clarify and make targeted improvements to the consolidation guidance in ASC 810.	On November 2, 2016, the Board added this project to its technical agenda. Further, it tentatively decided to (1) "clarify the consolidation guidance in [ASC 810]" by dividing it into separate Codification subtopics for voting interest entities and variable interest entities (VIEs); (2) develop a new Codification topic, ASC 812, that would include those reorganized subtopics and would completely supersede ASC 810; (3) rescind the subsections on consolidation of entities controlled by contract in ASC 810-10-15 and in ASC 810-30 on research and development arrangements; (4) "further clarify that power over a VIE is obtained through a variable interest"; and (5) "provide further clarification of the application of the concept of 'expected,' which is used throughout the VIE consolidation guidance." At its March 8, 2017, meeting, the FASB discussed the feedback received at its December 16, 2016, public roundtable and voted to move forward with a proposed ASU that reorganizes the consolidation guidance. For more information, see Deloitte's November 8, 2016, and March 14, 2017, journal entries.
Consolidation: targeted improvements to related-party guidance for VIEs	The objective of this project is to make targeted improvements to the related-party guidance for VIEs.	At its March 8, 2017, meeting, the Board decided to add to its agenda a project on an elective private-company scope exception to the VIE guidance for entities under common control and certain targeted improvements to the existing related-party guidance in the VIE model. For more information, see Deloitte's March 14, 2017, journal entry.
Determining the customer of the operation services in a service concession arrangement (EITF Issue 16-C)	The purpose of this project is to resolve diversity in practice related to the accounting for service concession arrangements.	On November 4, 2016, the FASB issued a proposed ASU in response to the consensus-for-exposure reached by the EITF at its September 22, 2016, meeting. A service concession arrangement is an arrangement between a grantor (a government or public-sector entity) and an operating entity (a private-sector entity) under which the operating entity will operate the grantor's infrastructure (e.g., airports, roads, bridges, and hospitals). Under the proposed ASU, the grantor (rather than any third-party user) is considered the customer of the operation services when the revenue recognition guidance in ASC 606 is applied to a service concession arrangement within the scope of ASC 853. Accordingly, payments made by the operating entity to the grantor are treated as a reduction of revenue rather than as an operating expense. Comments on the proposed ASU were due by January 6, 2017. On March 29, 2017, the Board ratified the final consensus reached at the March 16, 2017, EITF meeting and directed the staff to draft a final ASU for a vote by written ballot. The FASB expects to issue the ASU in the second quarter of 2017. For more information, see Deloitte's March 2017 *EITF Snapshot*.
Improving the accounting for asset acquisitions and business combinations (phase 3 of the definition of a business project)	The purpose of this phase of the project is to consider whether there are differences in the acquisition and derecognition guidance for assets and businesses that could be aligned.	The Board has not yet begun deliberating this phase of the project.

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."	On September 29, 2016, the FASB issued a proposed ASU that would make targeted improvements to the recognition, measurement, presentation, and disclosure requirements for long-duration contracts issued by insurance entities. The proposed approach would affect the assumptions used to measure the liability for future policy benefits, the measurement of market risk benefits, and the amortization of deferred acquisition costs. Comments on the proposal were due by December 15, 2016. On February 8, 2017, the Board discussed feedback received. No technical decisions were made. For more information, see Deloitte's October 2016 *Insurance Spotlight*.
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 December 7, 2016, the FASB issued a proposed ASU that would 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 a scope exception that has the same applicability. Comments on the proposal were due by February 6, 2017. On March 22, 2017, the Board discussed feedback received on the proposed ASU, directed the staff to perform additional research related to down-round features, and affirmed its decision to replace the indefinite deferral in ASC 480 with a scope exception. For more information, see Deloitte's December 8, 2016, *Heads Up*.
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."	On March 7, 2017, the FASB issued a proposed ASU that would simplify the accounting for share-based payments granted to nonemployees for goods and services. Under the proposal, most of the guidance on such payments would be aligned with the requirements for share-based payments granted to employees. Comments on the proposed ASU are due by June 5, 2017. For more information, see Deloitte's March 10, 2017, *Heads Up*.
Revenue recognition: grants and contracts by not-for-profit entities	The purpose of this project is to "improve and clarify existing guidance on revenue recognition of grants and contracts by not-for-profit entities."	At its April 20, 2016, meeting, the FASB decided to add this project to its technical agenda. Stakeholders have raised two main issues: (1) characterizing grants and contracts with governmental agencies and others as (a) reciprocal transactions (exchanges) or (b) nonreciprocal transactions (contributions) and (2) differentiating between conditions and restrictions for nonreciprocal transactions. The Board deliberated these issues on June 15, 2016; August 31, 2016; December 14, 2016; and February 22, 2017. For more information, see Deloitte's June 16, 2016, journal entry.

Share-based payments: scope of modification accounting in ASC 718	This project is intended to reduce the cost and complexity of applying modification accounting in ASC 718.	On November 17, 2016, the FASB issued a proposed ASU that would clarify which changes to the terms or conditions of a share-based payment award should require an entity to apply modification accounting under ASC 718. Modification accounting would not apply if a change to an award does not affect the total current fair value (or other applicable measurement), vesting requirements, or the classification of the award. Comments on the proposed ASU were due by January 6, 2017. On February 22, 2017, the Board discussed comments received on the proposed ASU and decided to reaffirm and clarify a number of the proposed amendments. The Board asked the staff to draft a final ASU for a vote by written ballot. For all entities, the final ASU will be effective prospectively for awards modified in fiscal years beginning after December 15, 2017, and interim periods within those annual periods. Early adoption will be permitted. The FASB expects to issue a final ASU in April 2017. For more information, see Deloitte's November 18, 2016, *Heads Up* and February 22, 2017, journal entry.
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."	The Board has not yet commenced deliberations of its next technical corrections and improvements.

Presentation and Disclosure Projects

Conceptual framework: presentation	The objective of the conceptual framework project is to develop an improved conceptual framework that provides a sound foundation for developing future accounting standards.	On August 11, 2016, the FASB issued a proposed concepts statement that would add a new chapter on presentation of financial statement information to the FASB's conceptual framework. Comments were due by November 9, 2016.
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. Comments on the ED were due by December 8, 2015. **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. Comments on the proposal were due by December 8, 2015. For more information, see Deloitte's September 28, 2015, *Heads Up*. The Board began its discussion of comments received on December 14, 2016.

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 July 13, 2016, meeting, the FASB discussed feedback on its proposed ASU and directed its staff to conduct additional research.
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 related to fair value measurement. Comments on the proposal were due by February 29, 2016. For more information, see Deloitte's December 8, 2015, *Heads Up*. At its June 1, 2016, meeting, the FASB discussed comments received on its proposed ASU and directed its staff to reach out to investors and other financial statement users regarding the proposal.
Disclosure framework: disclosure review — income taxes	The purpose of this project is to improve the effectiveness of income tax disclosures.	On June 26, 2016, the FASB issued a proposed ASU that would modify existing and add new income tax disclosure requirements. The proposed requirements include describing an enacted change in tax law; disaggregating certain income tax information between foreign and domestic; explaining the circumstances that caused a change in assertion about the indefinite reinvestment of undistributed foreign earnings; and disclosing the aggregate of cash, cash equivalents, and marketable securities held by foreign subsidiaries. Comments on the proposed ASU were due by September 30, 2016. For more information, see Deloitte's July 29, 2016, *Heads Up*. On January 25, 2017, the Board discussed the feedback received on the proposed ASU. No technical decisions were made.
Disclosure framework: disclosures — interim reporting	The purpose of this project is to improve the effectiveness of interim disclosures.	At its May 28, 2014, meeting, the FASB decided to amend ASC 270 "to reflect that disclosures about matters required to be set forth in annual financial statements should be provided on an updated basis in the interim report if there is a substantial likelihood that the updated information would be viewed by a reasonable investor as significantly altering the 'total mix' of information available to the investor."
Disclosure framework: disclosure review — inventory	The purpose of this project is to improve the effectiveness of inventory disclosures.	On January 10, 2017, the FASB issued a proposed ASU that would modify or eliminate certain disclosure requirements related to inventory and establish new requirements. Comments on the proposed ASU were due by March 13, 2017. For more information, see Deloitte's January 12, 2017, *Heads Up*.

Disclosures by business entities about government assistance	The purpose of this project is to "develop disclosure requirements about government assistance that improves the content, quality and comparability of financial information and financial statements and that is responsive to the emerging issues in the changing financial and economic environment in which reporting entities operate."	On November 12, 2015, the FASB issued a 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. At its June 8, 2016, meeting, the FASB made tentative decisions about the project's scope, whether to require disclosures about government assistance received but not recognized directly in the financial statements, and omission of information when restrictions preclude an entity from disclosing the information required. For more information, see Deloitte's November 20, 2015, *Heads Up* and June 14, 2016, journal entry.
Financial statements of not-for-profit entities (phase 2)	The purpose of this project is to "reexamine existing standards for financial statement presentation by not-for-profit entities."	The FASB issued a proposed ASU on April 22, 2015, on which comments were due by August 20, 2015. On October 28, 2015, the FASB discussed feedback received on the proposal and decided to split the project into two phases. The Board completed the first phase on August 18, 2016, when it issued ASU 2016-14, which simplifies and improves how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance, and cash flows. ASU 2016-14 indicates that the second phase of the project is "expected to address more protracted issues surrounding whether and how to define the term *operations* and align measures of operations (or financial performance) as presented in a statement of activities with measures of operations in a statement of cash flows."
Improving the presentation of net periodic pension cost and net periodic postretirement benefit cost	The purpose of this project was to "simplify and improve the reporting of net periodic pension cost and net periodic postretirement benefit cost ('net benefit cost')."	On March 10, 2017, the FASB issued ASU 2017-07, which amends the requirements in ASC 715 related to the income statement presentation of the components of net periodic benefit cost for an entity's sponsored defined benefit pension and other postretirement plans. The ASU is effective for public business entities for annual reporting periods beginning after December 15, 2017, including interim periods within those annual periods. For other entities, the ASU is effective for annual reporting periods beginning after December 15, 2018, and interim periods beginning after December 15, 2019. For more information, see Deloitte's March 14, 2017, *Heads Up*.

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."	On January 10, 2017, the FASB issued a proposed ASU on determining whether debt should be classified as current or noncurrent in a classified balance sheet. In place of the current, fact-specific guidance in ASC 470-10, the proposed ASU would introduce a classification principle under which a debt arrangement would be classified as noncurrent if either (1) the "liability is contractually due to be settled more than one year (or operating cycle, if longer) after the balance sheet date" or (2) the "entity has a contractual right to defer settlement of the liability for at least one year (or operating cycle, if longer) after the balance sheet date." Under an exception to the classification principle, an entity would not classify debt as current solely because of the occurrence of a debt covenant violation that gives the lender the right to demand repayment of the debt, as long as the lender waives its right before the financial statements are issued (or are available to be issued). Comments on the proposal are due by May 5, 2017. For more information, see Deloitte's January 12, 2017, *Heads Up*.

Appendix B: Significant Adoption Dates and Deadlines

The chart below describes 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 2017-08, *Premium Amortization on Purchased Callable Debt Securities* (issued March 30, 2017)	Entities that hold investments in callable debt securities that have an amortized cost basis in excess of the amount that is repayable by the issuer as of the earliest call date.	For public business entities, the amendments are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted, including adoption in an interim period.
ASU 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost* (issued March 10, 2017)	Entities that offer to their employees defined benefit pension plans, other postretirement benefit plans, or other types of benefits accounted for under ASC 715.	For public business entities, the amendments are effective for annual periods beginning after December 15, 2017, including interim periods within those annual periods. For all other entities, the amendments are effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early adoption is permitted.
ASU 2017-06, *Employee Benefit Plan Master Trust Reporting* — a consensus of the FASB Emerging Issues Task Force (issued February 27, 2017)	All entities.	The amendments in the ASU are effective for fiscal years beginning after December 15, 2018. Early adoption is permitted.
ASU 2017-05, *Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets* (issued February 22, 2017)	All entities.	See status column for ASU 2014-09 below.
ASU 2017-04, *Simplifying the Test for Goodwill Impairment* (issued January 26, 2017)	All entities.	For public business entities that are SEC filers, the amendments in the ASU are effective for annual and interim goodwill impairment tests in fiscal years beginning after December 15, 2019. For public business entities that are not SEC filers, the ASU's amendments are effective for annual and interim goodwill impairment tests in fiscal years beginning after December 15, 2020. For all other entities, including not-for-profit entities, the ASU's amendments are effective for annual and interim goodwill impairment tests in fiscal years beginning after December 15, 2021. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017.
ASU 2017-03, *Accounting Changes and Error Corrections (Topic 250) and Investments — Equity Method and Joint Ventures (Topic 323): Amendments to SEC Paragraphs Pursuant to Staff Announcements at the September 22, 2016 and November 17, 2016 EITF Meetings* (issued January 23, 2017)	All entities.	Effective upon issuance.
ASU 2017-02, *Clarifying When a Not-for-Profit Entity That Is a General Partner or a Limited Partner Should Consolidate a For-Profit Limited Partnership or Similar Entity* (issued January 12, 2017)	Not-for-profit entities.	Effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted, including adoption in an interim period.

ASU 2017-01, *Clarifying the Definition of a Business* (issued January 5, 2017)	All entities.	For public business entities, the amendments are effective for annual periods beginning after December 15, 2017, including interim periods within those annual periods. For all other entities, the amendments are effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019.
ASU 2016-20, *Technical Corrections and Improvements to Topic 606,* Revenue From Contracts With Customers (issued December 21, 2016)	All entities.	See status column for ASU 2014-09 below.
ASU 2016-19, *Technical Corrections and Improvements* (issued December 14, 2016)	All entities.	Most of the amendments are effective immediately; however, there is transition guidance for certain amendments.
ASU 2016-18, *Restricted Cash* — a consensus of the FASB Emerging Issues Task Force (issued November 17, 2016)	All entities.	For public business entities, the amendments are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period.
ASU 2016-17, *Interests Held Through Related Parties That Are Under Common Control* (issued October 26, 2016)	All entities.	For public business entities, the amendments are effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted, including adoption in an interim period.
ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory* (issued October 24, 2016)	All entities.	For public business entities, the amendments are effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods. For all other entities, the amendments are effective for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019. Early adoption is permitted for all entities as of the beginning of an annual reporting period for which financial statements (interim or annual) have not been issued or made available for issuance. That is, earlier adoption should be in the first interim period if an entity issues interim financial statements.
ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments* — a consensus of the FASB Emerging Issues Task Force (issued August 26, 2016)	All entities.	For public business entities, the guidance in the ASU is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. For all other entities, it is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted for all entities. Entities must apply the guidance retrospectively to all periods presented but may apply it prospectively from the earliest date practicable if retrospective application would be impracticable.

ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (issued August 18, 2016)	Not-for-profit entities.	Effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Application to interim financial statements is permitted but not required in the initial year of application. Early application is permitted. The amendments in the ASU should be initially adopted only for an annual fiscal period or for the first interim period within the fiscal year of adoption.
ASU 2016-13, *Measurement of Credit Losses on Financial Instruments* (issued June 16, 2016)	Entities holding financial assets and net investments in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash.	For public business entities that are SEC filers, the amendments in the ASU are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other public business entities, the amendments in the ASU are effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. For all other entities, including not-for-profit entities and employee benefit plans within the scope of ASC 960 through ASC 965 on plan accounting, the amendments in the ASU are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021.
ASU 2016-12, *Revenue From Contracts With Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients* (issued May 9, 2016)	All entities.	See status column for ASU 2014-09 below.
ASU 2016-11, *Rescission of SEC Guidance Because of Accounting Standards Updates 2014-09 and 2014-16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting* (issued May 2, 2016)	All entities.	Effective at the same time as ASU 2014-09 and ASU 2014-16.
ASU 2016-10, *Identifying Performance Obligations and Licensing* (issued April 14, 2016)	All entities.	See status column for ASU 2014-09 below.
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, *Principal Versus Agent Considerations (Reporting Revenue Gross Versus Net)* (issued March 17, 2016)	All entities.	See status column for ASU 2014-09 below.
ASU 2016-07, *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, *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, *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, *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 2016-02, *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. Entities that are not public business entities may adopt the amendments in the ASU earlier as of 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 2015-14, *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 2015-11, *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 2015-09, *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 2015-05, *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 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 2014-13, *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 2014-10, *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 business 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 on May 28, 2014; effective date amended by ASU 2015-14, which was issued on 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.
Projects in Request-for-Comment Stage		
Proposed ASU, *Simplifying the Classification of Debt in a Classified Balance Sheet (Current Versus Noncurrent)* (issued January 10, 2017)	All entities.	Comments due May 5, 2017.
Proposed ASU, *Improvements to Nonemployee Share-Based Payment Accounting* (issued March 7, 2017)	All entities.	Comments due June 5, 2017.

AICPA	Affects	Status
Final Guidance		
SAS 132, *The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern* (issued February 22, 2017)	Auditors.	Effective for audits of financial statements for periods ending on or after December 15, 2017.
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 23, *Omnibus Statement on Standards for Accounting and Review Services — 2016* (issued October 26, 2016)	Entities that perform accounting and review services.	The revisions to AR-C Sections 60 and 90 are effective upon issuance. The revisions to AR-C Sections 70 and 80 are also effective upon issuance, with the exception of certain amendments that are effective, respectively, for financial information prepared, and compilation reports dated, on or after May 1, 2017.
SSARS 22, *Compilation of Pro Forma Financial Information* (issued September 23, 2016)	Entities that perform compilation engagements related to pro forma financial information.	Effective for compilation reports on pro forma financial information dated on or after May 1, 2017.

Projects in Request-for-Comment Stage		
Revenue Recognition Task Force Working Draft, *Power & Utility Entities Revenue Recognition Issue #13-1: Accounting for Tariff Sales to Regulated Customers* (issued March 1, 2017)	Power and utilities entities.	Comments due May 1, 2017.
Revenue Recognition Task Force Working Draft, *Time-Share Revenue Recognition Issue #16-6: Recognition of Revenue — Management Fees* (issued March 1, 2017)	Time-share entities.	Comments due May 1, 2017.
AICPA Revenue Recognition Task Force Working Draft, *Aerospace and Defense Revenue Recognition Implementation Issue #1-6: Identifying the Unit of Account in Design, Development, and Production Contracts* (issued March 1, 2017)	Aerospace and defense entities.	Comments due May 1, 2017.
AICPA Revenue Recognition Task Force Working Draft, *Broker-Dealer Revenue Recognition Implementation Issue #3-3: Principal vs. Agent: Costs Associated With Underwriting* (issued March 1, 2017)	Broker-dealers.	Comments due May 1, 2017.
AICPA Revenue Recognition Task Force Working Draft, *Broker-Dealer Revenue Recognition Implementation Issue #3-3A: Costs Associated With Investment Banking Advisory Services* (issued March 1, 2017)	Broker-dealers.	Comments due May 1, 2017.

SEC	Affects	Status
Final Guidance		
Final Rule, *Inflation Adjustments and Other Technical Amendments Under Titles I and III of the JOBS Act* (33-10332) (issued March 31, 2017)	SEC registrants.	Effective on the date of publication in the *Federal Register*.
Final Rule, *Amendment to Securities Transaction Settlement Cycle* (34-80295) (issued March 22, 2017)	SEC registrants.	Effective May 30, 2017. The compliance date is September 5, 2017.
Final Rule, *Adoption of Updated EDGAR Filer Manual* (33-10324) (issued March 13, 2017)	SEC registrants.	Effective March 9, 2017.
Final Rule, *Exhibit Links and HTML Format* (33-10322) (issued March 1, 2017)	SEC registrants.	Effective September 1, 2017.
Final Rule, *Adoption of Updated EDGAR Filer Manual* (33-10295) (issued January 26, 2017)	SEC registrants.	Effective February 8, 2017.
Final Rule, *Adjustments to Civil Monetary Penalty Amounts* (33-10276) (issued January 6, 2017)	SEC registrants.	Effective January 18, 2017.
Final Rule, *Technical Correction: Changes to Exchange Act Registration Requirements to Implement Title V and Title VI of the JOBS Act* (33-10075A) (issued December 21, 2016)	SEC registrants.	Effective December 28, 2016.
Final Rule, *Adoption of Updated EDGAR Filer Manual* (33-10265) (issued December 9, 2016)	SEC registrants.	Effective January 23, 2017. The incorporation by reference of the EDGAR Filer Manual is approved by the director of the *Federal Register* as of January 23, 2017.

Final Rule, *Exemptions to Facilitate Intrastate and Regional Securities Offerings* (33-10238) (issued October 26, 2016)	SEC registrants.	Revised 17 CFR 230.147 (Rule 147) and new 17 CFR 230.147A (Rule 147A) will become effective on April 20, 2017. The amendments to 17 CFR 230.504 (Rule 504) and 17 CFR 200.30-1 (Rule 30-1) became effective on January 20, 2017. The removal of 17 CFR 230.505 (Rule 505) will become effective on May 22, 2017. All other amendments in this rule will become effective on May 22, 2017.
Final Rule, *Investment Company Swing Pricing* (33-10234) (issued October 13, 2016)	Investment companies.	Effective November 19, 2018.
Final Rule, *Investment Company Liquidity Risk Management Programs* (33-10233) (issued October 13, 2016)	Investment companies.	Effective January 17, 2017, except for the amendments to Form N-CEN (referenced in 17 CFR 274.101), which will become effective on June 1, 2018.
Final Rule, *Investment Company Reporting Modernization* (33-10231) (issued October 13, 2016)	Investment companies.	Effective January 17, 2017, with exceptions listed in the final rule.
Final Rule, *Standards for Covered Clearing Agencies* (34-78961) (issued September 28, 2016)	SEC-registered clearing agencies.	Effective December 12, 2016. Compliance date is April 11, 2017.
Final Rule, *Adoption of Updated EDGAR Filer Manual* (33-10217) (issued September 20, 2016)	SEC registrants.	Effective September 30, 2016.
Final Rule, *Access to Data Obtained by Security-Based Swap Data Repositories* (34-78716) (issued August 29, 2016)	SEC registrants.	Effective November 1, 2016.
Final Rule, *Form ADV and Investment Advisers Act Rules* (IA-4509) (issued August 25, 2016)	SEC registrants.	Effective October 31, 2016.
Final Rule, *Regulation SBSR — Reporting and Dissemination of Security-Based Swap Information* (34-78321) (issued July 14, 2016)	SEC registrants.	Effective October 11, 2016.
Final Rule, *Amendments to the Commission's Rules of Practice* (34-78319) (issued July 13, 2016)	SEC registrants.	Effective September 27, 2016.
Final Rule, *Disclosure of Payments by Resource Extraction Issuers* (34-78167) (issued June 27, 2016)	SEC registrants.	Effective September 26, 2016.
Final Rule, *Asset-Backed Securities Disclosure and Registration* (33-10099) (issued June 16, 2016)	SEC registrants.	Effective June 22, 2016.
Final Rule, *Adoption of Updated EDGAR Filer Manual* (33-10095) (issued June 13, 2016)	SEC registrants.	Effective July 1, 2016. The incorporation by reference of the EDGAR Filer Manual is approved by the director of the *Federal Register* as of July 1, 2016.
Final Rule, *Trade Acknowledgment and Verification of Security-Based Swap Transactions* (34-78011) (issued June 8, 2016)	SEC registrants.	Effective August 16, 2016.
Final Rule, *Changes to Exchange Act Registration Requirements to Implement Title V and Title VI of the JOBS Act* (33-10075) (issued May 3, 2016)	SEC registrants.	Effective June 9, 2016.
Final Rule, *Adoption of Updated EDGAR Filer Manual* (33-10071) (issued April 22, 2016)	SEC registrants.	Effective May 19, 2016.

Final Rule, *Business Conduct Standards for Security-Based Swap Dealers and Major Security-Based Swap Participants; Correction* (34-77617 and 34-77617A) (issued April 14, 2016)	Registered security-based swap dealers and registered major security-based swap participants.	Effective July 12, 2016.
Final Rule, *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, *Crowdfunding* (33-9974) (issued October 30, 2015)	SEC registrants.	The final rules and forms became effective on May 16, 2016, except that instruction 3 adding part 227 and instruction 14 amending Form ID became effective on January 29, 2016.
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, *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 on December 24, 2015. Compliance with the rule with regard to all other classes of asset-backed securities is required beginning on December 24, 2016.
Interim Final Rule, *Form 10-K Summary* (34-77969) (issued June 1, 2016)	SEC registrants.	Effective June 9, 2016.
Interim Final Temporary Rule, *Extension of Exemptions for Security-Based Swap*s (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.
Release, *IFRS Taxonomy for Foreign Private Issuers That Prepare Their Financial Statements in Accordance With International Financial Reporting Standards as Published by the International Accounting Standards Board* (33-10320) (issued March 1, 2017)	Foreign private issuers that prepare financial statements under IFRSs.	The IFRS taxonomy was published on the SEC's Web site on March 1, 2017.

Project in Request-for-Comment Stage		
Request for Comment, *Request for Comment on Possible Changes to Industry Guide 3 (Statistical Disclosure by Bank Holding Companies)* (33-10321) (issued March 1, 2017)	SEC registrants.	Comments due May 8, 2017.
Proposed Rule, *Proposed Amendments to Municipal Securities Disclosure* (34-80130) (issued March 1, 2017)	SEC registrants.	Comments due May 15, 2017.

Proposed Rule, *Inline XBRL Filing of Tagged Data* (33-10323) (issued March 1, 2017)	SEC registrants.	Comments due May 16, 2017.

PCAOB	**Affects**	**Status**
Final Guidance		
Release 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, and approved by the SEC on May 9, 2016)	Auditors of public entities.	Form AP disclosure regarding the engagement partner will be required for audit reports issued on or after January 31, 2017. Disclosure regarding other accounting firms will be required for audit reports issued on or after June 30, 2017.
Release 2015-002, *Reorganization of PCAOB Auditing Standards and Related Amendments to PCAOB Standards and Rules* (issued March 31, 2015, and approved by the SEC on September 17, 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.

GASB	**Affects**	**Status**
Final Guidance		
Statement 85, *Omnibus 2017* (issued March 20, 2017)	Governmental entities.	Effective for reporting periods beginning after June 15, 2017. Early application is encouraged.
Statement 84, *Fiduciary Activities* (issued January 31, 2017)	Governmental entities.	Effective for reporting periods beginning after December 15, 2018. Early application is encouraged.
Statement 83, *Certain Asset Retirement Obligations* (issued December 7, 2016)	Governmental entities.	Effective for reporting periods beginning after June 15, 2018. Early application is encouraged.
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 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.

FASAB	Affects	Status
Final Guidance		
Statement 51, *Insurance Programs* (issued January 18, 2017)	U.S. federal government entities.	Effective for periods beginning after September 30, 2018.
Statement 50, *Establishing Opening Balances for General Property, Plant, and Equipment* — amending Statement of Federal Financial Accounting Standards (SFFAS) 6, SFFAS 10, SFFAS 23, and rescinding SFFAS 35 (issued August 4, 2016)	U.S. federal government entities.	Effective for periods beginning after September 30, 2016. Early adoption is encouraged.
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. Early application is prohibited.

IASB/IFRIC	Affects	Status
Final Guidance		
Transfers of Investment Property — amendments to IAS 40 (issued December 8, 2016)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2018. Early application is permitted.
Annual Improvements to IFRSs: 2014–2016 Cycle (issued December 8, 2016)	Entities reporting under IFRSs.	The amendments to IFRS 1 and IAS 28 are effective for annual periods beginning on or after January 1, 2018, while the amendment to IFRS 12 is effective for annual periods beginning on or after January 1, 2017.
IFRIC 22, *Foreign Currency Transactions and Advance Consideration* (issued December 8, 2016)	Entities reporting under IFRSs.	Effective for annual reporting periods beginning on or after January 1, 2018.
Applying IFRS 9 Financial Instruments *With IFRS 4* Insurance Contracts — amendments to IFRS 4 (issued September 12, 2016)	Entities reporting under IFRSs.	Effective at the same time as IFRS 9.
Classification and Measurement of Share-Based Payment Transactions — amendments to IFRS 2 (issued June 20, 2016)	Entities reporting under IFRSs.	The amendments are effective for annual periods beginning on or after January 1, 2018. Early application is permitted. If an entity applies the amendments for an earlier period, it must disclose that fact.
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. Early 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. Early application is permitted. Because the amendments are being issued less than one year before the effective date, entities need not provide comparative information when they first apply the amendments.
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; early 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. Early 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.
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."
IFRS 9, *Financial Instruments* (issued July 24, 2014)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2018. Early 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. Early application is permitted.
Project in Request-for-Comment Stage		
Exposure Draft, *Annual Improvements to IFRS Standards: 2015–2017 Cycle* (issued January 12, 2017)	Entities reporting under IFRSs.	Comments due April 12, 2017.
Exposure Draft, *Improvements to IFRS 8 Operating Segments* — proposed amendments to IFRS 8 and IAS 34 (issued March 29, 2017)	Entities reporting under IFRSs.	Comments due July 31, 2017.
Discussion Paper, *Disclosure Initiative — Principles of Disclosure* (issued March 30, 2017)	Entities reporting under IFRSs.	Comments due October 2, 2017.

Appendix C: Glossary of Standards and Other Literature

FASB Accounting Standards Update No. 2017-08, *Premium Amortization on Purchased Callable Debt Securities*

FASB Accounting Standards Update No. 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*

FASB Accounting Standards Update No. 2017-06, *Employee Benefit Plan Master Trust Reporting* — a consensus of the FASB Emerging Issues Task Force

FASB Accounting Standards Update No. 2017-05, *Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets*

FASB Accounting Standards Update No. 2017-04, *Simplifying the Test for Goodwill Impairment*

FASB Accounting Standards Update No. 2017-03, *Accounting Changes and Error Corrections (Topic 250) and Investments — Equity Method and Joint Ventures (Topic 323): Amendments to SEC Paragraphs Pursuant to Staff Announcements at the September 22, 2016 and November 17, 2016 EITF Meetings (SEC Update)*

FASB Accounting Standards Update No. 2017-02, *Clarifying When a Not-for-Profit Entity That Is a General Partner or a Limited Partner Should Consolidate a For-Profit Limited Partnership or Similar Entity*

FASB Accounting Standards Update No. 2017-01, *Clarifying the Definition of a Business*

FASB Accounting Standards Update No. 2016-20, *Technical Corrections and Improvements to Topic 606,* Revenue From Contracts With Customers

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

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

FASB Accounting Standards Update No. 2015-14, *Revenue From Contracts With Customers (Topic 606): Deferral of the Effective Date*

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

FASB Accounting Standards Update No. 2014-01, *Accounting for Investments in Qualified Affordable Housing Projects* — a consensus of the FASB Emerging Issues Task Force

FASB Proposed Accounting Standards Update, *Improvements to Nonemployee Share-Based Payment Accounting*

FASB Proposed Accounting Standards Update, *Simplifying the Classification of Debt in a Classified Balance Sheet (Current Versus Noncurrent)*

FASB Proposed Accounting Standards Update, *Disclosure Framework — Changes to the Disclosure Requirements for Inventory*

FASB Accounting Standards Codification Topic 944, *Financial Services — Insurance*

FASB Accounting Standards Codification Topic 845, *Nonmonetary Transactions*

FASB Accounting Standards Codification Topic 842, *Leases*

FASB Accounting Standards Codification Topic 810, *Consolidation*

FASB Accounting Standards Codification Topic 805, *Business Combinations*

FASB Accounting Standards Codification Topic 718, *Compensation — Stock Compensation*

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

FASB Accounting Standards Codification Topic 350, *Intangibles — Goodwill and Other*

FASB Accounting Standards Codification Topic 323, *Investments — Equity Method and Joint Ventures*

FASB Accounting Standards Codification Subtopic 970-323, *Real Estate — General: Investments — Equity Method and Joint Ventures*

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

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

FASB Accounting Standards Codification Subtopic 610-20, *Other Income: Gains and Losses From the Derecognition of Nonfinancial Assets*

FASB Accounting Standards Codification Subtopic 505-50, *Equity: Equity-Based Payments to Non-Employees*

FASB Accounting Standards Codification Subtopic 470-10, *Debt: Overall*

FASB Accounting Standards Codification Subtopic 360-20, *Property, Plant, and Equipment: Real Estate Sales*

FASB Statement No. 141(R), *Business Combinations*

AICPA Revenue Recognition Task Force Working Draft, *Insurance Entities Revenue Recognition Issue #9-1: Considerations for Applying the Scope Exception in FASB ASC 606-10-15-2 and 606-10-15-4 to Contracts Within the Scope of ASC 944*

AICPA Revenue Recognition Task Force Working Draft, *Software Entities Revenue Recognition Issue #14-7: Significant Financing Components in Software Arrangements*

AICPA Revenue Recognition Task Force Working Draft, *Power & Utility Entities Revenue Recognition Issue #13-1: Accounting for Tariff Sales to Regulated Customers*

AICPA Revenue Recognition Task Force Working Draft, *Telecommunications Revenue Recognition Issue #15-9: Determining the Standalone Selling Price and Allocating the Transaction Price*

AICPA Revenue Recognition Task Force Working Draft, *Telecommunications Revenue Recognition Issue #15-2: Identification of Separate Performance Obligations*

AICPA Revenue Recognition Task Force Working Draft, *Time-Share Revenue Recognition Issue #16-6: Recognition of Revenue — Management Fees*

AICPA Revenue Recognition Task Force Working Draft, *Time-Share Revenue Recognition Issue #16-1: Identifying Performance Obligations in Time-Share Interval Sales Contracts*

AICPA Revenue Recognition Task Force Working Draft, *Aerospace and Defense Revenue Recognition Implementation Issue #1-8: Contract Modifications Including Unpriced Change Orders, Claims and Options*

AICPA Revenue Recognition Task Force Working Draft, *Aerospace and Defense Revenue Recognition Implementation Issue #1-6: Identifying the Unit of Account in Design, Development, and Production Contracts*

AICPA Revenue Recognition Task Force Working Draft, *Broker-Dealer Revenue Recognition Implementation Issue #3-3: Principal vs. Agent: Costs Associated With Underwriting*

AICPA Revenue Recognition Task Force Working Draft, *Broker-Dealer Revenue Recognition Implementation Issue #3-3A: Costs Associated With Investment Banking Advisory Services*

PCAOB 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*

PCAOB Staff Guidance, Form AP, *Auditor Reporting of Certain Audit Participants*

CAQ Report, *Addressing Challenges for Highly Subjective and Complex Accounting Areas*

SEC Staff Accounting Bulletin 11.M, "Disclosure of the Impact That Recently Issued Accounting Standards Will Have on the Financial Statements of the Registrant When Adopted in a Future Period"

SEC Regulation S-X, Rule 11-01, "Presentation Requirements"

SEC Regulation S-X, Rule 3-09, "Separate Financial Statements of Subsidiaries Not Consolidated and 50 Percent or Less Owned Persons"

SEC Regulation S-X, Rule 3-05, "Financial Statements of Business Acquired or to Be Acquired"

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

SEC Final Rule Release No. 34-80295, *Amendment to Securities Transaction Settlement Cycle*

SEC Final Rule Release No. 34-67717, *Disclosure of Payments by Resource Extraction Issuers*

SEC Final Rule Release No. 34-67716, *Conflict Minerals*

SEC Final Rule Release No. 33-9877, *Pay Ratio Disclosure*

SEC Final Rule Release No. 33-10332, *Inflation Adjustments and Other Technical Amendments Under Titles I and III of the JOBS Act*

SEC Final Rule Release No. 33-10322, *Exhibit Hyperlinks and HTML Format*

SEC Final Rule Release No. 33-10295, *Adoption of Updated EDGAR Filer Manual*

SEC Proposed Rule Release No. 34-80130, *Proposed Amendments to Municipal Securities Disclosure*

SEC Proposed Rule Release No. 33-10323, *Inline XBRL Filing of Tagged Data*

SEC Request for Comment, *Request for Comment on Possible Changes to Industry Guide 3 (Statistical Disclosure by Bank Holding Companies)*

SEC Public Statement, *Reconsideration of Pay Ratio Rule Implementation*

GASB Statement No. 85, *Omnibus 2017*

GASB Statement No. 84, *Fiduciary Activities*

GASB Invitation to Comment, *Financial Reporting Model Improvements — Governmental Funds*

FASAB Statement No. 51, *Insurance Programs*

FASAB Statement No. 7, *Measurement of the Elements of Accrual-Basis Financial Statements in Periods After Initial Reporting*

FASAB Exposure Draft, *Budget and Accrual Reconciliation — amending Statement of Federal Financial Accounting Standards (SFFAS) 7, SFFAS 22, and SFFAS 24*

IFRS 16, *Leases*

IFRS 9, *Financial Instruments*

IFRS 8, *Operating Segments*

IFRS 3, *Business Combinations*

IAS 36, *Impairment of Assets*

IAS 34, *Interim Financial Reporting*

IAS 28, *Investments in Associates and Joint Ventures*

IAS 23, *Borrowing Costs*

IAS 12, *Income Taxes*

IASB Exposure Draft, *Improvements to IFRS 8 Operating Segments* — proposed amendments to IFRS 8 and IAS 34

IASB Exposure Draft, *Annual Improvements to IFRS Standards 2015–2017 Cycle*

IASB Exposure Draft, *Definition of a Business and Accounting for Previously Held Interests* — proposed amendments to IFRS 3 and IFRS 11

IASB Discussion Paper, *Disclosure Initiative — Principles of Disclosure*

IPSAS 40, *Public Sector Combinations*

Appendix D: Abbreviations

Abbreviation	Definition
AICPA	American Institute of Certified Public Accountants
ASB	Auditing Standards Board
ASC	FASB Accounting Standards Codification
ASU	FASB Accounting Standards Update
CAQ	Center for Audit Quality
CFO	chief financial officer
CME	Chicago Mercantile Exchange
CPE	continuing professional education
CPI	consumer price index
DP	discussion paper
ED	exposure draft
EDGAR	Electronic Data Gathering, Analysis, and Retrieval
EDT	Eastern Daylight Time
EITF	Emerging Issues Task Force
FAF	Financial Accounting Foundation
FASAB	Federal Accounting Standards Advisory Board
FASB	Financial Accounting Standards Board
GAAP	generally accepted accounting principles
GASB	Governmental Accounting Standards Board
HTML	HyperText Markup Language
IAS	International Accounting Standard
IASB	International Accounting Standards Board

Abbreviation	Definition
ICFR	internal control over financial reporting
IFRIC	IFRS Interpretations Committee
IFRS	International Financial Reporting Standard
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standard
IPSASB	International Public Sector Accounting Standards Board
IPTF	International Practices Task Force
ISDA	International Swaps and Derivatives Association
ITC	invitation to comment
LCH	London Clearing House
LIFO	last in, first out
M&A	mergers and acquisitions
NFP	not-for-profit entity
P&U	power and utilities
PCAOB	Public Company Accounting Oversight Board
SAB	SEC Staff Accounting Bulletin
SAS	Statement on Auditing Standards
SEC	Securities and Exchange Commission
TRG	transition resource group
WPI	wholesale price index
XBRL	eXtensible Business Reporting Language

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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); https://pcaobus.org/Pages/default.aspx (PCAOB); www.fasab.gov (FASAB); www.gasb.org (GASB); and www.ifrs.org (IASB and IFRS Interpretations Committee).

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