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# Effective date matrix as of 30 September 2025

Several accounting pronouncements are effective for the first time in 2025 for calendar year-end entities. This publication lists the effective dates of Accounting Standards Updates (ASUs) issued by the Financial Accounting Standards Board (FASB) as of 30 September 2025, including those effective after 2025, and provides links to related EY publications that are available on [EY AccountingLink](#). Entities should monitor developments to determine whether any ASUs issued after 30 September 2025 are effective immediately. Other standard-setter and regulatory requirements (e.g., Securities and Exchange Commission (SEC) requirements) may also apply. All entities should carefully evaluate which accounting requirements apply to them for the first time in 2025.

Accounting standard update (ASU)	Date issued	Effective date	Related EY publications
ASU 2025-07 – <i>Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606): Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract</i>	September 2025	The amendments in this ASU are effective for all entities for annual reporting periods beginning after 15 December 2026, and interim reporting periods within those annual reporting periods.  Early adoption is permitted in an interim or annual reporting period in which financial statements have not yet been issued (or made available for issuance). If an entity early adopts in an interim reporting period, it must adopt as of the beginning of the annual reporting period that includes that interim reporting period.	► To the Point, <a href="#"><i><u>FASB expands derivative scope exceptions and clarifies guidance for share-based noncash consideration</u></i></a>
ASU 2025-06 – <i>Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software</i>	September 2025	The amendments in this ASU are effective for all entities for annual reporting periods beginning after 15 December 2027, and interim reporting periods within those annual reporting periods.  Early adoption is permitted in an interim or annual reporting period in which financial statements have not yet been issued (or made available for issuance). If an entity early adopts in an interim reporting period, it must adopt as of the beginning of the annual reporting period that includes that interim reporting period.	► To the Point, <a href="#"><i><u>FASB modernizes guidance on accounting for internal-use software</u></i></a>



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ASU 2025-05 – <i>Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets</i>	July 2025	The amendments in this ASU are effective for all entities for annual reporting periods beginning after 15 December 2025, and interim reporting periods within those annual reporting periods.  Early adoption is permitted in an interim or annual reporting period in which financial statements have not yet been issued (or made available for issuance). If an entity early adopts in an interim reporting period, it must adopt as of the beginning of the annual reporting period that includes that interim reporting period.	▸ To the Point, <u><a href="#">FASB amends guidance for measuring credit losses on accounts receivable and contract assets</a></u>
ASU 2025-04 – <i>Compensation – Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606): Clarifications to Share-Based Consideration Payable to a Customer</i>	May 2025	The amendments in this ASU are effective for all entities for annual reporting periods beginning after 15 December 2026, and interim reporting periods within those annual reporting periods.  Early adoption is permitted in an interim or annual reporting period in which financial statements have not yet been issued (or made available for issuance). If an entity early adopts in an interim reporting period, it must adopt as of the beginning of the annual reporting period that includes that interim reporting period.	▸ To the Point, <u><a href="#">FASB clarifies guidance on share-based consideration payable to a customer</a></u>
ASU 2025-03 – <i>Business Combinations (Topic 805) and Consolidation (Topic 810): Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity</i>	May 2025	The amendments in this ASU are effective for all entities for annual reporting periods beginning after 15 December 2026, and interim reporting periods within those annual reporting periods.  Early adoption is permitted in an interim or annual reporting period in which financial statements have not yet been issued (or made available for issuance). If an entity early adopts in an interim reporting period, it can adopt as of the beginning of that interim reporting period or the beginning of the annual reporting period that includes that interim reporting period.	▸ To the Point, <u><a href="#">FASB amends guidance for identifying the accounting acquirer in acquisitions involving VIEs</a></u>
ASU 2025-02 – <i>Liabilities (Topic 405): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122</i>	March 2025	The amendments in this ASU were effective immediately and on a fully retrospective basis to annual periods beginning after 15 December 2024.	▸ To the Point, <u><a href="#">SEC staff rescinds guidance on obligations to safeguard crypto assets under SAB 121</a></u>
ASU 2025-01 – <i>Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date</i>	January 2025	Th amendments in this ASU clarified that ASU 2024-03 (see below) is effective for public business entities for annual reporting periods beginning after 15 December 2026, and interim reporting periods within annual reporting periods beginning after 15 December 2027.  Early adoption is permitted.	▸ To the Point, <u><a href="#">FASB requires public business entities to disaggregate certain income statement expenses</a></u>  ▸ Financial reporting developments, <u><a href="#">Disaggregation of income statement expenses</a></u>
ASU 2024-04 – <i>Debt – Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments</i>	November 2024	The amendments in this ASU are effective for all entities for annual reporting periods beginning after 15 December 2025, and interim periods within those annual reporting periods.  Early adoption is permitted for all entities that have adopted the amendments in ASU 2020-06 (see below). If an entity early adopts in an interim reporting period, it must adopt as of the beginning of the annual reporting period that includes that interim reporting period.	▸ To the Point, <u><a href="#">FASB clarifies accounting for induced conversions of convertible debt instruments</a></u>

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ASU 2024-03 – <i>Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses</i>	November 2024	ASU 2025-01 (see above) clarified that the amendments in ASU 2024-03 are effective for public business entities for annual reporting periods beginning after 15 December 2026, and interim reporting periods within annual reporting periods beginning after 15 December 2027. Early adoption is permitted.	<ul style="list-style-type: none"> <li>▸ To the Point, <u><i>FASB requires public business entities to disaggregate certain income statement expenses</i></u></li> <li>▸ Financial reporting developments, <u><i>Disaggregation of income statement expenses</i></u></li> </ul>
ASU 2024-02 – <i>Codification Improvements – Amendments to Remove References to the Concept Statements</i>	March 2024	For public business entities, the amendments in this ASU are effective for fiscal years beginning after 15 December 2024. For all other entities, the amendments are effective for fiscal years beginning after 15 December 2025. Early adoption is permitted for all entities, for any fiscal year or interim period for which financial statements have not yet been issued (or made available for issuance). If an entity early adopts the amendments in an interim period, it must adopt them as of the beginning of the fiscal year that includes that interim period.	
ASU 2024-01 – <i>Compensation – Stock Compensation (Topic 718): Scope Application of Profits Interest and Similar Awards</i>	March 2024	For public business entities, the amendments in this ASU are effective for annual periods beginning after 15 December 2024, and interim periods within those annual periods. For all other entities, the amendments are effective for annual periods beginning 15 December 2025, and interim periods within those annual periods. Early adoption is permitted for both interim and annual financial statements that have not yet been issued or made available for issuance. If an entity adopts the amendments in an interim period, it should adopt them as of the beginning of the annual period that includes that interim period.	<ul style="list-style-type: none"> <li>▸ To the Point, <u><i>FASB clarifies when profits interest awards are in the scope of ASC 718</i></u></li> </ul>
ASU 2023-09 – <i>Income Taxes (Topic 740): Improvements to Income Tax Disclosures</i>	December 2023	For public business entities, the amendments in this ASU are effective for annual periods beginning after 15 December 2024. For entities other than public business entities, the amendments are effective for annual periods beginning after 15 December 2025. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance.	<ul style="list-style-type: none"> <li>▸ Technical Line, <u><i>FASB issues guidance requiring additional income tax disclosures</i></u></li> </ul>
ASU 2023-08 – <i>Intangibles – Goodwill and Other – Crypto Assets (Subtopic 350-60): Accounting for and Disclosure of Crypto Assets</i>	December 2023	The amendments in this ASU are effective for all entities for fiscal years beginning after 15 December 2024, including interim periods within those fiscal years. Early adoption is permitted for both interim and annual financial statements that have not yet been issued (or made available for issuance). If an entity adopts the amendments in an interim period, it must adopt them as of the beginning of the fiscal year that includes that interim period.	<ul style="list-style-type: none"> <li>▸ Technical Line, <u><i>Accounting for digital assets, including crypto assets</i></u></li> </ul>
ASU 2023-07 – <i>Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures</i>	November 2023	The guidance is effective for public entities for fiscal years beginning after 15 December 2023, and interim periods within fiscal years beginning after 15 December 2024.	<ul style="list-style-type: none"> <li>▸ Technical Line, <u><i>A closer look at the FASB's new segment disclosure requirements</i></u></li> </ul>

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ASU 2023-06 – <i>Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative</i>	October 2023	For entities subject to the SEC's existing disclosure requirements and for entities required to file or furnish financial statements with or to the SEC in preparation for the sale of or for purposes of issuing securities that are not subject to contractual restrictions on transfer, the effective date for each amendment will be the date on which the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited.  For all other entities, the amendments will be effective two years later.  For all entities, if by 30 June 2027, the SEC has not removed the applicable requirement from Regulation S-X or Regulation S-K, the pending content of the related amendment will be removed from the Codification and will not become effective for any entity.	► To the Point, <u><a href="#">FASB incorporates certain SEC disclosure requirements into US GAAP</a></u>
ASU 2023-05 – <i>Business Combinations – Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement</i>	August 2023	The amendments in this ASU are effective prospectively for all joint venture formations with a formation date on or after 1 January 2025. Additionally, a joint venture that was formed before 1 January 2025 may elect to apply the amendments retrospectively if it has sufficient information.	► Financial reporting developments, <u><a href="#">Business combinations</a></u>
ASU 2023-02 – <i>Investments – Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method</i> (a consensus of the Emerging Issues Task Force)	March 2023	For public business entities, the amendments are effective for fiscal years beginning after 15 December 2023, including interim periods within those fiscal years.  For all other entities, the amendments are effective for fiscal years beginning after 15 December 2024, including interim periods within those fiscal years.  Early adoption is permitted for all entities in any interim period. If an entity early adopts the amendments in an interim period, it shall adopt them as of the beginning of the fiscal year that includes that interim period.	► Technical Line, <u><a href="#">Expanded use of the proportional amortization method for equity investments in tax credit programs</a></u>
ASU 2022-05 – <i>Financial Services – Insurance (Topic 944): Transition for Sold Contracts</i>	December 2022	The effective dates of the amendments in this ASU are consistent with the effective dates of the amendments in ASU 2020-11 (see below).	► Technical Line, <u><a href="#">A closer look at how insurers will have to change their accounting and disclosures for long-duration contracts</a></u>
ASU 2022-03 – <i>Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions</i>	June 2022	For public business entities, the amendments in this ASU are effective for fiscal years beginning after 15 December 2023, and interim periods within those fiscal years.  For all other entities, the amendments are effective for fiscal years beginning after 15 December 2024, and interim periods within those fiscal years.  Early adoption is permitted for both interim and annual financial statements that have not yet been issued or made available for issuance.	► To the Point, <u><a href="#">FASB clarifies guidance on measuring fair value of equity securities subject to contractual sale restrictions</a></u>  ► Financial reporting developments, <u><a href="#">Fair value measurement</a></u>

Accounting standard update (ASU)	Date issued	Effective date	Related EY publications
ASU 2020-11 – <i>Financial Services – Insurance (Topic 944): Effective Date and Early Application</i>	November 2020	<p>The amendments in this ASU amend the mandatory effective dates and early application requirements of ASU 2018-12 (see below) for all entities as follows:</p> <p>Public business entities that meet the definition of an SEC filer, excluding entities eligible to be smaller reporting companies as defined by the SEC, for fiscal years beginning after 15 December 2022, and interim periods within those fiscal years.</p> <p>For all other entities, for fiscal years beginning after 15 December 2024, and interim periods within fiscal years beginning after 15 December 2025.</p> <p>For entities that elect early application, the transition date may be the beginning of the prior period presented rather than the beginning of the earliest period presented. If early application is not elected, the transition date shall be the beginning of the earliest period presented.</p>	<p>► Technical Line, <u><a href="#">A closer look at how insurers will have to change their accounting and disclosures for long-duration contracts</a></u></p>
ASU 2018-12 – <i>Financial Services – Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts</i>	August 2018	<p>ASU 2020-11 (see above) amended the mandatory effective dates and early application requirements of ASU 2018-12 for all entities as follows:</p> <p>Public business entities that meet the definition of an SEC filer, excluding entities eligible to be smaller reporting companies as defined by the SEC, for fiscal years beginning after 15 December 2022, and interim periods within those fiscal years.</p> <p>For all other entities, for fiscal years beginning after 15 December 2024, and interim periods within fiscal years beginning after 15 December 2025.</p> <p>For entities that elect early application, the transition date may be the beginning of the prior period presented rather than the beginning of the earliest period presented. If early application is not elected, the transition date shall be the beginning of the earliest period presented.</p>	<p>► Technical Line, <u><a href="#">A closer look at how insurers will have to change their accounting and disclosures for long-duration contracts</a></u></p>

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