First Quarter 2019
Standard Setter Update

Financial reporting and accounting developments
(current through 31 March 2019)

April 2019
This First Quarter 2019 Standard Setter Update highlights significant developments in financial reporting and accounting between 1 January 2019 and 31 March 2019, except as noted. Our Standard Setter Update publications also summarize certain proposals under consideration by the Financial Accounting Standards Board (FASB or Board), the Emerging Issues Task Force (EITF), the Private Company Council (PCC), the Securities and Exchange Commission (SEC or Commission), the Public Company Accounting Oversight Board (PCAOB), the Auditing Standards Board (ASB) and the Governmental Accounting Standards Board (GASB). For additional details on these developments, we refer you to related EY publications, many of which can be found on our AccountingLink website. We will continue to keep you informed about important developments as they occur.

Ernst & Young LLP

April 2019

Contents

Financial Accounting Standards Board ................................................................. 1
Securities and Exchange Commission ................................................................. 9
Public Company Accounting Oversight Board .................................................. 15
Auditing Standards Board .................................................................................. 18
Governmental Accounting Standards Board ....................................................... 21
Effective date matrices ....................................................................................... 23
Financial Accounting Standards Board

Final FASB guidance

- Not-for-Profit Entities (Topic 958), Updating the Definition of Collections (ASU 2019-03) ........................................ 1
- Entertainment – Films – Other Assets – Film Costs (Subtopic 926-20) and Entertainment – Broadcasters – Intangibles – Goodwill and Other (Subtopic 920-350), Improvements to Accounting for Costs of Films and License Agreements for Program Materials (ASU 2019-02) ................................................................................................................... 1
- Leases (Topic 842), Codification Improvements (ASU 2019-01) ...................................................................................... 2

Final guidance expected soon

- Codification Improvements – Financial Instruments ........................................................................................................ 3

FASB exposure documents

Issued this quarter

- Income Taxes (Topic 740), Disclosure Framework – Changes to the Disclosure Requirements for Income Taxes .................................................................................................................. 4
- Compensation – Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606), Codification Improvements – Share-Based Consideration Payable to a Customer ........................................................................................................ 4
- Business Combinations (Topic 805), Revenue from Contracts with Customers – Recognizing an Assumed Liability (EITF Issue 18-A) ........................................................................ 5
- Targeted Transition Relief for Topic 326, Financial Instruments – Credit Losses ..................................................................... 5
- Other proposals previously issued ........................................................................................................................................... 6

Other FASB

- Invitation to Comment – Measurement and Other Topics Related to Revenue Contracts with Customers under Topic 805 ........................................................................................................ 7
- What’s next – agenda highlights ........................................................................................................................................... 7

Securities and Exchange Commission

SEC final rules

- FAST Act Modernization and Simplification of Regulation S-K (Release Nos. 33-10618, 34-85381, IA-5206, IC-33426) ................................................................................................................................. 9
- Amendments to the timing requirements for filing reports on Form N-PORT (Release No. IC-33384) ......................................................................................................................... 10
SEC rule proposals and other releases

Issued this quarter

Securities Offering Reform for Closed-End Investment Companies
(Release Nos. 33-10619, 34-85382, IC-33427) ................................................................. 11
Solicitations of Interest Prior to a Registered Public Offering (Release No. 33-10607) ........ 11
Other proposals previously issued ...................................................................................... 12

Other SEC

2019 US GAAP financial reporting and SEC reporting taxonomies available for use .......... 14

Public Company Accounting Oversight Board

PCAOB proposed standards and other projects

Adopted by PCAOB, subject to SEC approval

Amendments to Auditing Standards for Auditor’s Use of the Work of Specialists
(PCAOB Release No. 2018-006) ...................................................................................... 15
Auditing Accounting Estimates, Including Fair Value Measurements
(PCAOB Release No. 2018-005) ...................................................................................... 15

Highlights of proposals previously issued

Supplemental Request for Comment: Proposed Amendments Relating to the Supervision of
Audits Involving Other Auditors and Proposed Auditing Standard – Dividing Responsibility
for the Audit with Another Accounting Firm (PCAOB Release No. 2017-005) ...................... 16

Other PCAOB

PCAOB staff issues guidance on critical audit matters.......................................................... 17

Auditing Standards Board

ASB exposure drafts

Highlights of proposals previously issued ............................................................................. 18
Auditor Reporting and Amendments, Including Amendments Addressing Disclosures
in the Audit of Financial Statements ..................................................................................... 18
Omnibus Statement on Auditing Standards – 2018 ............................................................... 18
Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans
Subject to ERISA .............................................................................................................. 19

Other proposals previously issued ........................................................................................ 19

AICPA – other

Proposals previously issued ................................................................................................. 20
Governmental Accounting Standards Board

GASB exposure drafts
Issued this quarter
- Implementation Guidance – Leases ................................................................. 21
- Implementation Guidance – Fiduciary Activities ............................................... 21
- Other proposals previously issued .................................................................... 21

Other GASB
- Preliminary Views, Financial Reporting Model Improvements.......................... 22
- Preliminary Views, Recognition of Elements of Financial Statements .................. 22
- Invitation to Comment, Revenue and Expense Recognition ............................... 22
- What’s next – agenda highlights ...................................................................... 22

Effective date matrices
- Effective date matrix – final FASB pronouncements ......................................... 23
- Effective date matrix – final SEC pronouncements and interpretive releases ........ 30
- Effective date matrix – final PCAOB pronouncements and rules ....................... 31
- Effective date matrix – final AICPA standards .................................................. 32
- Effective date matrix – final GASB pronouncements ......................................... 33
Not-for-Profit Entities (Topic 958), Updating the Definition of Collections (ASU 2019-03)

Date issued: 21 March 2019

Summary
The final guidance aligns the definition of collections in the Accounting Standards Codification (ASC or Codification) with the definition in the American Alliance of Museums’ Code of Ethics for Museums. The change expands one of the criteria that define collections. Under the legacy guidance, the collections must be subject to an organizational policy that requires proceeds from sales of collection items to be used for the acquisition of other items for collections. The new definition allows that policy to limit use of the proceeds for that purpose or for the direct care of existing collections. The new guidance also requires an entity that holds collections to disclose its policy for the use of proceeds from sales of collection items, and if that policy allows those proceeds to be used for direct care, to disclose its definition of direct care. The amendments apply to all entities, including business entities, that maintain collections.

Effective date and transition
The guidance is effective for annual periods beginning after 15 December 2019, and interim periods within annual periods beginning after 15 December 2020. Entities will apply the guidance prospectively. Early application of the amendments is permitted for financial statements not yet issued or made available for issuance.

Entertainment — Films — Other Assets — Film Costs (Subtopic 926-20) and Entertainment — Broadcasters — Intangibles — Goodwill and Other (Subtopic 920-350), Improvements to Accounting for Costs of Films and License Agreements for Program Materials (ASU 2019-02)

Date issued: 6 March 2019

Summary
The guidance, which was developed by the EITF, aligns the cost capitalization requirements for episodic television series with the guidance for films in ASC 926-20 and adds new disclosure requirements. Entities that predominantly monetize films or license agreements together with other films and/or license agreements will be required to test the “film group” for impairment rather than test each individual title. Entities that monetize content in a film group must reassess their estimate of the use of a film in the film group and account for any changes prospectively. The impairment indicators for entities that monetize content on a title-by-title basis were revised, and new impairment indicators were added for entities that monetize content as part of a film group. All broadcasters will need to change their impairment model for costs incurred to license content to a fair value model.

Effective date and transition
The guidance is effective for public business entities (PBEs) in fiscal years beginning after 15 December 2019, and interim periods within those fiscal years. For all other entities, it is effective in fiscal years beginning after 15 December 2020, and interim periods within those fiscal years. Early adoption is permitted, including in an interim period. Entities will apply the new guidance prospectively from the beginning of the interim period that includes the date of adoption, including for costs incurred for content in production at the effective date. An entity must assess its predominant monetization strategy at the date of adoption.
Leases (Topic 842), Codification Improvements (ASU 2019-01)

Date issued: 5 March 2019

Summary
The FASB added guidance to ASC 842 that is similar to the guidance in ASC 840-10-55-44 and states that, for lessors that are not manufacturers or dealers, the fair value of the underlying asset is its cost, less any volume or trade discounts, as long as there isn’t a significant amount of time between acquisition of the asset and lease commencement. The amendments also clarify that lessors in the scope of ASC 942 must classify principal payments received from sales-type and direct financing leases in investing activities in the statement of cash flows. In addition, the amendments clarify that entities are not subject to the transition disclosure requirements in ASC 250-10-50-3 related to the effect of an accounting change on certain interim period financial information.

Effective date and transition
The amendments on the fair value exception and on the presentation on the statement of cash flows are effective for PBEs, certain not-for-profit entities and certain employee benefit plans for fiscal years beginning after 15 December 2019, and interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020. Early adoption is permitted. The amendments are applied at the date that an entity first applied or applies ASC 842. The amendments have the same transition requirements as the new leases standard.

Other resources
▶ To the Point, FASB issues more amendments to help lessors apply the new leases standard (SCORE No. 05751-191US)
The FASB has completed deliberations on these proposals and is expected to issue final guidance soon.

**Codification Improvements – Financial Instruments**

*Date proposal issued: 19 November 2018 – comment period ended 18 January 2019*

**Summary**

The proposal would clarify the scope of the credit losses standard and address issues related to accrued interest receivable balances, recoveries, variable interest rates and prepayments, and address how transfers of securities and loans between categories should be accounted for, among other things. It also would clarify aspects of the new hedge accounting guidance regarding partial-term fair value hedges, fair value hedge basis adjustments, application by not-for-profits and private companies, and certain transition requirements, among other things. In addition, the proposal would clarify the scope of the guidance on recognizing and measuring financial instruments, certain disclosure requirements and the guidance on which equity securities have to be remeasured at historical exchange rates.

During redeliberations, the Board affirmed some of its proposed clarifications and made certain minor changes to others or decided to conduct additional outreach.

**Effective date and transition**

For entities that have not yet adopted the new standards, the proposed amendments would have the same effective dates and transition requirements as each of the new standards.

For entities that have already adopted the new standards on credit losses and recognizing and measuring financial instruments, the Board has not yet determined the effective date.

For entities that have already adopted the new hedging standard, the proposed amendments would be effective at the earlier of the beginning of the first interim or first annual period after final guidance is issued. Early adoption would be permitted. Entities would either retrospectively apply the amendments as of the date they adopted Accounting Standards Update (ASU) 2017-12 or prospectively apply them as of the date they adopt the amendments, with certain exceptions.

**Other resources**

- FASB Project Update: Codification Improvements – Financial Instruments
- To the Point, *FASB proposes changes to the three new standards on financial instruments* (SCORE No. 04672-181US)
Issued this quarter

Income Taxes (Topic 740), Disclosure Framework – Changes to the Disclosure Requirements for Income Taxes

*Date issued:* 25 March 2019 – comment period ends 31 May 2019

The FASB revised its 2016 proposal to change the income tax disclosure requirements after evaluating feedback and the effects of the Tax Cuts and Jobs Act. The proposal would require entities to provide separate foreign and domestic disclosures about pre-tax income (loss) from continuing operations before intra-entity eliminations and other disaggregated disclosures about tax expense (benefit) and income taxes paid. The proposal also would eliminate requirements to disclose certain information related to unrecognized deferred tax liabilities and uncertain tax positions. The proposal would change certain disclosure requirements related to uncertain tax positions, valuation allowances, the effective tax rate reconciliation and tax carryforwards. The proposal would also replace the term “public entity” with “public business entity” in ASC 740.

*Effective date and transition*

An effective date has not yet been determined. The guidance would be applied prospectively.

**Other resources**

- To the Point, FASB revises its proposal to change income tax disclosure requirements (SCORE No. 07136-191US)

Compensation – Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606), Codification Improvements – Share-Based Consideration Payable to a Customer

*Date issued:* 4 March 2019 – comment period ends 18 April 2019

Share-based payments granted to a customer in conjunction with a revenue arrangement that is not in exchange for a distinct good or service would be measured and classified in accordance with ASC 718. The amount recorded as a reduction of the transaction price would be measured using the grant-date fair value of the share-based payment. Subsequent changes in the measurement of the equity instrument that are due to the form of the consideration (e.g., for a liability-classified award) would not be included in the transaction price and would be recorded elsewhere in the income statement. The award would be measured and classified under ASC 718 for its entire life, unless it is modified after the award vests and the grantee is no longer a customer.

*Effective date and transition*

Entities that have already adopted ASU 2018-07 would be required to apply any final guidance retrospectively as of the date they adopted ASU 2018-07 through a cumulative-effect adjustment to the opening balance of retained earnings. An effective date has not yet been determined. Entities that have not yet adopted ASU 2018-07 would be required to adopt any final guidance following the transition guidance in ASU 2018-07.
**Other resources**
- FASB Project Update: Codification Improvements – Share-Based Consideration Payable to a Customer
- To the Point, *FASB proposes requiring equity awards granted to customers to be measured at the grant date* (SCORE No. 06053-191US)

**Business Combinations (Topic 805), Revenue from Contracts with Customers – Recognizing an Assumed Liability (EITF Issue 18-A)**

*Date issued: 14 February 2019 – comment period ends 30 April 2019*

The proposal would clarify that entities would apply the definition of a performance obligation in ASC 606 when determining whether a contract liability in a contract with a customer should be recognized in a business combination. The FASB also asked stakeholders to comment on the implications, if any, of finalizing the recognition guidance before any guidance on measurement or other topics that may result from feedback it receives in response to the Invitation to Comment issued along with the proposal (see below).

**Effective date and transition**

An effective date has not yet been determined. The proposed amendments would be applied prospectively to business combinations that occur on or after the effective date.

**Other resources**
- FASB Project Update: EITF Issue No. 18-A: Recognition under Topic 805 for an Assumed Liability in a Revenue Contract
- To the Point, *FASB seeks input on measurement of contract liabilities assumed in a business combination* (SCORE No. 05628-191US)

**Targeted Transition Relief for Topic 326, Financial Instruments – Credit Losses**

*Date issued: 6 February 2019 – comment period ended 8 March 2019*

Entities would be allowed to make an irrevocable one-time election upon adoption of the new credit losses standard to measure financial assets measured at amortized cost (except held-to-maturity securities) using the fair value option. The election would be made on an instrument-by-instrument basis.

During redeliberations, the Board discussed but decided not to provide a separate one-time election to reclassify securities from the held-to-maturity category to available-for-sale upon adoption of the credit losses standard.

**Effective date and transition**

The effective date and transition requirements for entities that have already adopted ASU 2016-13 have not yet been determined. For entities that have not yet adopted ASU 2016-13, the effective date and transition would be the same as that in ASU 2016-13.

**Other resources**
- FASB Project Update: Financial Instruments – Credit Losses – Targeted Transition Relief
- Comment letter (SCORE No. 06005-191US)
**Other proposals previously issued**

- Intangibles — Goodwill and Other (Topic 350), Business Combinations (Topic 805), and Not-for-Profit Entities (Topic 958), Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities
  - *Date issued: 20 December 2018 – comment period ended 18 February 2019*

- Consolidation (Topic 812), Reorganization
  - *Date issued: 20 September 2017 – comment period ended 4 December 2017*

- Debt (Topic 470), Simplifying the Classification of Debt in a Classified Balance Sheet (Current versus Noncurrent)
  - *Date issued: 10 January 2017 – comment period ended 5 May 2017*

- Inventory (Topic 330), Disclosure Framework — Changes to the Disclosure Requirements for Inventory
  - *Date issued: 10 January 2017 – comment period ended 13 March 2017*

- Concepts Statement No. 8 – Conceptual Framework for Financial Reporting, Chapter 7: Presentation
  - *Date issued: 11 August 2016 – comment period ended 9 November 2016*

- Government Assistance (Topic 832), Disclosures by Business Entities about Government Assistance
  - *Date issued: 12 November 2015 – comment period ended 10 February 2016*

**Other resources**

- Comment letter, *Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities* (SCORE No. 05623-191US)
Invitation to Comment — Measurement and Other Topics Related to Revenue Contracts with Customers under Topic 805

Date issued: 14 February 2019 — comment period ends 30 April 2019

The FASB issued an Invitation to Comment on two topics: whether the timing of payments related to an acquired revenue contract should affect the amount of revenue an acquirer recognizes after a business combination and what types of costs expected to be incurred to fulfill a performance obligation should be included in the fair value measurement of a contract liability. It also discusses possible approaches the Board or the EITF could consider to clarify the guidance in areas where diversity in practice may exist.

Other resources
- FASB Project Update: EITF Issue No. 18-A: Recognition under Topic 805 for an Assumed Liability in a Revenue Contract
- To the Point, FASB seeks input on measurement of contract liabilities assumed in a business combination (SCORE No. 05628-191US)

What's next — agenda highlights

FASB agenda

In addition to the topics above, the FASB's agenda includes:

- Codification improvements: hedge accounting
- Codification improvements: financial instruments – credit losses (vintage disclosure: gross write-offs and gross recoveries)
- Reference rate reform: facilitation of the effects of the interbank offered rate transition on financial reporting
- Hedging: last-of-layer method
- Financial performance reporting: disaggregation of performance information
- Segment reporting
- Disclosure improvements in response to the SEC’s release on disclosure update and simplification
- Disclosure framework: disclosures (interim reporting)
- Improving the accounting for asset acquisitions and business combinations
- Distinguishing liabilities from equity (including convertible debt)
- Identifiable intangible assets and subsequent accounting for goodwill
- Conceptual framework: measurement
- Conceptual framework: elements
- Codification improvements
**EITF agenda**

The next EITF meeting is scheduled for 13 June 2019.

**PCC agenda**

In April, members of the PCC and the FASB discussed the PCC’s project on Practical expedient to measure grant-date fair value of equity-classified share-based awards (PCC Issue No. 2018-01). They also discussed implementation of the new leases and revenue standards and the FASB’s projects on (1) Distinguishing liabilities from equity (including convertible debt), (2) Disclosures by business entities about government assistance, (3) Financial performance reporting: disaggregation of performance information, (4) Simplifying the balance sheet classification of debt, (5) Disclosure framework: disclosure review – income taxes and (6) Disclosure improvements in response to the SEC’s release on Disclosure Update and Simplification. The next PCC meeting is scheduled for 25 June 2019.

**Other resources**

- FASB Technical Agenda
- Private Company Council Meetings
FAST Act Modernization and Simplification of Regulation S-K
(Release Nos. 33-10618, 34-85381, IA-5206, IC-33426)

Date issued: 20 March 2019

Summary
The SEC adopted a final rule to modernize and simplify certain disclosure requirements in Regulation S-K and the related rules and forms, as required by the Fixing America’s Surface Transportation (FAST) Act. These changes include:

• Revising the requirements for management’s discussion and analysis to allow more flexibility, including allowing registrants that provide three years of financial statements to omit discussion of the earliest year and cross-reference its discussion in a previous filing
• Allowing registrants to redact confidential information from material contracts filed as exhibits, without submitting a confidential treatment request, if the information isn’t material and disclosing it would likely cause competitive harm
• Removing the example risk factors in Regulation S-K to encourage more meaningful company-specific disclosure and relocating the disclosure requirement within Regulation S-K
• Clarifying the description of property requirements to emphasize that the disclosures should only include properties that are material to the registrant and permitting registrants to provide disclosure on a collective basis when appropriate
• Requiring XBRL data tagging for items on the cover pages of certain filings, as well as the use of hyperlinks to information that is incorporated by reference and available on EDGAR

The rule also prohibits cross-references in financial statements to disclosures in other parts of the filing or the incorporation of information by reference from other filings into financial statements. However, incorporating by reference or cross-referencing to information outside of the financial statements is allowed if it is specifically permitted by SEC rules, US GAAP or IFRS as issued by the International Accounting Standards Board.

The SEC also changed the rules and forms that apply to investment companies, investment advisers and foreign private issuers to reflect these changes.

Effective date
The provisions related to the redaction of confidential information in exhibits are effective 2 April 2019, and the provisions requiring XBRL data tagging are subject to a three-year phase-in, depending on the registrant’s filing status. All other provisions are effective 2 May 2019.

Other resources
• To the Point, SEC modernizes and simplifies certain Regulation S-K disclosure requirements (SCORE No. 07115-191US)
Amendments to the timing requirements for filing reports on Form N-PORT (Release No. IC-33384)

Date issued: 27 February 2019

Summary
The SEC issued an interim final rule requiring funds to file three Monthly Portfolio Investments Reports on Form N-PORT with the SEC no later than 60 days after the respective fiscal quarter end. The report for the last month of each quarter will be made public upon filing, while the reports for the first and second months of each quarter will not be made public. Funds must maintain the information required by Form N-PORT in their records no later than 30 days after the end of each month and such information must be provided to the SEC promptly upon request.

The SEC issued the interim final rule changing the filing intervals of Monthly Portfolio Investments Reports on Form N-PORT to reduce potential cybersecurity risks arising from the collection and maintenance of sensitive nonpublic information. The amount and timing of the information on Form N-PORT that will be made available to the public (i.e., quarter-end information upon filing) will not change.

Effective date
The interim final rule was effective 6 March 2019. Larger fund complexes (i.e., those with $1 billion or more in net assets) with fiscal quarters ending 31 March 2019 will be required to file their first report on Form N-PORT by 30 May 2019. Funds in smaller fund complexes with fiscal quarters ending 31 March 2020 will make their first N-PORT filing on EDGAR by 1 June 2020.
**Issued this quarter**

**Securities Offering Reform for Closed-End Investment Companies**  
(Release Nos. 33-10619, 34-85382, IC-33427)  

*Date issued: 20 March 2019 – comment period ends 10 June 2019*

**Summary**  
The proposal would amend certain rules to align the registration, communications and offering rules for business development companies (BDCs) and registered closed-end funds with those that apply to operating companies. The proposal would allow BDCs and closed-end funds that meet certain filing and reporting history requirements to offer securities using a new short shelf registration statement if they have a public float of at least $75 million, and to qualify for well-known seasoned issuer status if they have a public float of at least $700 million.

The proposal would allow them to follow many of the communication rules related to securities offerings that apply to operating companies. In addition, the proposal would amend structured data requirements, including requiring BDCs to file financial statements using inline XBRL.

The proposal would amend periodic and current reporting requirements, including (1) requiring closed-end funds to provide management’s discussion of fund performance in their annual reports and file current reports on Form 8-K and (2) requiring BDCs and closed-end funds to disclose material changes to investment objectives or policies in Form 8-K, as well as material writedowns of significant investments.

The proposal would also eliminate the requirement for BDCs and closed-end funds to provide new purchasers with a copy of all previously filed materials that are incorporated by reference into the registration statement. Instead, they would be able to make that material available on their websites.

**Solicitations of Interest Prior to a Registered Public Offering (Release No. 33-10607)**

*Date issued: 19 February 2019 – comment period ends 29 April 2019*

**Summary**  
The SEC proposed allowing all issuers to gauge market interest in registered securities offerings by discussing potential offerings with certain institutional investors before filing a registration statement. Currently, only emerging growth companies (EGCs) are allowed to make these test-the-waters communications.

The proposal is intended to give companies more flexibility to determine whether to proceed with a registered offering before preparing a registration statement and incurring other costs. By enhancing the ability of issuers to conduct successful offerings and lowering the cost of capital, the SEC hopes to encourage more registered public offerings.
Other proposals previously issued

Proposals on the SEC’s current rulemaking agenda

- Fund of Funds Arrangements (Release Nos. 33-10590, IC-33329)
  - Date issued: 19 December 2018 – comment period ends 2 May 2019
- Request for Comment on Earnings Releases and Quarterly Reports (Release No. 33-10588)
  - Date issued: 18 December 2018 – comment period ended 21 March 2019
- Financial Disclosures About Guarantors and Issuers of Guaranteed Securities and Affiliates Whose Securities Collateralize a Registrant’s Securities (Release No. 33-10526)
  - Date issued: 24 July 2018 – comment period ended 3 December 2018
- Concept Release on Compensatory Securities Offerings and Sales (Release No. 33-10521)
  - Date issued: 18 July 2018 – comment period ended 24 September 2018
- Amendments to the Commission’s Whistleblower Program Rules (Release No. 33-83557)
  - Date issued: 28 June 2018 – comment period ended 1 October 2018
- Exchange-Traded Funds (Release No. 33-10515)
  - Date issued: 28 June 2018 – comment period ended 1 October 2018
- Request for Comments on the Processing Fees Charged by Intermediaries For Distributing Materials Other Than Proxy Materials to Fund Investors (Release Nos. 33-10505, 34-83379, IC-33114)
  - Date issued: 5 June 2018 – comment period ended 31 October 2018
- Auditor Independence with Respect to Certain Loans or Debtor-Creditor Relationships (Release Nos. 33-10491, 34-83157, IC-33091, IA-4904)
  - Date issued: 2 May 2018 – comment period ended 9 July 2018
- Amendments to Investment Advisers Act Rules to Reflect Changes Made by the FAST Act (Release No. IA-4697)
  - Date issued: 3 May 2017 – comment period ended 8 June 2017

Proposals required by statute but not on the SEC’s current rulemaking agenda

- Incentive-based Compensation Arrangements (Release No. 34-77776)
  - Date issued: 6 May 2016 – comment period ended 22 July 2016
- Covered Broker-Dealer Provisions under Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Release No. 34-77157)
  - Date issued: 17 February 2016 – comment period ended 2 May 2016
• Listing Standards for Recovery of Erroneously Awarded Compensation (Release No. 33-9861)
  ▶ Date issued: 1 July 2015 – comment period ended 14 September 2015
• Pay Versus Performance (Release No. 34-74835)
  ▶ Date issued: 29 April 2015 – comment period ended 6 July 2015
• Prohibition against Conflicts of Interest in Certain Securitizations (Release No. 34-65355)
  ▶ Date issued: 19 September 2011 – comment period ended 13 February 2012
• Reporting of Proxy Votes on Executive Compensation and Other Matters (Release No. 34-63123)
  ▶ Date issued: 18 October 2010 – comment period ended 18 November 2010

Other resources
▶ 2018 Standard Setter Update (SCORE No. 05430-191US)
 ▶ Comment Letter, SEC’s request for comment on earnings releases and quarterly reports (SCORE No. 06086-191US)
2019 US GAAP financial reporting and SEC reporting taxonomies available for use

*Date issued:* 12 March 2019

**Summary**

The SEC staff updated the EDGAR system to allow companies to use the 2019 US GAAP financial reporting taxonomy and a separate SEC reporting taxonomy. The US GAAP financial reporting taxonomy includes updates for new accounting standards and other improvements. The SEC reporting taxonomy provides elements needed to meet tagging requirements for financial statement and schedule disclosures required by the SEC. For the 2019 taxonomy updates, some elements previously included in the US GAAP financial reporting taxonomy have been relocated to the SEC reporting taxonomy. The SEC staff strongly encourages companies to use the most recent version of the relevant taxonomy for their submissions to take advantage of the most up-to-date tags.
Adopted by PCAOB, subject to SEC approval

Amendments to Auditing Standards for Auditor’s Use of the Work of Specialists (PCAOB Release No. 2018-006)

*Date adopted by the PCAOB:* 20 December 2018

**Summary**
The PCAOB adopted amendments to its standards on an auditor’s use of the work of a specialist to strengthen the requirements on evaluating the work of a company specialist and to enhance the supervision of specialists employed by auditors. The amended standards expand the requirements for using the work of a company’s specialist, a specialist employed by the auditor and an external specialist engaged by the auditor to gather audit evidence. Building on existing standards, the amendments require auditors to evaluate certain factors to design a risk-based approach for using the work of a specialist.

The amended standards don’t change the definition of a specialist, and as a result, the amendments don’t apply to individuals who specialize in income taxes and information technology and participate in an audit because those topics are considered specialized areas of accounting and auditing.

**Effective date**
Subject to SEC approval, the guidance will be effective for audits of fiscal years ending on or after 15 December 2020.

**Other resources**
- To the Point, PCAOB adopts new standard on estimates and amends standards on using the work of specialists (SCORE No. 05373-191US)

Auditing Accounting Estimates, Including Fair Value Measurements (PCAOB Release No. 2018-005)

*Date adopted by the PCAOB:* 20 December 2018

**Summary**
The PCAOB adopted a new standard on auditing accounting estimates, including fair value measurements, that enhances the audit requirements and focuses the auditor’s attention on estimates with a higher risk of material misstatement. The standard, which replaces three existing standards, emphasizes the need for professional skepticism when auditing accounting estimates because they generally involve subjective assumptions and measurement uncertainty that make them susceptible to management bias.

The new standard enhances the requirements for approaches that auditors may use, individually or in combination, to gather audit evidence for accounting estimates. It also creates requirements and enhances existing requirements for evaluating accounting estimates.

The appendix of the new standard addresses auditing estimates of the fair value of financial instruments and establishes requirements for the auditor to determine whether pricing information obtained from third parties, such as pricing services and brokers or dealers, provides sufficient appropriate evidence.
Effective date
Subject to SEC approval, the guidance will be effective for audits of fiscal years ending on or after 15 December 2020.

Other resources
- To the Point, PCAOB adopts new standard on estimates and amends standards on using the work of specialists (SCORE No. 05373-191US)

Highlights of proposals previously issued


Date issued: 26 September 2017 – comment period ended 15 November 2017

Summary
The PCAOB is seeking input on revisions to its 2016 proposal that would strengthen the requirements for supervising other auditors. The proposal would revise the requirements on how the lead auditor would be determined and how the lead auditor would assess another auditor’s compliance with independence and ethics requirements, as well as the other auditor’s knowledge, skill and ability. It also would revise the requirements for the lead auditor to review the work of other auditors.

Other resources
- To the Point, PCAOB asks for more input on its proposal on supervision of other auditors (SCORE No. 05669-171US)
- Comment letter (SCORE No. 06507-171US)
PCAOB staff issues guidance on critical audit matters

Date issued: 18 March 2019

Summary
The PCAOB staff issued three staff guidance documents on the requirements for auditors to disclose critical audit matters (CAMs) in auditor’s reports, beginning with reports on large accelerated filers for fiscal years ending on or after 30 June 2019. The staff guidance includes:

- A high-level overview of the CAM requirements that may be of interest to preparers, audit committees and investors
- A summary of observations from reviews the PCAOB’s Office of the Chief Auditor performed of 10 US audit firms’ CAMs methodologies
- The staff’s observations about the guidance and answers to frequently asked questions (FAQs) about how to determine CAMs

In particular, the staff’s FAQs address questions including how the auditor should apply the requirement to determine matters that involve “especially challenging, subjective, or complex auditor judgement”; whether CAMs should be consistent across auditors or from year to year; how a material weakness or significant deficiency in internal control over financial reporting should be considered when determining CAMs; how decisions about audit strategy should be considered in determining CAMs; the relationship between CAMs and a company’s disclosures regarding critical accounting estimates; and the interaction between CAMs and company disclosures outside the financial statements.

The PCAOB and its staff will continue to monitor CAM implementation and determine whether further guidance is needed.
Highlights of proposals previously issued

Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements

**Date issued:** 28 November 2017 – comment period ended 15 May 2018

**Summary**

The ASB issued a proposed Statement on Auditing Standards (SAS) on auditor reporting (auditor reporting SAS) to change the form and content of the auditor’s report for audits of non-issuers, including changing the positioning of the opinion and the basis for opinion sections.

After redeliberating the proposal, the ASB voted in January 2019 to issue the auditor reporting SAS as a final standard. The final auditor reporting SAS will expand the description of management’s responsibilities for the preparation and fair presentation of the financial statements and require the report to identify those responsible for the oversight of the financial reporting process when they differ from those responsible for the preparation of the financial statements.

The final auditor reporting SAS also will provide guidance for communicating key audit matters (KAMs) in the auditor’s report when auditors are engaged to do so. The guidance is similar in concept to the PCAOB requirement on communicating CAMs in the audit reports of issuers.

It will also change various auditing standards, converging them with the International Auditing and Assurance Standards Board’s pronouncements that focus the auditors’ attention on disclosures throughout the financial statement audit.

**Effective date**

The guidance will be effective for audits of financial statements for periods ending on or after 15 December 2020.

**Other resources**

- Comment letter (SCORE No. 02866-181US)

Omnibus Statement on Auditing Standards – 2018

**Date issued:** 28 November 2017 – comment period ended 15 May 2018

**Summary**

The ASB issued a proposed omnibus statement on auditing standards (omnibus SAS) to minimize certain differences between the auditing standards of the American Institute of Certified Public Accountants (AICPA) and those of the PCAOB on related parties and communications with those charged with governance, among other things.

After redeliberating the proposal, the ASB voted in October 2018 to issue the omnibus SAS as a final standard. The final standard will be issued after conforming amendments are made to align with the auditor reporting SAS. The final omnibus SAS will enhance the requirements to identify undisclosed related parties and related party transactions. The final omnibus SAS also will require the auditor to communicate views relating to the entity’s significant unusual transactions and the potential effects of uncorrected misstatements on future period financial statements.
Effective date
The effective date will align with that of the auditor reporting SAS.

Other resources
- Comment letter (SCORE No. 02864-181US)

Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA

Date issued: 20 April 2017 – comment period ended 29 September 2017

Summary
The ASB issued a proposed SAS for financial statement audits of employee benefit plans that are subject to the Employee Retirement Income Security Act of 1974 (ERISA) (the EBP SAS).

After redeliberating the proposal, the AICPA published the final balloted draft of the EBP SAS in December 2018. The final standard will be issued after conforming amendments are made to align with the proposed auditor reporting SAS.

The final EBP SAS will require auditors to test plan provisions based on the assessed risk of material misstatement and communicate reportable findings in writing to those charged with governance, not in the auditor’s report. When management elects to have an audit performed in accordance with ERISA section 103(a)(3)(C), which provides an ERISA-permitted audit scope limitation for information related to assets held for investment and certified by a qualified institution, auditors will be required to perform specific procedures relating to the certified investment information, including evaluating management’s assessment of whether the entity issuing the certification is a qualified institution. The final EBP SAS will reflect significant changes in the form of the ERISA section 103(a)(3)(C) auditor’s report, replacing the disclaimer of opinion typically issued under current standards.

The auditor also will be required to read a draft of the Form 5500 before dating the auditor’s report to identify any material inconsistencies with the audited ERISA plan financial statements.

Effective date
The effective date will align with that of the auditor reporting SAS.

Other resources
- To the Point, New AICPA auditing standard will change the requirements for ERISA plan audits and auditor’s reports (SCORE No. 05177-181US)

Other proposals previously issued
- Revisions to Statement on Standards for Attestation Engagements No. 18, Attestation Standards: Clarification and Recodification
  - Date issued: 11 July 2018 – comment period ended 11 October 2018
- The Auditor’s Responsibilities Relating to Other Information Included in Annual Reports
  - Date issued: 28 November 2017 – comment period ended 15 May 2018
Proposals previously issued

- Proposed Statement on Standards for Attestation Engagements, Selected Procedures
  - Date issued: 1 September 2017 – comment period ended 1 December 2017
Issued this quarter

Implementation Guidance — Leases

**Date issued:** 28 February 2019 — comment period ends 30 April 2019

**Summary**
The GASB issued a proposed implementation guide containing questions and answers about GASB Statement No. 87, *Leases*. The proposed guide is intended to provide guidance that clarifies, explains or elaborates on the requirements of the GASB’s new leases guidance.

**Effective date**
The proposed guidance would be effective for reporting periods beginning after 15 December 2019. Earlier application is encouraged.

Implementation Guidance — Fiduciary Activities

**Date issued:** 3 January 2019 — comment period ended 28 February 2019

**Summary**
The GASB issued a proposed implementation guide containing questions and answers about GASB Statement No. 84, *Fiduciary Activities*.

**Effective date**
The proposed guidance would be effective for financial reporting periods beginning after 15 December 2018, with the exception of the guidance in Questions 5.2 and 5.5, which would be effective for financial reporting periods beginning after 15 June 2019. Earlier application would be encouraged if Statement 84 has been implemented or if the provisions in Questions 5.2 or 5.5, as applicable, in Implementation Guide 2019-X, have been implemented.

Other proposals previously issued

- Implementation Guidance Update – 2019
  - **Date issued:** 27 November 2018 – comment period ended 31 January 2019
- Conduit Debt Obligations
  - **Date issued:** 6 August 2018 – comment period ended 2 November 2018
Preliminary Views, Financial Reporting Model Improvements

**Date issued:** 28 September 2018 – comment period ended 15 February 2019

**Summary**

The GASB issued its Preliminary Views on targeted improvements to the financial reporting model. The proposed changes would include (1) a short-term financial resources measurement focus for government funds that recognizes short-term transactions and other events when incurred and long-term transactions and other events when due, (2) a format for the government fund financial statements that distinguishes between current and long-term resource flows, (3) an additional subtotal and proprietary funds financial statements for operating income (loss) and noncapital subsidies and (4) the presentation of all budgetary comparison information as required supplementary information and the presentation of two variance columns. The document also contains alternative views.

The GASB held public hearings and user forums on the topic in the first quarter of 2019.

Preliminary Views, Recognition of Elements of Financial Statements

**Date issued:** 28 September 2018 – comment period ended 15 February 2019

**Summary**

The GASB issued its Preliminary Views on concepts related to the recognition of elements of financial statements, such as assets and liabilities. The GASB proposed that an item being considered for recognition in the financial statements would be evaluated using a hierarchy for recognition of elements. The GASB also proposed a recognition framework for both the short-term financial resources measurement focus and the economic resources measurement focus. The document also contains alternative views.

The GASB held public hearings and user forums on the topic in the first quarter of 2019.

Invitation to Comment, Revenue and Expense Recognition

**Date issued:** 1 February 2018 – comment period ended 27 April 2018

**Summary**

The GASB requested feedback on the development of comprehensive revenue and expense recognition guidance for state and local governments. The Invitation to Comment discusses an exchange/nonexchange model that would classify revenue and expense transactions based on whether they are considered an exchange or nonexchange transaction, and a performance obligation/no performance obligation model that would classify revenue and expense transactions based on whether a binding agreement contains one or more performance obligations.

What’s next – agenda highlights

The GASB’s agenda also includes:

- Conceptual framework: disclosure framework
- Public-private partnerships
- Subscription-based information technology arrangements
- Deferred compensation plans
- Omnibus
- Secured overnight financing rate
**Note:** Early adoption generally is permitted unless otherwise noted.

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ASU 2019-01</td>
<td>Leases (Topic 842), Codification Improvements</td>
</tr>
<tr>
<td>ASU 2018-20</td>
<td>Leases (Topic 842), Narrow-Scope Improvements for Lessors</td>
</tr>
<tr>
<td>ASU 2018-16</td>
<td>Derivatives and Hedging (Topic 815), Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes</td>
</tr>
<tr>
<td>ASU 2018-11</td>
<td>Leases (Topic 842), Targeted Improvements</td>
</tr>
<tr>
<td>ASU 2018-10</td>
<td>Codification Improvements to Topic 842, Leases</td>
</tr>
<tr>
<td>ASU 2018-09</td>
<td>Codification Improvements</td>
</tr>
<tr>
<td>ASU 2018-08</td>
<td>Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made</td>
</tr>
<tr>
<td>ASU 2018-07</td>
<td>Compensation — Stock Compensation (Topic 718), Improvements to Nonemployee Share-Based Payment Accounting</td>
</tr>
</tbody>
</table>

---

[^1]: Refer to each ASU to determine which types of entities (e.g., public business entities, not-for-profits, employee benefit plans) are subject to these effective dates.

[^2]: The Jumpstart Our Business Startups Act allows emerging growth companies to follow private company effective dates for new or revised accounting standards issued after 5 April 2012. However, an emerging growth company must follow public company effective dates for all such standards if it has disclosed an election to do so.
## Effective in 2019 for public\(^1\) calendar year-end entities\(^2\)

<table>
<thead>
<tr>
<th>ASU 2018-02</th>
<th>Income Statement — Reporting Comprehensive Income (Topic 220), Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income</th>
<th>Effective for fiscal years, and interim periods within those fiscal years, beginning after 15 December 2018.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASU 2018-01</td>
<td>Leases (Topic 842), Land Easement Practical Expedient for Transition to Topic 842</td>
<td>Effective upon adoption of the amendments in ASU 2016-02.</td>
</tr>
<tr>
<td>ASU 2017-13</td>
<td>Revenue Recognition (Topic 605), Revenue from Contracts with Customers (Topic 606), Leases (Topic 840), and Leases (Topic 842), Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Rescission of Prior SEC Staff Announcements and Observer Comments (SEC Update)(^3)</td>
<td>Amendments to ASC 606 and ASC 842: Effective upon announcement. Amendments to ASC 605: Effective upon adoption of the amendments in ASU 2014-09. Amendments to ASC 840: Effective upon adoption of the amendments in ASU 2016-02.</td>
</tr>
<tr>
<td>ASU 2017-12</td>
<td>Derivatives and Hedging (Topic 815), Targeted Improvements to Accounting for Hedging Activities</td>
<td>Effective for fiscal years beginning after 15 December 2018, and interim periods within those fiscal years.</td>
</tr>
<tr>
<td>ASU 2017-11</td>
<td>Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815), (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception</td>
<td>Amendments in Part I: Effective for fiscal years beginning after 15 December 2018, including interim periods within those fiscal years. Amendments in Part II: Transition is not required.</td>
</tr>
<tr>
<td>ASU 2017-08</td>
<td>Receivables — Nonrefundable Fees and Other Costs (Subtopic 310-20), Premium Amortization on Purchased Callable Debt Securities</td>
<td>Effective for fiscal years, and interim periods within those fiscal years, beginning after 15 December 2018.</td>
</tr>
<tr>
<td>ASU 2016-02</td>
<td>Leases (Topic 842)</td>
<td>Effective for fiscal years beginning after 15 December 2018, and interim periods within those fiscal years.</td>
</tr>
</tbody>
</table>

---

\(^3\) This ASU adds or amends SEC paragraphs in the Codification that describe SEC guidance or SEC staff views that the FASB includes as a convenience to Codification users.
<table>
<thead>
<tr>
<th>Effective after 2019 for public(^1) calendar year-end entities(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASU 2019-03</strong></td>
</tr>
<tr>
<td><strong>ASU 2019-02</strong></td>
</tr>
<tr>
<td><strong>ASU 2018-19</strong></td>
</tr>
<tr>
<td><strong>ASU 2018-18</strong></td>
</tr>
<tr>
<td><strong>ASU 2018-17</strong></td>
</tr>
<tr>
<td><strong>ASU 2018-15</strong></td>
</tr>
<tr>
<td><strong>ASU 2018-13</strong></td>
</tr>
<tr>
<td><strong>ASU 2018-12</strong></td>
</tr>
<tr>
<td><strong>ASU 2017-04</strong></td>
</tr>
<tr>
<td><strong>ASU 2016-13</strong></td>
</tr>
</tbody>
</table>
| ASU 2018-09 | Codification Improvements | Amendments that do not have transition guidance: Effective upon issuance (16 July 2018).
Amendments to ASC 740: Effective upon adoption of the amendments in ASU 2016-16.
Certain amendments to ASC 820 and ASC 944: Effective upon adoption of the amendments in ASU 2016-01.
Other amendments that are subject to transition guidance: Effective for annual periods beginning after 15 December 2019, and interim periods within annual periods beginning after 15 December 2020. |
| ASU 2018-08 | Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made | Resource recipients: Effective for annual periods beginning after 15 December 2018, and interim periods within annual periods beginning after 15 December 2019.
| ASU 2018-03 | Technical Corrections and Improvements to Financial Instruments – Overall (Subtopic 825-10), Recognition and Measurement of Financial Assets and Financial Liabilities | Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019. Early adoption is not permitted unless the entity has early adopted the amendments in ASU 2016-01. |
| ASU 2017-10 | Service Concession Arrangements (Topic 853), Determining the Customer of the Operation Services | Entities that have not yet adopted ASC 606: Effective upon adoption of the amendments in ASU 2014-09.
Entities that have adopted ASC 606: Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019. |
| ASU 2017-05 | Other Income – Gains and Losses from the Derecognition of Nonfinancial Assets (Subtopic 610-20), Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets | Effective upon adoption of the amendments in ASU 2014-09. |

Refer to each ASU to determine which types of entities (e.g., private companies, not-for-profits, employee benefit plans) are subject to these effective dates.
### Effective in 2019 for nonpublic<sup>4</sup> calendar year-end entities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ASU 2016-20</td>
<td>Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers</td>
<td>Effective upon adoption of the amendments in ASU 2014-09.</td>
</tr>
<tr>
<td>ASU 2016-12</td>
<td>Revenue from Contracts with Customers (Topic 606), Narrow-Scope Improvements and Practical Expedients</td>
<td>Effective upon adoption of the amendments in ASU 2014-09.</td>
</tr>
<tr>
<td>ASU 2016-10</td>
<td>Revenue from Contracts with Customers (Topic 606), Identifying Performance Obligations and Licensing</td>
<td>Effective upon adoption of the amendments in ASU 2014-09.</td>
</tr>
<tr>
<td>ASU 2016-08</td>
<td>Revenue from Contracts with Customers (Topic 606), Principal versus Agent Considerations (Reporting Revenue Gross versus Net)</td>
<td>Effective upon adoption of the amendments in ASU 2014-09.</td>
</tr>
<tr>
<td>ASU 2016-01</td>
<td>Financial Instruments – Overall (Subtopic 825-10), Recognition and Measurement of Financial Assets and Financial Liabilities</td>
<td>Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019. Application prior to the effective date for public business entities is prohibited, except for the presentation guidance in ASC 825-10-45-5 through 45-7 and the provision in ASC 825-10-65-2 that eliminates the fair value disclosures for financial instruments required by the General Subsection of ASC 825-10-50.</td>
</tr>
<tr>
<td>ASU 2014-09</td>
<td>Revenue from Contracts with Customers (Topic 606)</td>
<td>Effective for annual reporting periods beginning after 15 December 2018, and interim reporting periods within annual reporting periods beginning after 15 December 2019. Application prior to the original effective date for public entities is prohibited.&lt;sup&gt;5&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>5</sup> ASU 2015-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date, provided a one-year deferral of the effective date for the new revenue standard for public and nonpublic entities reporting under US GAAP.
<table>
<thead>
<tr>
<th>ASU Number</th>
<th>Topic and Description</th>
<th>Effective Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASU 2019-03</td>
<td>Not-for-Profit Entities (Topic 958), Updating the Definition of Collections</td>
<td>Effective for annual periods beginning after 15 December 2019, and interim periods within annual periods beginning after 15 December 2020.</td>
</tr>
<tr>
<td>ASU 2019-02</td>
<td>Entertainment – Films – Other Assets – Film Costs (Subtopic 926-20) and Entertainment – Broadcasters – Intangibles – Goodwill and Other (Subtopic 920-350), Improvements to Accounting for Costs of Films and License Agreements for Program Materials</td>
<td>Effective for fiscal years, and interim periods within those fiscal years, beginning after 15 December 2020.</td>
</tr>
<tr>
<td>ASU 2019-01</td>
<td>Leases (Topic 842), Codification Improvements</td>
<td>Amendments to clarify transition disclosure requirements: Effective upon adoption of the amendments in ASU 2016-02. Other amendments: Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020.</td>
</tr>
<tr>
<td>ASU 2018-20</td>
<td>Leases (Topic 842), Narrow-Scope Improvements for Lessors</td>
<td>Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: May apply the amendments either in the first reporting period ending or beginning after the issuance of the ASU (10 December 2018) or on the date they would have been required to adopt ASC 842.</td>
</tr>
<tr>
<td>ASU 2018-18</td>
<td>Collaborative Arrangements (Topic 808), Clarifying the Interaction between Topic 808 and Topic 606</td>
<td>Effective for fiscal years beginning after 15 December 2020, and interim periods within fiscal years beginning after 15 December 2021. Early adoption is not permitted before an entity’s adoption of ASC 606.</td>
</tr>
<tr>
<td>ASU 2018-16</td>
<td>Derivatives and Hedging (Topic 815), Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes</td>
<td>Entities that have not yet adopted ASU 2017-12: Effective upon adoption of the amendments in ASU 2017-12. Early adoption is not permitted before an entity’s adoption of ASC 606. Entities that have adopted ASU 2017-12: Effective for fiscal years beginning after 15 December 2019, and interim periods within those fiscal years.</td>
</tr>
<tr>
<td>ASU 2018-12</td>
<td>Financial Services – Insurance (Topic 944), Targeted Improvements to the Accounting for Long-Duration Contracts</td>
<td>Effective for fiscal years beginning after 15 December 2021, and interim periods within fiscal years beginning after 15 December 2022.</td>
</tr>
<tr>
<td>ASU 2018-10</td>
<td>Codification Improvements to Topic 842, Leases</td>
<td>Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020.</td>
</tr>
<tr>
<td>ASU 2018-01</td>
<td>Leases (Topic 842), Land Easement Practical Expedient for Transition to Topic 842</td>
<td>Effective for annual and any interim impairment tests performed for periods beginning after 15 December 2021.</td>
</tr>
<tr>
<td>ASU 2017-12</td>
<td>Derivatives and Hedging (Topic 815), Targeted Improvements to Accounting for Hedging Activities</td>
<td>Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020.</td>
</tr>
<tr>
<td>ASU 2017-11</td>
<td>Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815), (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception</td>
<td>Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020.</td>
</tr>
<tr>
<td>ASU 2017-08</td>
<td>Receivables – Nonrefundable Fees and Other Costs (Subtopic 310-20), Premium Amortization on Purchased Callable Debt Securities</td>
<td>Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020.</td>
</tr>
<tr>
<td>ASU 2017-04</td>
<td>Intangibles – Goodwill and Other (Topic 350), Simplifying the Test for Goodwill Impairment</td>
<td>Effective for annual and any interim impairment tests performed for periods beginning after 15 December 2021.</td>
</tr>
</tbody>
</table>

---

6 ASU 2018-19 changed the effective date of ASU 2016-13 for entities other than public business entities.
### Effective date matrix – final SEC pronouncements and interpretive releases

<table>
<thead>
<tr>
<th>Title</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>FAST Act Modernization and Simplification of Regulation S-K</td>
<td>The provisions related to the redaction of confidential information in exhibits are effective 2 April 2019, and the provisions requiring XBRL data tagging of all information on the cover pages of specified forms are subject to a three-year phase-in, depending on the registrant’s filing status. All other provisions are effective 2 May 2019.</td>
</tr>
<tr>
<td>Disclosure of Hedging by Employees or Directors</td>
<td>Registrants other than smaller reporting companies (SRCs) and EGCs must provide the disclosures during fiscal years beginning on or after 1 July 2019. SRCs and EGCs must provide the disclosures during fiscal years beginning on or after 1 July 2020.</td>
</tr>
<tr>
<td>Amendments to Regulation A</td>
<td>31 January 2019.</td>
</tr>
<tr>
<td>Modernization of Property Disclosures for Mining Registrants</td>
<td>25 February 2019.</td>
</tr>
<tr>
<td>Disclosure Update and Simplification</td>
<td>5 November 2018.</td>
</tr>
<tr>
<td>Exempt Offerings Pursuant to Compensatory Arrangements</td>
<td>23 July 2018.</td>
</tr>
<tr>
<td>Optional Internet Availability of Investment Company Shareholder Reports</td>
<td>1 January 2019 with certain exceptions.</td>
</tr>
<tr>
<td>Inline XBRL Filing of Tagged Data</td>
<td>Operating companies filing as large accelerated, accelerated and non-accelerated filers are required to comply beginning with fiscal periods ending on or after 15 June 2019, 2020 and 2021, respectively. Larger mutual funds (i.e., funds with net assets of $1 billion or more as of the end of the most recent fiscal year) have to comply two years after the rule becomes effective. Smaller mutual funds have to comply with the requirement three years after the rule becomes effective.</td>
</tr>
<tr>
<td>Amendments to Smaller Reporting Company Definition</td>
<td>10 September 2018.</td>
</tr>
<tr>
<td>Investment Company Liquidity Risk Management Programs</td>
<td>Fund complexes with net assets of $1 billion or more will be required to comply with the liquidity risk management program requirements starting 1 June 2019, while those with less than $1 billion in net assets will have to do so starting 1 December 2019.</td>
</tr>
<tr>
<td>Exhibit Hyperlinks and HTML Format</td>
<td>The rule is effective 1 September 2017 for accelerated filers and large accelerated filers and 1 September 2018 for smaller reporting companies and non-accelerated filers.</td>
</tr>
<tr>
<td>Investment Companies Reporting Modernization</td>
<td>The amendments to Regulation S-X are effective for periods ending on or after 1 August 2017. The compliance date for Form N-CEN is 1 June 2018. The compliance date for Form N-PORT was delayed to 1 March 2019 for larger fund complexes and 1 March 2020 for smaller fund complexes. Funds must maintain in their records the information that is required to be included in Form N-PORT for reporting periods ending 30 June 2018 through 28 February 2019. Larger fund complexes (i.e., those with $1 billion or more in net assets) with fiscal quarters ending 31 March 2019 will be required to file their first report on Form N-PORT by 30 May 2019. Consistent with the delayed compliance date of 1 March 2019, those funds will only file a report for the final month of the quarter (i.e., March 2019). Funds with fiscal quarters ending 30 April 2019 will file reports on Form N-PORT for the final two months of the quarter (i.e., March and April 2019) by 1 July 2019, while funds with fiscal quarters ending 31 May 2019 will file reports on Form N-PORT for all months in the quarter by 30 July 2019.</td>
</tr>
<tr>
<td>Investment Company Swing Pricing</td>
<td>19 November 2018.</td>
</tr>
</tbody>
</table>
### Effective date matrix – final PCAOB pronouncements and rules

<table>
<thead>
<tr>
<th>Title</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amendments to Auditing Standards for Auditor’s Use of the Work of Specialists</td>
<td>Effective for audits of fiscal years ending on or after 15 December 2020 (pending approval by the SEC).</td>
</tr>
<tr>
<td>Auditing Accounting Estimates, Including Fair Value Measurements</td>
<td>Effective for audits of fiscal years ending on or after 15 December 2020 (pending approval by the SEC).</td>
</tr>
<tr>
<td>The Auditor’s Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion</td>
<td>Effective for audits of financial statements for annual reporting periods ending on or after 15 December 2017, except for the requirement to communicate CAMs. Requirement to communicate CAMs will be effective for annual periods ending on or after 30 June 2019 for large accelerated filers and 15 December 2020 for all other filers.</td>
</tr>
<tr>
<td>Improving the Transparency of Audits: Rules to Require Disclosure of Certain Audit Participants on a New PCAOB Form and Related Amendments to Auditing Standards</td>
<td>Disclosure of the name of the audit partner will be required for auditors’ reports issued on or after 31 January 2017. Disclosure of other accounting firms participating in the audit will be required for auditors’ reports issued on or after 30 June 2017.</td>
</tr>
</tbody>
</table>
## Effective date matrix – final AICPA standards

<table>
<thead>
<tr>
<th>Title</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAS No. 133, Auditor Involvement with Exempt Offering Documents</td>
<td>Effective for exempt offering documents with which the auditor is involved that are initially distributed, circulated or submitted on or after 15 June 2018.</td>
</tr>
<tr>
<td>SAS No. 132, The Auditor’s Consideration of an Entity’s Ability to Continue as a Going Concern</td>
<td>Effective for audits of financial statements for periods ending on or after 15 December 2017 and reviews of financial information for interim periods beginning after fiscal years ending on or after 15 December 2017.</td>
</tr>
<tr>
<td>SAS No. 131, Amendment to Statement on Auditing Standards No. 122 Section 700, Forming an Opinion and Reporting on Financial Statements</td>
<td>Effective for audits of financial statements for periods ending on or after 15 June 2016.</td>
</tr>
<tr>
<td>Statement on Standards for Attestation Engagements No. 18, Attestation Standards: Clarification and Recodification</td>
<td>Effective for practitioners’ reports dated on or after 1 May 2017. Early adoption is permitted.</td>
</tr>
<tr>
<td>SSARS No. 24, Omnibus Statement on Standards for Accounting and Review Services – 2018</td>
<td>Except for the revision to paragraph .39 of AR-C section 90, which is effective upon issuance, effective for compilations and reviews of financial statements for periods ending on or after 15 June 2019.</td>
</tr>
<tr>
<td>SSARS No. 23, Omnibus Statement on Standards for Accounting and Review Services – 2016</td>
<td>Effective upon issuance other than certain amendments relating to prospective financial information in AR-C Section 70 and AR-C Section 80 that are effective on or after 1 May 2017.</td>
</tr>
<tr>
<td>SSARS No. 22, Compilation of Pro Forma Financial Information</td>
<td>Effective for compilation reports on pro forma financial information dated on or after 1 May 2017.</td>
</tr>
</tbody>
</table>
### Effective date matrix – final GASB pronouncements

<table>
<thead>
<tr>
<th>Title</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statement No. 90, Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61</td>
<td>Effective for reporting periods beginning after 15 December 2018. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period</td>
<td>Effective for reporting periods beginning after 15 December 2019. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements</td>
<td>Effective for reporting periods beginning after 15 June 2018. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 87, Leases</td>
<td>Effective for reporting periods beginning after 15 December 2019. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 86, Certain Debt Extinguishment Issues</td>
<td>Effective for reporting periods beginning after 15 June 2017. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 85, Omnibus 2017</td>
<td>Effective for reporting periods beginning after 15 June 2017. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 84, Fiduciary Activities</td>
<td>Effective for reporting periods beginning after 15 December 2018. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 83, Certain Asset Retirement Obligations</td>
<td>Effective for reporting periods beginning after 15 June 2018. Earlier application is encouraged.</td>
</tr>
<tr>
<td>Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions</td>
<td>Effective for fiscal years beginning after 15 June 2017. Earlier application is encouraged.</td>
</tr>
</tbody>
</table>
About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation is available via ey.com/privacy. For more information about our organization, please visit ey.com.

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

© 2019 Ernst & Young LLP. All Rights Reserved.

SCORE no. 07284-191US

This and many of the publications produced by our US Professional Practice Group, are available free on AccountingLink at www.ey.com/us/accountinglink.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.