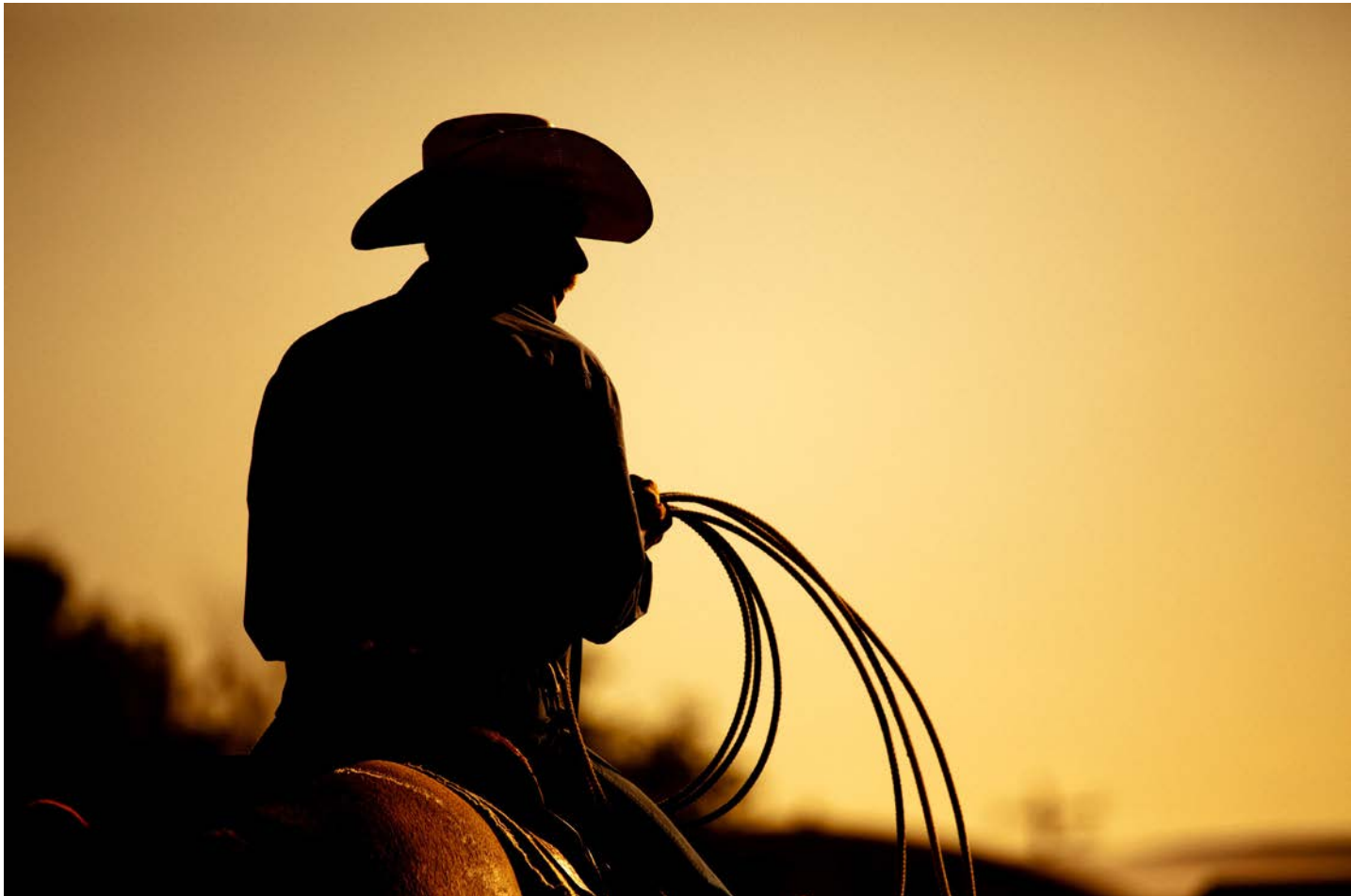




# Accounting Roundup

## First Quarter in Review — 2014





To our clients, colleagues, and other friends:

Welcome to the quarterly edition of *Accounting Roundup*. During the first quarter of 2014, the FASB continued to work with the PCC to develop accounting alternatives for private companies, issuing ASUs on consolidation, goodwill, and interest rate swaps. In a related development, the AICPA issued several TPAs to explain how certain aspects of the PCC alternatives on goodwill and interest rate swaps might affect auditors.

In other domestic news, the EITF met in March and reached a final consensus on one Issue and a consensus-for-exposure on another. In addition, the FASB issued three ASUs and one proposed ASU in response to consensuses reached at the Task Force's November 2013 meeting.

On the international front, convergence continued to be a major focus. The FAF announced that it will be making a substantial contribution to the IFRS Foundation to support the FASB's and IASB's convergence efforts. Further, IFAC stressed the importance of convergence by noting that the current diversity in global regulatory requirements is impeding a sustainable worldwide economic recovery.

This issue of *Accounting Roundup* includes, for the first time, an [appendix](#) with a table summarizing the current projects on the FASB's standard-setting agenda, including convergence and FASB-only projects. This appendix is intended to be a helpful at-a-glance guide to the status of these projects. Also new to this issue is a "[Fast Take](#)" table listing some of the most significant recently issued final and proposed accounting standards.

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

As usual, click any title in the table of contents to go directly to the article. For additional information about a topic, click the hyperlinks, which are blue. You can find further details on the Web sites of the various accounting standard setters and regulators, including the [FASB](#), [GASB](#), [SEC](#), [PCAOB](#), [AICPA](#), and [IASB](#).

Be sure to monitor upcoming issues of *Accounting Roundup* for new developments. We value your feedback and would appreciate any comments you may have on *Accounting Roundup: First Quarter in Review — 2014*. Take a moment to tell us what you think by sending us an e-mail at [accountingstandards@deloitte.com](mailto:accountingstandards@deloitte.com).

## ***Dbriefs* for Financial Executives**

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- Wednesday, April 16, 3:00 p.m. (EDT): [The CFO Agenda: What Is Top of Mind for CFOs in 2014?](#)
- Wednesday, April 23: [Trade-Based Money Laundering Revisited: International Trade Risks and Vulnerabilities.](#)
- Monday, April 28: [COSO Implementation Insights and Other Internal Control Hot Topics.](#)
- Thursday, May 1: [In-Memory Technologies: The Evolution of a Revolution.](#)
- Monday, May 5: [Data Analytics and Workforce Strategies: New Insights for Tax Efficiency and Performance Improvement.](#)
- Wednesday, May 14: [Data Analytics and Corporate Investigations: The Evolution From Magnifying Glass to Digital Laboratory.](#)
- Tuesday, May 20: [Mobile Strategies in Financial Services: Barriers and Opportunities.](#)
- Wednesday, May 21, 3:00 p.m. (EDT): [Strategic Cost Management: A Path to Sustained Performance Improvement and Decision Making.](#)

- Thursday, May 22: [Risk Intelligent Social Business: Governing Social Media to Protect Reputation.](#)
- Thursday, June 5: [Social Activation: From Measuring Sentiment to Influencing Perceptions.](#)
- Tuesday, June 17: [EITF Roundup: Highlights From the June Meeting.](#)
- Wednesday, June 18, 3:00 p.m. (EDT): [CFOs and Globalization: The Call for Chief Frontier Officers.](#)
- Thursday, June 19: [Cyber-Resilience Enterprises: Insuring a Virtual Reality.](#)
- Wednesday, June 25: [Quarterly Accounting Roundup: An Update on Important Developments.](#)
- Thursday, June 26: [Compliance Leading Practices and Insights.](#)

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## Deloitte Publications

Publication	Title	Affects
March 27, 2014, <a href="#">Heads Up</a>	<i>Boards Continue to Redeliberate Lease Accounting</i>	All entities.
March 27, 2014, <a href="#">Heads Up</a>	<i>Navigating Reporting Requirements for Form SD and Conflict Minerals Reports</i>	SEC registrants.
March 20, 2014, <a href="#">Heads Up</a>	<i>Highlights of the "SEC Speaks in 2014" Conference</i>	SEC registrants.
March 6, 2014, <a href="#">Heads Up</a>	<i>FASB Proposes Decision Process for Determining Disclosures to Require in Notes to Financial Statements</i>	All entities.
March 2014 <a href="#">Life Sciences — Accounting and Financial Reporting Update</a>		Life sciences entities.
March 2014 <a href="#">EITF Snapshot</a>		All entities.
March 2014 <a href="#">Power &amp; Utilities Spotlight</a>	<i>Regulatory Accounting Goes Global — IASB Issues IFRS 14</i>	Power and utilities entities.
February 24, 2014, <a href="#">Heads Up</a>	<i>FASB Tentatively Decides to Narrow Scope of Insurance Contracts Project</i>	All entities.
February 10, 2014, <a href="#">Heads Up</a>	<i>FASB Abandons Converged Approach to Classification and Measurement</i>	All entities.
February 2014 <a href="#">Oil &amp; Gas — Accounting, Financial Reporting, and Tax Update</a>		Oil and gas entities.
January 27, 2014, <a href="#">Heads Up</a>	<i>FASB Offers Simplified Approaches to Goodwill and Hedge Accounting</i>	Private companies.
January 6, 2014, <a href="#">Heads Up</a>	<i>PCAOB Reproposes Requiring Disclosure of Engagement Partner and Certain Audit Participants</i>	Audit committees and auditors of public entities.
January 2014 <a href="#">Power &amp; Utilities — Accounting, Financial Reporting, and Tax Update</a>		Power and utilities entities.
January 2014 <a href="#">Oil &amp; Gas Spotlight</a>	<i>Impairment and Valuation Considerations Related to Oil and Gas Assets</i>	Oil and gas entities.
January 2014 <a href="#">Technology Spotlight</a>	<i>Recognizing Revenue From SaaS Arrangements</i>	Technology entities.

## Fast Take

The table below serves as a quick reference to some of the most significant recently issued final and proposed accounting standards as well as ongoing projects. It does not include PCC-specific standards or projects.

Recently Issued Standards			
Standard	Affects	Effective Date	More Information
ASU 2014-05, <i>Service Concession Arrangements</i> — a consensus of the FASB Emerging Issues Task Force	Operating entities that have entered into a service concession arrangement with a public-sector entity grantor.	For public business entities, reporting periods beginning after December 15, 2014. For all other entities, annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early adoption is permitted.	Deloitte's November 2013 <a href="#">EITF Snapshot</a> .
ASU 2014-04, <i>Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans Upon Foreclosure</i> — a consensus of the FASB Emerging Issues Task Force	Creditors that obtain physical possession (resulting from an in-substance repossession or foreclosure) of residential real estate property collateralizing a consumer mortgage loan in satisfaction of a receivable.	For public business entities, reporting periods beginning after December 15, 2014. For all other entities, annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015.	Deloitte's November 2013 <a href="#">EITF Snapshot</a> .
ASU 2014-01, <i>Accounting for Investments in Qualified Affordable Housing Projects</i> — a consensus of the FASB Emerging Issues Task Force	Entities with investments in low-income housing tax credit partnerships.	For public business entities, reporting periods beginning after December 15, 2014. For all other entities, annual periods beginning after December 15, 2014, and interim periods within annual reporting periods beginning after December 15, 2015. Early adoption is permitted.	Deloitte's November 2013 <a href="#">EITF Snapshot</a> .
Recently Issued Exposure Documents			
Exposure Document	Affects	Comment Letter Deadline	More Information
Proposed ASU, <i>Classification of Certain Government-Guaranteed Residential Mortgage Loans Upon Foreclosure</i> — a consensus of the FASB Emerging Issues Task Force	Creditors that extend certain fully government-guaranteed residential mortgage loans, including those guaranteed by the FHA.	April 30, 2014.	Deloitte's November 2013 <a href="#">EITF Snapshot</a> .
Proposed Concepts Statement, <i>Conceptual Framework for Financial Reporting — Chapter 8: Notes to Financial Statements</i>	All entities.	July 14, 2014.	Deloitte's March 6, 2014, <a href="#">Heads Up</a> .
Other Key Developments			
Project	Recent Developments	Next Steps	More Information
Accounting for Financial Instruments — Classification and Measurement Phase	In late 2013 and early 2014, the FASB decided to abandon work on a converged approach to classification and measurement of financial instruments that it had exposed for comment in February 2013. The Board is currently deliberating targeted improvements to existing GAAP.	The FASB is expected to issue a final standard on classification and measurement in the second half of 2014.	Deloitte's February 10, 2014, <a href="#">Heads Up</a> .
Insurance Contracts	In March 2014, the FASB decided to limit the scope of the project and focus on targeted improvements to existing GAAP.	The FASB is currently deliberating feedback received on its 2013 ED. No estimated completion date is available for the project.	Deloitte's February 24, 2014, <a href="#">Heads Up</a> .
Leases	On March 18–19, 2014, the FASB and IASB held joint meetings to further discuss the direction of the leases project.	The FASB is currently deliberating feedback received on its 2013 ED. No estimated completion date is available for the project.	Deloitte's March 27, 2014, <a href="#">Heads Up</a> .

## Leadership Changes

**FAF:** On January 30, 2014, the FAF appointed [Steven E. Buller](#) as chairman of the FASAC for a term beginning on February 1, 2014, and ending on December 15, 2015. Mr. Buller replaces Charles H. Noski, whose term ended on December 31, 2013.

**GASB:** On February 27, 2014, the GASB announced that [David E. Sundstrom](#) has been reappointed as a board member for a second term beginning on July 1, 2014, and ending on June 30, 2019.

**IFRS Foundation:** On February 24, 2014, the IFRS Foundation trustees renewed the five-year terms of [IASB members](#) Amaro Gomes from South America and Pat Finnegan from North America. Their current terms will expire on June 30, 2014. In addition, on February 12, 2014, the trustees announced the appointment of [Maarika Paul](#) to the IFRS Advisory Council; her term becomes effective immediately.

**IFRS Foundation Monitoring Board:** On January 28, 2014, the IFRS Foundation Monitoring Board announced that it has selected Brazil's [Comissão de Valores Mobiliários](#) and Korea's [Financial Services Commission](#) as new board members. The appointments will become effective after the two organizations become signatories of the IFRS Foundation's charter.

**IFRS Advisory Council:** On January 15, 2014, the IFRS Foundation trustees appointed [Olav Jones](#), [Anne Simpson](#), and [Surya Subramanian](#) to the IFRS Advisory Council. The appointments are effective immediately.



*Edited by Magnus Orrell, Sean Prince, and Joseph Renouf, Deloitte & Touche LLP*

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# Accounting — New Standards and Exposure Drafts

## Disclosure Framework

### FASB Proposes New Chapter for Conceptual Framework\*

**Affects:** All entities.

**Summary:** On March 4, 2014, the FASB issued an [ED](#) of a proposed Concepts Statement that would add a chapter to the FASB's conceptual framework for financial reporting. The purpose of the new chapter is to establish a decision process for the FASB and its staff to use in determining what entities should be required to disclose in their notes to the financial statements. One of the primary objectives of the proposal is to ensure that reporting entities clearly communicate the information that is most important to users of financial statements.

**Next Steps:** Comments on the ED are due by July 14, 2014.

**Other Resources:** Deloitte's March 6, 2014, [Heads Up](#). Also see the [press release](#) and [FASB in Focus](#) article on the FASB's Web site. ●

## EITF

### FASB Issues Guidance in Response to EITF Consensuses

**Affects:** All entities.

**Summary:** In January 2014, the FASB issued the following new and proposed guidance in response to consensuses reached at the EITF's November 2013 meeting:

- [FASB Accounting Standards Update No. 2014-01, \*Accounting for Investments in Qualified Affordable Housing Projects\*](#) (in response to the EITF consensus on Issue 13-B) — Amends ASC 323-740 to (1) simplify the amortization method an entity uses and (2) modify the criteria that must be met before an entity can elect to use ASC 323-740's measurement and presentation alternative, including the simplified amortization method, for certain investments in qualified affordable housing projects. This alternative permits the entity to present the investment's performance net of the related tax benefits as part of income tax expense. For effective date and transition information, see [Appendix B](#).
- [FASB Accounting Standards Update No. 2014-04, \*Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans Upon Foreclosure\*](#) (in response to the EITF consensus on Issue 13-E) — Amends ASC 310 to clarify when an entity is considered to have obtained physical possession (from an in-substance possession or foreclosure) of a residential real estate property collateralizing a mortgage loan. Upon physical possession of such real estate property, an entity is required to reclassify the nonperforming mortgage loan to other real estate owned. For effective date and transition information, see [Appendix B](#).
- [FASB Accounting Standards Update No. 2014-05, \*Service Concession Arrangements\*](#) (in response to the EITF consensus on Issue 12-H) — Specifies that service concession arrangements within the ASU's scope (1) should not be accounted for as leases under ASC 840 and (2) do not constitute property, plant, and equipment for recognition purposes. For effective date and transition information, see [Appendix B](#).
- [FASB Proposed Accounting Standards Update, \*Classification of Certain Government-Guaranteed Residential Mortgage Loans Upon Foreclosure\*](#) (in response to the EITF consensus-for-exposure on Issue 13-F) — Would amend ASC 310-40 to provide guidance on the classification and measurement of foreclosed government-guaranteed residential mortgage loans. A creditor would be required to derecognize the guaranteed residential mortgage loan receivable and establish another receivable from the guarantor if certain conditions are met. Comments on the proposal are due by April 30, 2014. For effective date and transition information, see [Appendix B](#).

**Other Resources:** Deloitte's January 21, 2014, [journal entry](#) and November 2013 [EITF Snapshot](#). ●

## Private Companies

### FASB Issues Alternative Private-Company Guidance on Consolidation\*

**Affects:** Private companies.

**Summary:** On March 20, 2014, the FASB issued [ASU 2014-07](#), under which a private-company lessee (reporting entity) can elect not to apply the VIE guidance in ASC 810 to a lessor entity under common control if the following criteria are met:

- The “private company lessee and the lessor entity are under common control.”
- The “private company lessee has a leasing arrangement with the lessor entity.”
- “[S]ubstantially all of the activities between the private company lessee and the lessor entity are related to the leasing activities (including supporting leasing activities) between those two entities.”
- “[I]f the private company lessee explicitly guarantees or provides collateral for any obligation of the lessor entity related to the asset leased by the private company, then the principal amount of the obligation at inception of such guarantee or collateral arrangement does not exceed the value of the asset leased by the private company from the lessor entity.”

In addition, a private company that elects the alternative would, instead of providing VIE disclosures, be required to disclose “(1) the amount and key terms of liabilities recognized by the lessor entity that expose the private company lessee to providing financial support to the lessor entity and (2) a qualitative description of circumstances not recognized in the financial statements of the lessor entity that expose the private company lessee to providing financial support to the lessor entity.”

**Next Steps:** The guidance in ASU 2014-07 is effective for annual reporting periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early adoption is permitted. Entities that elect the alternative would use a full retrospective approach to apply it.

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

### FASB Issues Alternative Private-Company Guidance on Goodwill and Interest Rate Swaps

**Affects:** Private companies.

**Summary:** On January 16, 2014, the FASB issued [ASU 2014-02](#) and [ASU 2014-03](#), which provide alternative private-company guidance, respectively, on (1) goodwill and (2) interest rate swaps.

ASU 2014-02 offers private companies a simplified goodwill accounting alternative that alleviates the costs and complexities associated with the goodwill impairment test under ASC 350. The ASU explains that during outreach performed by the PCC, “users of private company financial statements indicated that the goodwill impairment test performed today provides limited decision-useful information because most users of private company financial statements generally disregard goodwill and goodwill impairment losses in their analysis of a private company’s financial condition and operating performance.” Under ASU 2014-02, private companies can elect simplified accounting for the following:

- *Amortization of goodwill* — Private companies are allowed to amortize goodwill on a straight-line basis over a useful life of (1) 10 years or (2) less than 10 years if an entity can demonstrate that a shorter useful life is more appropriate.
- *Frequency of impairment testing* — Private companies only need to test goodwill for impairment when a triggering event occurs rather than having to perform the test annually.
- *Method of impairment testing* — Private companies can elect, as an accounting policy, to test goodwill for impairment at either the entity level or the reporting-unit level. In addition, ASU 2014-02 eliminates step 2 of the goodwill impairment test; as a result, private companies that elect the simplified goodwill accounting alternative would measure goodwill impairment as the excess of the entity’s (or reporting unit’s) carrying amount over its fair value (i.e., by using the measurement in step 1 of the goodwill impairment test under ASC 350-20).

ASU 2014-03 allows private companies that are not financial institutions to apply, in certain circumstances, a simplified hedge accounting method to hedging relationships involving variable-rate debt and a pay-fixed, receive-floating interest rate swap. The simplified approach assumes no hedge ineffectiveness in the hedging relationship, thereby resulting in an income statement impact similar to what would have occurred had the private company simply entered into a fixed-rate borrowing. In addition, the simplified hedge accounting approach:

- Allows private companies to measure the hedging interest rate swap at its settlement value rather than at fair value.
- Gives private companies more time to establish hedge documentation.
- Provides certain private companies with relief from certain fair value measurement disclosure requirements.

To qualify for the simplified hedge accounting approach, the hedging relationship must meet all of the following criteria:

- “Both the variable rate on the swap and the borrowing are based on the same index and reset period” (e.g., the rate on the swap and the debt are both three-month LIBOR). The ASU clarifies that the index need not be a benchmark interest rate described in ASC 815-20-25-6A.
- “The terms of the swap are typical . . . and there is no floor or cap on the variable interest rate of the swap unless the borrowing has a comparable floor or cap.” The ASU indicates that “typical” means “plain vanilla.”
- “The repricing and settlement dates for the swap and the borrowing match or differ by no more than a few days.”
- “The swap’s fair value at inception (that is, at the time the derivative was executed . . . ) is at or near zero.”
- “The notional amount of the swap matches the principal amount of the borrowing being hedged,” which “may be less than the total principal amount of the borrowing.”
- “All interest payments occurring on the [hedged portion of the] borrowing during the term of the swap (or the effective term of the swap underlying the forward starting swap) are designated as hedged.”

**Next Steps:** For effective date and transition information, see [Appendix B](#).

**Other Resources:** Deloitte’s January 27, 2014, [Heads Up](#). ●

## Technical Corrections

### FASB Makes Technical Corrections to Codification\*

**Affects:** All entities.

**Summary:** On March 14, 2014, the FASB issued [ASU 2014-06](#), which makes certain technical corrections (i.e., minor improvements and clarifications) to the Master Glossary of the *FASB Accounting Standards Codification*. The amendments include the following:

- Deletion of terms that were carried over from superseded literature (e.g., FASB Statements, EITF Issues) but are not used in the Codification.
- Addition to the Master Glossary of links that were not carried forward to the Codification.
- Elimination of duplicate terms.

The amendments became effective upon issuance. ●

## International

### IASB Proposes Amendments to Disclosure Requirements in IAS 1\*

**Affects:** Entities reporting under IFRSs.

**Summary:** On March 25, 2014, the IASB issued an [ED](#) that proposes amendments to the guidance in IAS 1 on presentation of financial statements. The proposal is part of the Disclosure Initiative, which the IASB began in 2013 to explore possible ways to improve the disclosure requirements in IFRSs.

**Next Steps:** Comments on the ED are due by July 23, 2014.

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

### IFRS Foundation Releases 2014 IFRS Taxonomy\*

**Affects:** Entities reporting under IFRSs.

**Summary:** On March 5, 2014, the IASB issued the 2014 version of its [IFRS taxonomy](#), which is "a translation of [IFRSs] into [XBRL]." The taxonomy "is consistent with IFRS as issued by the [IASB] at 1 January 2014, including Standards published but not yet effective at that date."

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

### IASB Issues Interim IFRS on Rate-Regulated Activities

**Affects:** Entities reporting under IFRSs.

**Summary:** On January 30, 2014, the IASB issued IFRS 14, which will serve as an interim standard on rate-regulated activities while the IASB works on its longer-term project on this topic. IFRS 14 allows entities that are first-time adopters of IFRSs, and that currently recognize regulatory deferral accounts in accordance with their previous GAAP, to continue to do so upon transition to IFRSs.

**Next Steps:** IFRS 14 will become effective on January 1, 2016; early adoption is permitted.

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

## Accounting — Other Key Developments

### Convergence

### FAF Announces Contribution to Support FASB's and IASB's Convergence Efforts

**Affects:** All entities.

**Summary:** On January 28, 2014, the FAF announced that it is planning to contribute up to \$3 million — in three \$1 million installments during 2014 — to the IFRS Foundation to support the FASB's and IASB's joint convergence projects. The contribution is intended to catalyze the boards' efforts to finalize their deliberations on four major accounting projects: revenue recognition, leases, the classification and measurement and impairment phases of financial instruments, and insurance contracts. In summarizing the purpose of the contribution, FAF Chairman Jeffrey J. Diermeier stated, "Completing these joint projects clearly is in the best interests of FASB stakeholders, including all of those around the world who invest in U.S. capital markets."

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

## EITF

### EITF Discusses Various Issues During March Meeting\*

**Affects:** All entities.

**Summary:** At its March 2014 meeting, the EITF discussed the following Issues:

- *Issue 12-F, "Recognition of New Accounting Basis (Pushdown) in Certain Circumstances"* — The Task Force reached a consensus-for-exposure to (1) permit, but not require, an acquired entity to apply pushdown accounting upon a change-in-control event and (2) require acquired entities that have elected to apply pushdown accounting to provide disclosures that "enable users of financial statements of the acquired entity to evaluate the nature and effect of the pushdown accounting on [the entity's] financial statements." In a reversal of a previous tentative decision, the Task Force decided not to require an acquired entity to apply pushdown accounting upon a change-in-control event that causes the acquired entity to become substantially wholly owned by the acquirer. The Task Force was concerned that such a requirement would involve unnecessary complexity. The Issue would apply "prospectively to all change-in-control events that occur after the effective date of the final Update resulting from this Issue." An entity would have the option of applying the Issue on a transaction-by-transaction basis. The Task Force did not discuss the Issue's effective date at this meeting.
- *Issue 12-G, "Measuring the Financial Assets and Financial Liabilities of a Consolidated Collateralized Financing Entity"* — The Task Force discussed various approaches for clarifying the scope of the CFE measurement guidance. While the Task Force ultimately did not reach a consensus on the scope of the Issue, it did discuss an alternative approach under which reporting entities would treat the CFE measurement guidance as an optional practicability exception to applying the fair value measurement guidance in ASC 820 when all of the financial assets and financial liabilities of a consolidated CFE are being accounted for at fair value under other U.S. GAAP (e.g., when the entity had elected the fair value option for all of the CFE's financial assets and financial liabilities). The Task Force plans to discuss this approach at its next meeting on June 12, 2014. The Task Force did not discuss the effective date or transition alternatives for this Issue at the meeting. It is expected that the effective date and transition will be discussed at the EITF's June 12, 2014, meeting.
- *Issue 13-D, "Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved After the Requisite Service Period"* — The Task Force reached a final consensus that entities should treat performance targets that can be met after the requisite service period as performance conditions that affect vesting. Therefore, under this consensus, an entity would not record compensation expense (measured as of the grant date without consideration of the effect of the performance target) related to an award for which transfer to the employee is contingent on the entity's satisfaction of a performance target until it becomes probable that the performance target will be met. The Task Force also confirmed that no new disclosures will be required under this Issue. This Issue will be effective for all entities for reporting periods (including interim periods) beginning after December 15, 2015. Early adoption will be permitted. In addition, all entities will have the option of applying the Issue either prospectively (i.e., only to awards granted or modified on or after the effective date of the Issue) or retrospectively. Retrospective application will only apply to awards with performance targets outstanding at or after the beginning of the first annual period presented (i.e., the earliest presented comparative period).
- *Issue 13-G, "Determining Whether the Host Contract in a Hybrid Financial Instrument Issued in the Form of a Share Is More Akin to Debt or to Equity"* — The Task Force reconfirmed that the Issue would apply to both issuers of, and investors in, a hybrid financial instrument issued in the form of a share. The Task Force also reconfirmed that entities with instruments within the scope of the Issue would be required to apply the whole-instrument approach when determining the nature of the host contract in a hybrid financial instrument issued in the form of a share. That is, the chameleon approach would no longer be permitted. The Task Force did not, however, reach a consensus on

how entities would consider the relevant terms and features of the hybrid instrument and weigh such features in determining whether the nature of the host contract is more akin to debt or equity. Specifically, some Task Force and FASB board members were concerned that the proposed ASU contained insufficient guidance on applying the whole-instrument approach to such instruments. The Task Force therefore decided to further research whether it could develop implementation guidance or a framework that entities could use in applying the whole-instrument approach. The Task Force did not discuss the effective date or transition alternatives for this Issue at the meeting. It is expected that the effective date and transition will be discussed at the EITF's June 12, 2014, meeting.

**Other Resources:** For more information, see the EITF's [meeting materials and minutes](#) on the FASB's Web site. Also see Deloitte's March 2014 [EITF Snapshot](#). ●

## Fair Value Measurement

### FASB Responds to FAF's Post-Implementation Review Report on FASB Statement 157\*

**Affects:** All entities.

**Summary:** On March 10, 2014, FASB Chairman Russell G. Golden sent to the FAF a [letter](#) in which he stated that on the basis of the FAF's post-implementation review (PIR) [report](#) on the fair value measurement guidance in FASB Statement 157 (codified in ASC 820), the FASB will not need to "undertake a comprehensive review" of the standard. The report concluded that Statement 157 has generally "met its objectives" and has not resulted in "any unanticipated consequences." However, the report also notes that certain users and preparers, especially those from smaller organizations and private companies, have found it onerous and costly to comply with certain of the standard's requirements. The PIR team suggests that the FASB might best address these types of concerns by continuing to "summarize and clearly document . . . cost-benefit considerations" in addition to increasing its outreach to stakeholders during the standard-setting process. In the letter, Chairman Golden thanked the FAF for its recommendations and indicated that the FASB plans to continue to work on these two areas in assessing the implementation of Statement 157's guidance in the future.

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

## Leases

### FASB and IASB Continue Lease Redeliberations\*

**Affects:** All entities.

**Summary:** At their meeting on March 18–19, the FASB and IASB continued redeliberating their revised joint [ED](#) on leases. Specifically, the boards discussed the following items:

- Lease classification by lessees.
- Lease classification by lessors.
- The determination of lease term.
- A scope exception for short-term leases.
- Possible scope exceptions for small-ticket leases.

While the boards made tentative decisions on these items, they did not always reach the same conclusions. For example, the FASB supported a dual-model approach that would allow lessees to use a straight-line expense pattern for certain leases, whereas the IASB supported a single-model approach under which all leases would be treated as a financing arrangement. However, both boards did agree to substantially retain existing GAAP for lessor entities.

**Nest Steps:** The boards have not yet indicated an expected completion date for the project. For updates on the project and additional information, see the [project page](#) on the FASB's Web site.

**Other Resources:** Deloitte's March 27, 2014, [Heads Up](#). ●

## International

### IFRS Foundation and IVSC Coordinate Fair Value Standard-Setting Efforts\*

**Affects:** All entities.

**Summary:** On March 6, 2014, the IFRS Foundation and IVSC issued a [statement of protocols](#) in which the two organizations agree to keep each other informed regarding fair value standard-setting developments related to their respective sets of standards, IFRSs and IVSs. The overall goal of the agreement is to ensure that the IVSC's guidance on fair value measurement is consistent with IFRSs as issued by the IASB (e.g., IFRS 13).

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

### IFAC Issues Proposal on Supplementary Financial Measures

**Affects:** All entities.

**Summary:** On February 26, 2014, IFAC issued an [ED](#) that "seeks to establish a benchmark for the use of supplementary financial measures." The goal of the proposed guidance is to allow "management, investors, and other stakeholders" to better understand an entity's performance.

**Next Steps:** Comments on the ED are due by May 26, 2014.

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

### IFAC and ICAS Issue Paper on IASB's Conceptual Framework for Financial Reporting

**Affects:** All entities.

**Summary:** On January 30, 2014, IFAC and ICAS issued a [paper](#) that highlights questions for the IASB to consider in revising its conceptual framework for financial reporting. Topics covered in the paper include the purpose of financial statements, the framework's role in financial reporting, and the meaning of the term "financial performance."

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

### IASB Issues Request for Information on Post-Implementation Review of IFRS 3

**Affects:** Entities reporting under IFRSs.

**Summary:** On January 30, 2014, the IASB issued a [request for information](#) on post-implementation review considerations related to IFRS 3, which provides guidance on business combinations. The IASB is particularly interested in feedback on whether the standard has proved helpful to financial statement users, whether certain aspects of it are especially difficult to implement, and whether the benefits of implementation outweigh the costs.

**Next Steps:** Comments on the request for information are due by May 30, 2014.

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

### IFRS Foundation Publishes Free Teaching Material

**Affects:** All entities.

**Summary:** On January 16, 2014, the IFRS Foundation published the second portion of its free teaching material based on the IFRS framework. The teaching material is designed to "better equip students to update their IFRS knowledge and competencies continuously within the context of lifelong learning."

**Next Steps:** For public entities, the ASU is effective for fiscal years, and interim periods within those years, beginning after December 15, 2012; for nonpublic entities, the ASU is effective for fiscal years beginning after December 15, 2013, and interim and annual periods thereafter. Early adoption is permitted. The amendments in the ASU should be applied prospectively.

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



## SASB and IIRC Announce Memorandum of Understanding

**Affects:** All entities.

**Summary:** On January 16, 2014, the SASB and IIRC announced that they have entered into a memorandum of understanding “to more closely collaborate to advance the evolution of corporate disclosure and communicate value to investors.”

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

## Auditing Developments

### AICPA

#### AICPA Issues Technical Practice Aids on Auditing Issues Related to Private-Company Accounting Alternatives\*

**Affects:** Private companies.

**Summary:** In March 2014, the AICPA released three new [TPAs](#) (TIS Sections 9150.32–.33 and 9160.29) that provide nonauthoritative guidance on how the private-company alternatives in the FASB’s ASUs 2014-02 and 2014-03 “might affect a compilation, review, or audit engagement and related reports.”

**Other Resources:** Deloitte’s January 27, 2014, [Heads Up](#). ●

#### AICPA Issues SAS on Using the Work of Internal Auditors

**Affects:** Public entities and their auditors.

**Summary:** On February 17, 2014, the AICPA issued [SAS 128](#), which outlines responsibilities for external auditors who are using the work of internal auditors. SAS 128 supersedes SAS 65 (AU-C Section 610) and amends SQCS 8 and various sections of SAS 122.

Although the guidance in SAS 128 is aligned with that in its international equivalent, ISA 610, some “differences in objectives, definitions, or requirements” remain, and the ASB has made changes “to tailor examples and guidance to be more appropriate to the U.S. environment.”

**Next Steps:** SAS 128 is effective for financial statement audits for periods ending on or after December 15, 2014. ●

#### AICPA Proposes Amendments to Guidance on Comfort Letters

**Affects:** Public entities and their auditors.

**Summary:** On February 13, 2014, the AICPA issued an [ED](#) of a proposed SAS that would amend the guidance in SAS 122 on letters for underwriters and certain other requesting parties (i.e., comfort letters). The purpose of the proposal, which is part of the ASB’s Clarity Project, is to resolve practice issues that have arisen in connection with the implementation of SAS 122.

**Next Steps:** Comments on the proposed SAS are due by April 15, 2014. ●

#### AICPA Issues Proposal on Clarification and Recodification of Subject-Matter-Specific Attestation Standards

**Affects:** Public entities and their auditors.

**Summary:** On January 28, 2014, the AICPA issued an [ED](#) of a proposed SSAE that would supersede AT Sections 301, 401, and 601 and is part of the ASB’s project to clarify its professional standards. The ED constitutes a continuation of the ASB’s July 2013 proposal, which reorganized the applicable AT sections into four chapters containing general guidance on concepts associated with attestation engagements (chapter 1), examination engagements (chapter 2), review engagements (chapter 3), and agreed-upon procedures engagements (chapter 4). This new proposal supplements the original ED by adding the following three new chapters on specific subject-matter areas:

- Chapter 5, “Financial Forecasts and Projections.”



- Chapter 6, “Reporting on Pro Forma Financial Information.”
- Chapter 7, “Compliance Attestation.”

**Next Steps:** Comments on the ED are due by May 27, 2014. ●

## AICPA Issues Q&As on Conflict Minerals Report

**Affects:** Public entities and their auditors.

**Summary:** In January 2014, the AICPA issued a set of [Q&As](#) related to the conflict minerals report (CMR). Topics covered in the Q&As include:

- The purpose of the independent private-sector audit (IPSA).
- Whether the part of the CMR that is subject to an IPSA can be evaluated “against criteria that are suitable and available to users.”
- Evaluation of CMR-related matters that are outside the IPSA’s scope.
- Sample IPSA procedures.
- CPE GAGAS requirements for auditors performing an IPSA of a CMR. ●

## CAQ

### CAQ Issues Alert on Cybersecurity\*

**Affects:** Public entities and their auditors.

**Summary:** On March 21, 2014, the CAQ issued an [alert](#) that summarizes the external independent auditor’s responsibilities related to cybersecurity. The alert notes that cybersecurity is no longer a topic that applies only to IT professionals but has become a “broader business issue.” According to CAQ Executive Director Cindy Fornelli, “All players in the financial reporting supply chain, including of course independent auditors, have an important role to play” in enhancing cybersecurity.

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

### CAQ Issues Highlights of Joint Meeting Between SEC Regulations Committee and IPTF

**Affects:** Public entities and their auditors.

**Summary:** On February 24, 2014, the CAQ released [highlights](#) of the November 2013 meeting between the IPTF and the SEC Regulations Committee. Topics discussed at the meeting included:

- Financial reporting requirements for situations in which FPIs change their basis of accounting from IFRSs to U.S. GAAP.
- Non-GAAP measures for mining companies.
- Monitoring inflation in certain countries.
- Adoption of IFRS 11 and Regulation S-X, Rule 3-09.
- Meeting the registration statement requirements with respect to restated financial statements containing IFRS-IASB financial information.
- The SEC staff’s observations related to FPIs’ use of the IFRS XBRL taxonomy. ●

## Internal Audit

### IIA Approves Changes to Educational and Certification Requirements

**Affects:** Internal auditors.

**Summary:** On January 3, 2014, the IIA announced that its board of directors had “recently approved changes to the education requirements for the Certified Internal Auditor (CIA) and eligibility requirements for all certification programs.”

Under the new CIA requirements, internal audit practitioners do not need to have a bachelor’s degree to apply for CIA certification. Rather, they must have either (1) “[t]wo years’ post-secondary education and five years’ verified experience in internal audit or its equivalent” or (2) “[s]even years’ verified experience in internal audit or its equivalent.”

The changes to the certification eligibility requirements affect the documentation a candidate must provide before registering for any of the IIA’s certification exams. New required documents include (1) proof of identification (i.e., passport or national identity card); (2) proof of education, including copies of transcripts and degrees; and (3) a character reference form that is “completed and signed by an active IIA-certified individual, a current or prior supervisor, or the candidate’s current professor.” The certification requirements are effective as of January 1, 2014.

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

## International

### IAASB Issues Audit-Quality Framework

**Affects:** IFAC member bodies.

**Summary:** On February 18, 2014, the IAASB issued its [audit-quality framework](#). The objectives of the framework are “to raise awareness of the key elements of audit quality, encourage key stakeholders to challenge themselves to do more to increase audit quality in their particular environments, and facilitate greater dialogue between key stakeholders on the topic.”

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

### IAESB Issues Information Paper on Developing and Managing Written Examinations

**Affects:** IFAC member bodies.

**Summary:** On February 12, 2014, the IAESB issued a [revised information paper](#) intended to help professional accounting organizations implement IES 6. The paper provides guidance on “the many policies and procedures to develop, administer, and grade written examinations.”

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

### IAESB Issues Standards on Education Programs for Professional Accountants

**Affects:** Professional accountants.

**Summary:** On January 17, 2014, the IAESB issued the following revised IESs to provide accountants with guidance on developing competence as part of a professional accounting education program:

- [IES 2 \(Revised\), Initial Professional Development — Technical Competence.](#)
- [IES 3 \(Revised\), Initial Professional Development — Professional Skills.](#)
- [IES 4 \(Revised\), Initial Professional Development — Professional Values, Ethics, and Attitudes.](#)

The revised standards, which supersede the existing IESs 2–4, “aim to assist professional accountancy organizations, as well as educational organizations, employers, regulators, government authorities, and any other stakeholders who support the learning and development of professional accountants.”

**Next Steps:** All three standards will become effective on July 1, 2015.

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

## Governmental Accounting and Auditing Developments

### GASB

#### GASB Votes Not to Delay Implementation of Standard on Pensions\*

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

**Summary:** On March 24, 2014, the GASB unanimously voted not to delay the implementation date of Statement 68, which provides governmental entities with guidance on the accounting for pensions. Despite certain shareholders' concerns that "such a delay is necessary until related auditing procedures have been implemented for a sufficient period," the GASB ultimately decided that it "does not believe that delaying implementation will benefit its stakeholders in general."

**Next Steps:** GASB Statement 68 is effective for periods beginning after June 15, 2014.

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

#### GASB Releases Pensions Toolkit\*

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

**Summary:** On March 11, 2014, the GASB released a pensions [toolkit](#) to help governmental entities implement the requirements of Statements 68 and 71. In addition to including an executive summary and the full text of the two pension standards, the toolkit features an implementation guide as well as supplementary videos, podcasts, articles, and other documents that explain key aspects of the accounting for pensions.

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

#### GASB Proposes New GAAP Hierarchy and Implementation Guide

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

**Summary:** On February 27, 2014, the GASB announced the issuance of an [ED](#) of a proposed Statement that would supersede GASB Statement 55 to create a new GAAP hierarchy for state and local governmental entities. The proposal states that its goal is "to identify, in the context of the current governmental financial reporting environment, the sources of accounting principles and the framework for selecting the principles used to prepare financial statements of state and local governmental entities presented in conformity with [GAAP]."

One of the proposal's key changes is to elevate the status of implementation guidance from nonauthoritative to authoritative, as a result of which such guidance will now be exposed for public comment. Thus, to accompany the GAAP hierarchy ED, the GASB has also issued for public comment an [ED](#) containing all implementation guidance that the GASB has issued to date.

**Next Steps:** Comments on both EDs are due by December 31, 2014.

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

## International

### IPSASB Governance Review Group Issues Consultation Paper on Governance

**Affects:** Public-sector entities.

**Summary:** On January 24, 2014, the IPSASB Governance Review Group<sup>1</sup> issued a [consultation paper](#) that “focuses on governance and oversight processes in the setting of accounting standards for the public sector, whose stakeholders and needs are different from the private sector.” Topics covered in the consultation paper include:

- Background information on the IPSASB.
- Governance and oversight arrangements of (1) the IPSASB and (2) other international standard setters.
- A “series of proposals for strengthening these arrangements.”

**Next Steps:** Comments on the consultation paper are due by April 30, 2014.

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

## Regulatory and Compliance Developments

### COSO

#### COSO Issues Thought Paper on Improving Organizational Performance and Governance

**Affects:** All entities.

**Summary:** On February 10, 2014, COSO released a [thought paper](#) that addresses how its two frameworks, Internal Control — Integrated Framework and Enterprise Risk Management — Integrated Framework (issued in 2013 and 2004, respectively), “can contribute to enhancing organizational performance and governance for sustainable success.”

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

### SASB

#### SASB Issues Provisional Standards for Financial Sector

**Affects:** Industries within the scope of the standards.

**Summary:** On February 26, 2014, the SASB issued provisional standards for industries in the financial sector. The standards are the second set in a planned series of industry-related SASB standards on accounting for environmental, social, and governance (ESG) issues that could be material to a corporation’s performance. The standards focus on material sustainability matters that corporations are already required to disclose in their Form 10-K or 20-F filings with the SEC. They provide standardized accounting metrics and concentrate on ESG issues applicable to seven financial industries:

- Commercial banks.
- Investment banking and brokerage.
- Asset management and custody activities.
- Consumer finance.
- Mortgage finance.
- Security and commodity exchanges.
- Insurance. ●

<sup>1</sup> The Governance Review Group is chaired by representatives of the IMF, the World Bank, and the OECD, and includes the FSB, IOSCO, and INTOSAI as members.

## SEC

### SEC Proposes Rule for Covered Clearing Agencies\*

**Affects:** Covered clearing agencies.

**Summary:** On March 12, 2014, the SEC issued a [proposed rule](#) that would amend the Securities Exchange Act of 1934 to establish additional regulations for “covered clearing agencies” (i.e., certain types of SEC-registered clearing agencies) that (1) the Financial Stability Oversight Council deems “systemically important” or (2) participate in “more complex transactions” (e.g., securities-based swaps). The new requirements would affect such agencies’ financial risk management, operations, governance, and disclosures.

**Next Steps:** Comments on the proposed rule are due by May 27, 2014.

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

### SEC Revises EDGAR Filer Manual\*

**Affects:** SEC registrants.

**Summary:** On March 4, 2014, the SEC issued a [final rule](#) that revises its EDGAR Filer Manual “to reflect updates to the EDGAR system.” The final rule states that “[t]he revisions are being made primarily to introduce new submission form types MA, MA-A, MA/A, MA-I, MA-I/A, and MA-W to support Registration of Municipal Advisors; updates to submission form types 8-K, 8-K/A, 10-K, 10-K/A, 10-KT, 10-KT/A, 10-D, 10-D/A, POS AM, 424B1, 424B2, 424B3, 424B4, 424B5, 424B7, and 424B8; and minor updates to Form 13F validations.”

The final rule became effective on March 10, 2014. ●

### SEC Proposes Method of Disclosing Asset-Level Data in Offerings of Asset-Backed Securities

**Affects:** Issuers of asset-backed securities (ABSs).

**Summary:** On February 26, 2014, the SEC issued a [memorandum](#) to address constituents’ concerns related to proposed asset-level disclosures in ABS offerings. The memorandum describes an approach for asset-level disclosures that takes into account the sensitivity of this information. Instead of filing the information on EDGAR, issuers would make it available to investors on their own Web sites.

In addition, on March 28, 2014, the SEC issued a [release](#) reopening the comment periods for two related ABS rules for 30 days to gather feedback on the proposed approach.

**Next Steps:** Comments on the two ABS rules are now due by April 28, 2014.

**Other Resources:** For more information, see the [statement](#) by Commissioner Michael S. Piwowar on the SEC’s Web site. ●

### SEC Approves PCAOB’s Rules on Auditing Supplemental Information and Attestation Engagements on Broker-Dealer Compliance and Exemption Reports

**Affects:** Auditors of public entities.

**Summary:** On February 12, 2014, the SEC issued an [order](#) approving [PCAOB Auditing Standard 17](#), which was issued in October 2013. Auditing Standard 17 prescribes the auditor’s responsibilities related to audit procedures and reporting on whether supplemental information accompanying the financial statements is fairly stated, in all material respects, in relation to the financial statements as a whole.

On this same date, the SEC also issued an [order](#) approving PCAOB Attestation Standards 1 and 2, which prescribe “requirements for the auditor with respect to [1] the auditor’s examination regarding a broker’s or dealer’s compliance report” and “[2] the auditor’s review regarding the broker’s or dealer’s exemption report.”

**Next Steps:** Auditing Standard 17 is effective for “audit procedures and reports on supplemental information that accompanies financial statements for fiscal years ending on or after June 1, 2014.” The two attestation standards are effective “for examination engagements and review engagements for fiscal years ending on or after June 1, 2014.” ●

## SEC Extends Exemptions Related to Security-Based Swaps

**Affects:** SEC registrants.

**Summary:** On February 7, 2014, the SEC published [amendments](#) extending the expiration date for “interim final rules that provide exemptions under the Securities Act of 1933, the Securities Exchange Act of 1934, and the Trust Indenture Act of 1939 for those security-based swaps that [1] prior to July 16, 2011 were security-based swap agreements and [2] are defined as ‘securities’ under the Securities Act and the Exchange Act as of July 16, 2011 due solely to the provisions of Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act.” The amendments affect the following interim final rules:

- Rule 240 of the Securities Act of 1933.
- Rules 12a-11 and 12h-1(i) of the Securities Exchange Act of 1934.
- Rule 4d-12 of the Trust Indenture Act of 1939.

The new expiration date for the interim final rules is February 11, 2017. ●

## SEC Updates Financial Reporting Manual

**Affects:** SEC registrants.

**Summary:** On February 6, 2014, the SEC published a revised version of its [Financial Reporting Manual](#) (FRM). The primary purpose of the update is to address critical estimate disclosures about share-based compensation in initial public offering transactions.

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

## SEC Issues Draft of Strategic Plan for 2014–2018

**Affects:** SEC registrants.

**Summary:** On February 3, 2014, the SEC issued for public comment a [draft](#) of its strategic priorities for 2014–2018. The Commission is publishing the document to comply with the requirements of the Government Performance and Results Modernization Act of 2010, under which federal organizations must “outline their missions, planned initiatives, and performance goals for a five-year period.” In addition to outlining the SEC’s mission, vision, values, objectives, and financial resources, the plan details four strategic goals: (1) establishing and maintaining an effective regulatory environment, (2) fostering and enforcing compliance with federal securities laws, (3) facilitating access to information that investors need to make informed investment decisions, and (4) enhancing the SEC’s performance through effective alignment and management of human, information, and financial capital.

Comments on the draft were due by March 10, 2014.

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

## SEC Issues Risk Alert on Investment Advisers’ Use of Due Diligence

**Affects:** Investment advisers.

**Summary:** On January 28, 2014, the SEC’s Office of Compliance Inspections and Examinations issued a [risk alert](#) summarizing its observations regarding the due-diligence procedures investment advisers follow when “recommending alternative investments to their clients.” The SEC staff’s observations fall into two main categories: (1) trends in investment advisers’ due-diligence processes and (2) the extent to which the advisers have complied with applicable rules and regulations, including the Investment Advisers Act of 1940 and the advisers’ own codes of ethics that the Commission mandates for SEC-registered advisers.

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

## SEC Issues Interim Final Rule Related to Certain Collateralized Debt Obligations

**Affects:** Financial institutions.

**Summary:** On January 17, 2014, the SEC, in conjunction with the OCC, the Federal Reserve, the FDIC, and the CFTC, issued an [interim final rule](#) that “would permit banking entities to retain investments in certain pooled investment vehicles that invested their offering proceeds primarily in certain securities issued by community banking organizations of the type grandfathered under section 171 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.”

The interim final rule became effective on April 1, 2014.

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

## SEC Issues Final Rule and Interpretive Guidance Related to Rules for Registration of Municipal Advisers

**Affects:** Municipal advisers.

**Summary:** On January 13, 2014, the SEC issued a [final rule](#) granting a temporary stay on the Commission’s rules for registration of municipal advisers, which “require municipal advisors to register with the Commission if they provide advice to municipal entities or certain other persons on the issuance of municipal securities, or about certain investment strategies or municipal derivatives.” The new date by which municipal advisers must comply with the rules is June 1, 2014. The temporary stay is effective as of January 13, 2014.

In addition, on January 10, 2014, the SEC issued a series of [FAQs](#) in response to questions the Commission has received from market participants about the municipal adviser registration rules. Topics covered in the FAQs include:

- Content that entities are permitted to provide to a municipal entity to avoid having to register as a municipal adviser.
- How to provide a request for proposals or request for qualifications that is consistent with the exemption to the definition of a municipal adviser.
- Requirements for the independent registered municipal adviser exemption.
- Exclusions related to underwriters and registered investment advisers.
- Whether a broker-dealer that served as underwriter for an issuance of municipal securities can continue to rely on the underwriter exemption after the issuance and the underwriting period.
- Whether advice provided by remarketing agents is within the scope of the underwriter exclusion.
- Opinions offered by public officials and citizens.
- Effective and compliance dates of the final rules.

**Other Resources:** For more information, see the [January 10](#) and [January 13](#) press releases on the SEC’s Web site. ●

## SEC Releases Examination Priorities for 2014

**Affects:** SEC registrants.

**Summary:** On January 9, 2014, the SEC’s Office of Compliance Inspections and Examinations published a [document](#) highlighting the Commission’s examination priorities for 2014. The objective of the document is to inform SEC registrants and investors about issues that the Commission is planning to focus on for the remainder of the year. These issues include fraud detection and prevention, corporate governance and conflicts of interest, new laws and regulations, and the Commission’s programs for investment advisers and broker-dealers.

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

## SEC Issues New Compliance and Disclosure Interpretations

**Affects:** SEC registrants.

**Summary:** In January 2014, the SEC's Division of Corporation Finance issued the following [C&DIs](#) related to the Securities Exchange Act of 1934 (Question 105.06) and the Securities Act of 1933 (Questions 260.28–.34):

- *Question 105.06* — Discusses under what circumstances the beneficial ownership of a party to the voting agreement is attributed to one or more other parties to the agreement.
- *Question 260.28* — Clarifies that “[a] shareholder that becomes a 20 [percent] beneficial owner upon completion of a sale of securities is not a 20 [percent] beneficial owner at the time of the sale.”
- *Question 260.29* — Confirms that a “beneficial owner” should be interpreted the same way under Rule 506(d) as it is under Exchange Act Rule 13d-3.
- *Question 260.30* — Indicates that beneficial ownership includes both direct and indirect interests.
- *Question 260.31* — Clarifies whether the parties to a voting agreement for proxy voting in favor of director candidates are required to aggregate their holdings when determining whether they, as a group or single party, are 20 percent beneficial owners of the issuer and considered covered persons under Rule 506(d).
- *Question 260.32* — Explains that an order issued by a court or regulator in accordance with Rule 506(d)(2)(iii) does not waive the disclosure obligation in Rule 506(e).
- *Question 260.33* — Discusses under what circumstances the issuer of an offering is required to take “reasonable steps to verify” the accredited investor status of investors who purchased securities in the offering before the issuer conducted the offering by relying on Rule 506(c).
- *Question 260.34* — Clarifies when an issuer can switch from Rule 506(b) to Rule 506(c) if it already sold securities to nonaccredited investors before relying on the Rule 506(c) exemption. ●

## International

### Basel Committee Issues Guidance on External Banking Audits\*

**Affects:** Banking entities.

**Summary:** On March 31, 2014, the Basel Committee issued [supervisory guidance](#) on external banking audits, which supersedes the committee's 2002 and 2008 guidance on this topic. The new guidance is being issued in response to numerous developments that have affected the banking industry over the past decade, including the financial crisis, the advent of new laws and regulations, and evolving bank practices. The primary focus of the guidance is on improving audit quality at banks. Specific topics covered include the following:

- The important role of audit committees in communicating with external auditors and overseeing the external audit process.
- How audit committees and external auditors can cooperate to promote audit quality and financial stability.
- The Basel Committee's “expectations and recommendations on how internationally accepted auditing standards should be tailored to an audit in response to risks and issues specific to banks.”

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



## Basel Committee Issues Final Standard on Measuring Counterparty Credit Risk Exposures\*

**Affects:** Banking entities.

**Summary:** On March 31, 2014, the Basel Committee issued a [final standard](#) on measuring counterparty credit risk exposures, which “replaces both the Current Exposure Method . . . and the Standardised Method . . . in the capital adequacy framework.” The new guidance “includes a comprehensive, non-modelled approach for measuring counterparty credit risk associated with OTC derivatives, exchange-traded derivatives, and long settlement transactions.”

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

## Basel Committee Issues Risk Management Guidelines Related to Money Laundering and Terrorism Financing

**Affects:** Banking entities.

**Summary:** On January 15, 2014, the Basel Committee issued [guidelines](#) that provide banking entities with information on how they “should include the management of risks related to money laundering and financing of terrorism within their overall risk management framework.” The goal of the guidelines is to help protect “the safety and soundness of banks as well as the integrity of the financial system.”

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

## Basel Committee Amends Basel III Leverage Ratio Framework and Related Disclosure Requirements

**Affects:** Banking entities.

**Summary:** On January 12, 2014, the Basel Committee issued [amendments](#) to the Basel III leverage ratio framework and the related disclosure requirements. The framework changes are intended to more accurately convey the “on- and off-balance-sheet sources of banks’ leverage” in light of the excessive leverage that contributed to the global financial crisis.

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

## IVSC Issues Proposals to Amend Valuation Standards on Investment and Development Property

**Affects:** Valuation professionals.

**Summary:** On January 31, 2014, the IVSC issued an [ED](#) that proposes amendments to the investment-property-related valuation guidance in IVSs 230 and 300. The proposal’s goal is to address concerns raised by respondents to the IVSC’s December 2012 discussion paper that “examined various options for improving the way in which the standards relate to [investment property].”

On this same date, the IVSC also issued an [ED](#) on development property that would supersede the guidance in IVS 233.

**Next Steps:** Comments on both EDs are due by April 30, 2014.

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

## IVSC Releases First Chapter of Illustrative Examples for International Valuation Standards Framework

**Affects:** Valuation professionals.

**Summary:** On January 8, 2014, the IVSC issued for public comment an [ED](#) proposing illustrative examples related to the different bases of value under the IVS framework. The ED would constitute the first chapter in the IVSC’s project to illustrate application of the framework’s concepts “in various scenarios.”

Comments on the ED were due by March 31, 2014.

**Other Resources:** For more information, see the [article](#) on Deloitte’s *IASPlus* Web site. ●

## IFAC Calls for Increased Focus on Global Regulatory Convergence

**Affects:** All entities.

**Summary:** In a January 7, 2014, [press release](#), IFAC reiterated its plea to international policymakers to increase their emphasis on global regulatory convergence. IFAC believes that the current diversity in global regulatory requirements is hindering “sustainable economic recovery.” Specifically, the press release indicates that “a number of jurisdictions are increasingly resorting to nation-specific responses and reforms that create the potential for uncertainty and instability — and ultimately stifle global growth — despite the fact that the G-20 has called for global convergence in a number of areas and the FSB has recognized 12 sets of internationally-accepted standards deserving of priority implementation.” ●

## Appendix A: Current Status of FASB Projects

This appendix summarizes the objectives,<sup>1</sup> current status, and next steps for the FASB's active standard-setting projects (excluding research initiatives). Convergence projects are listed first; the remaining projects are listed in alphabetical order.

Project	Description	Status and Next Steps
<b>Convergence Projects</b>		
Accounting for financial instruments (AFI)	<p>The AFI project consists of three phases: (1) classification and measurement, (2) impairment, and (3) hedging.</p> <p>The overall purpose of the AFI project is to "significantly improve the decision usefulness of financial instrument reporting for users of financial statements. . . . [The FASB believes] that simplification of the accounting requirements for financial instruments should be an outcome of this improvement."</p>	<p><b>Classification and Measurement</b></p> <p>In late 2013 and early 2014, the FASB decided to abandon work on a converged approach that it had exposed for comment in February 2013. The Board is currently deliberating targeted improvements to existing GAAP and is expected to issue a final standard in the second half of 2014. For more information, see Deloitte's February 10, 2014, <a href="#">Heads Up</a>.</p> <p><b>Impairment</b></p> <p>In 2012, the FASB decided to abandon work on a converged approach. The Board is currently deliberating aspects of the current expected credit loss model that it exposed for comment in 2012 and is expected to issue a final standard in the second half of 2014. For more information, see Deloitte's August 20, 2013, <a href="#">Heads Up</a>.</p> <p><b>Hedging</b></p> <p>The FASB is expected to begin its deliberations once the classification and measurement and impairment phases of the AFI project are substantially complete.</p>
Insurance contracts	The purpose of this project is to "improve, simplify, and converge the financial reporting requirements for insurance contracts and to provide investors with decision-useful information." However, convergence is no longer expected.	The FASB is currently deliberating feedback received on its 2013 <a href="#">ED</a> . In March 2014, the Board decided to limit the scope of the project and focus on targeted improvements to existing GAAP. No estimated completion date is available for the project. For more information, see Deloitte's February 24, 2014, <a href="#">Heads Up</a> .
Leases	The purpose of this project is to "increase transparency and comparability among organizations by recognizing lease assets and liabilities on the balance sheet and disclosing key information."	On March 18–19, 2014, the FASB and IASB held joint meetings to further discuss the direction of the leases project. No estimated completion date is available for the project. For more information, see Deloitte's March 27, 2014, <a href="#">Heads Up</a> .
Revenue recognition	<p>The purpose of this project is to clarify revenue recognition principles and develop a converged revenue standard. The new standard would:</p> <ul style="list-style-type: none"> <li>• "Remove inconsistencies and weaknesses in existing revenue requirements."</li> <li>• "Provide a more robust framework for addressing revenue issues."</li> <li>• "Improve comparability of revenue recognition practices across entities, industries, jurisdictions, and capital markets."</li> <li>• "Provide more useful information to users of financial statements through improved disclosure requirements."</li> <li>• "Simplify the preparation of financial statements by reducing the number of requirements to which an entity must refer."</li> </ul>	The boards have completed their deliberations and are expected to issue a substantially converged final standard in the second quarter of 2014. For more information, see Deloitte's March 5, 2013, <a href="#">Heads Up</a> .

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

Project	Description	Status and Next Steps
<b>FASB-Only Projects</b>		
Accounting for goodwill for public business entities and not-for-profit entities	The purpose of this project is to “reduce the cost and complexity of the subsequent accounting for goodwill for public business entities and not-for-profit entities.”	The FASB staff is further researching alternative approaches related to simplifying the accounting for goodwill, including direct write-off and simplified impairment testing approaches. No estimated completion date is available for the project.
Accounting for government assistance	The purpose of this project is to “develop disclosure requirements about government assistance that improves the content, quality and comparability of financial information and financial statements and that is responsive to the emerging issues in the changing financial and economic environment in which reporting entities operate.”	The FASB has not yet begun deliberating this project.
Clarifying the definition of a business	The purpose of this project is to “clarify the definition of a business with the objective of addressing whether transactions involving in-substance nonfinancial assets (held directly or in a subsidiary) should be accounted for as acquisitions (or disposals) of nonfinancial assets or as acquisitions (or disposals) of businesses. The project will include clarifying the guidance for partial sales or transfers and the corresponding acquisition of partial interests in a nonfinancial asset or assets.”	The FASB has not yet begun deliberating this project.
Consolidation: principal-versus-agent analysis	The purpose of this project is to “[p]rovide criteria for a reporting entity to evaluate whether a decision maker is using its power as a princip[al] or agent, [e]liminate inconsistencies in evaluating kick-out and participating rights, [and] [a]mend the requirements for evaluating whether a general partner controls a limited partnership.”	The FASB is currently deliberating various aspects of this project. No estimated completion date is available for the project. For more information about the FASB’s 2011 <a href="#">ED</a> , see Deloitte’s November 4, 2011, <a href="#">Heads Up</a> .
Development-stage entities	The purpose of this project is to “reduce cost and complexity in the financial reporting system by eliminating inception-to-date information from the financial statements of development stage entities.” The project will eliminate the concept of a development-stage entity from U.S. GAAP, effectively removing ASC 915 from the Codification.	Deliberations are complete. The FASB is expected to issue a final ASU in the second quarter of 2014.
Disclosure framework	The disclosure framework project consists of two phases: (1) the FASB’s decision process and (2) the entity’s decision process. The overall objective of the project is to “improve the effectiveness of disclosures in notes to financial statements by clearly communicating the information that is most important to users of each entity’s financial statements. (Although reducing the volume of the notes to financial statements is not the primary focus, the Board hopes that a sharper focus on important information will result in reduced volume in most cases.)”	<p><b>FASB Decision Process</b></p> <p>On March 4, 2014, the FASB issued an <a href="#">ED</a> of a proposed Concepts Statement that would add a new chapter to the Board’s conceptual framework for financial reporting. Comments on the ED are due by July 14, 2014. For more information, see Deloitte’s March 6, 2014, <a href="#">Heads Up</a>.</p> <p><b>Entity Decision Process</b></p> <p>The FASB staff is currently analyzing the results of a field study conducted with FASB constituents. Deliberations are expected to continue later in 2014.</p>
Financial statements of not-for-profit entities	The purpose of this project is to “reexamine existing standards for financial statement presentation by not-for-profit entities, focusing on improving: <ol style="list-style-type: none"> <li>1. Net asset classification requirements</li> <li>2. Information provided in financial statements and notes about liquidity, financial performance, and cash flows.”</li> </ol>	The FASB is currently deliberating various aspects of this project and is expected to issue an ED in the second half of 2014.

Project	Description	Status and Next Steps
Going concern	The purpose of this project is to “provide preparers with guidance in U.S. GAAP on management’s responsibilities for evaluating and disclosing going concern uncertainties and, thereby, reduce existing diversity in footnote disclosures. In doing so, the Board believes that the proposal also would improve the timeliness and the quality of footnote disclosures about going concern uncertainties.”	Deliberations are expected to continue sometime in 2014. For more information about the FASB’s 2013 <a href="#">ED</a> , see Deloitte’s June 27, 2013, <a href="#">Heads Up</a> .
Investment companies: disclosures about investments in another investment company	The purpose of this project is to “require disclosures in an investment company’s financial statements that will provide transparency into the risks, returns, and expenses of an investee that is also an investment company.”	The FASB is expected to issue an ED in the second quarter of 2014.
Reporting discontinued operations	The purpose of this project is to “improve the definition and reporting of discontinued operations . . . . The project will also enhance convergence of the FASB’s and the IASB’s reporting requirements for discontinued operations.”	Deliberations are complete. The FASB is expected to issue a final ASU in the second quarter of 2014. For more information about the FASB’s 2013 <a href="#">ED</a> , see Deloitte’s April 3, 2013, <a href="#">Heads Up</a> .
Technical corrections and improvements	The purpose of this project is to “provide regular updates and improvements to the [Codification] based on feedback received from constituents.”	This is a standing project.
Transfers and servicing: repurchase agreements and similar transactions	The purpose of this project is to “improve the existing accounting and disclosure guidance on repurchase agreements and other transactions involving a transfer and a forward agreement to repurchase the transferred assets at a fixed price from the transferee to address application issues and changes in the marketplace and to ensure that investors obtain useful information about these transactions.”	Deliberations are complete. The FASB is expected to issue a final ASU in the second quarter of 2014. For more information about the FASB’s 2013 <a href="#">ED</a> , see Deloitte’s January 16, 2013, <a href="#">Heads Up</a> .

## Appendix B: Significant Adoption Dates and Deadlines

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

FASB/EITF	Affects	Status
<b>Significant Adoption Dates</b>		
ASU 2014-07, <i>Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements</i> — a consensus of the Private Company Council (issued March 20, 2014)	All entities other than public business entities, not-for-profit entities, or employee benefit plans within the scope of ASC 960 through ASC 965 on plan accounting.	Effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early application is permitted, including application to any period for which an entity's annual or interim financial statements have not yet been made available for issuance.
ASU 2014-06, <i>Technical Corrections and Improvements Related to Glossary Terms</i> (issued March 14, 2014)	All entities.	Effective upon issuance for both public and nonpublic entities.
ASU 2014-05, <i>Service Concession Arrangements</i> — a consensus of the FASB Emerging Issues Task Force (issued January 23, 2014)	Operating entities in a service concession arrangement entered into with a public-sector entity grantor when the grantor (1) controls or has the ability to modify or approve the services that the operating entity must provide with the infrastructure, to whom it must provide them, and at what price, and (2) controls, through ownership, beneficial entitlement, or otherwise, any residual interest in the infrastructure at the end of the term of the arrangement.	For public business entities, the ASU is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2014. For entities other than public business entities, the ASU is effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early adoption is permitted. The ASU should be applied on a modified retrospective basis to service concession arrangements that exist at the beginning of an entity's fiscal year of adoption.
ASU 2014-04, <i>Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans Upon Foreclosure</i> — a consensus of the FASB Emerging Issues Task Force (issued January 17, 2014)	Creditors who obtain physical possession (resulting from an in-substance repossession or foreclosure) of residential real estate property collateralizing a consumer mortgage loan in satisfaction of a receivable.	For public business entities, the ASU is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2014. For entities other than public business entities, the ASU is effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015.
ASU 2014-03, <i>Accounting for Certain Receive-Variable, Pay-Fixed Interest Rate Swaps — Simplified Hedge Accounting Approach</i> — a consensus of the Private Company Council (issued January 16, 2014)	All entities except public business entities and not-for-profit entities as defined in the Master Glossary of the <i>FASB Accounting Standards Codification</i> , employee benefit plans within the scope of ASC 960 through ASC 965 on plan accounting, and financial institutions.	Effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015, with early adoption permitted. Private companies have the option of applying the amendments in this ASU by using either a modified retrospective approach or a full retrospective approach.
ASU 2014-02, <i>Accounting for Goodwill</i> — a consensus of the Private Company Council (issued January 16, 2014)	All entities except public business entities and not-for-profit entities as defined in the Master Glossary of the <i>FASB Accounting Standards Codification</i> and employee benefit plans within the scope of ASC 960 through ASC 965 on plan accounting.	The accounting alternative, if elected, should be applied prospectively to goodwill existing as of the beginning of the period of adoption and new goodwill recognized in annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early application is permitted, including application to any period for which the entity's annual or interim financial statements have not yet been made available for issuance.

ASU 2014-01, <i>Accounting for Investments in Qualified Affordable Housing Projects</i> — a consensus of the FASB Emerging Issues Task Force (issued January 15, 2014)	For reporting entities that meet the conditions, and that elect to use the proportional-amortization method, to account for investments in qualified affordable housing projects, all amendments in this ASU apply. For reporting entities that do not meet the conditions or that do not elect the proportional-amortization method, only the disclosure-related amendments in this ASU apply.	The amendments in this ASU are effective for public business entities for annual periods, and interim reporting periods within those annual periods, beginning after December 15, 2014. For all entities other than public business entities, the amendments are effective for annual periods beginning after December 15, 2014, and interim periods within annual reporting periods beginning after December 15, 2015. Early adoption is permitted. The amendments in this ASU should be applied retrospectively to all periods presented.
ASU 2013-12, <i>Definition of a Public Business Entity — An Addition to the Master Glossary</i> (issued December 23, 2013)	The FASB and PCC will use the definition of a public business entity in considering the scope of new financial guidance and will identify whether the guidance applies to public business entities.	No actual effective date. However, the term public business entity is used in ASU 2014-02 and ASU 2014-03, which are the first ASUs that use the term “public business entity.”
ASU 2013-11, <i>Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists</i> — a consensus of the FASB Emerging Issues Task Force (issued July 18, 2013)	Entities with unrecognized tax benefits for which a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists as of the reporting date.	Effective for fiscal years, and interim periods within those years, beginning after December 15, 2013. For nonpublic entities, the amendments are effective for fiscal years, and interim periods within those years, beginning after December 15, 2014. Retrospective application is permitted.
ASU 2013-10, <i>Inclusion of the Fed Funds Effective Swap Rate (or Overnight Index Swap Rate) as a Benchmark Interest Rate for Hedge Accounting Purposes</i> — a consensus of the FASB Emerging Issues Task Force (issued July 17, 2013)	Entities that elect to apply hedge accounting of the benchmark interest rate under ASC 815.	Effective prospectively for qualifying new or redesignated hedging relationships entered into on or after July 17, 2013.
ASU 2013-09, <i>Deferral of the Effective Date of Certain Disclosures for Nonpublic Employee Benefit Plans in Update No. 2011-04</i> (issued July 8, 2013)	Entities subject to certain required disclosures in ASU 2011-04 (ASC 820) related to quantitative information about the significant unobservable inputs used in Level 3 fair value measurements for investments held by a nonpublic employee benefit plan in its plan sponsor’s own nonpublic-entity equity securities, including equity securities of its plan sponsor’s nonpublic affiliated entities. The amendments in ASU 2013-09 do not defer the effective date for certain quantitative disclosures about other nonpublic-entity equity securities held in the nonpublic employee benefit plan or any qualitative disclosures.	Effective July 8, 2013, for financial statements that have not been issued.
ASU 2013-08, <i>Financial Services — Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements</i> (issued June 7, 2013)	Entities currently within the scope of ASC 946 that will no longer be investment companies as a result of the amendments in ASU 2013-08. Entities that adopted SOP 07-1 before the FASB’s indefinite deferral of that SOP also must assess whether they continue to be within the scope of ASC 946 by determining whether they are investment companies as a result of the amendments to the investment-company assessment in ASU 2013-08. Also, entities that are currently not within the scope of ASC 946 may be investment companies as a result of the amendments in ASU 2013-08.	Effective for an entity’s interim and annual reporting periods in fiscal years that begin after December 15, 2013. Early adoption is prohibited.
ASU 2013-07, <i>Liquidation Basis of Accounting</i> (issued April 22, 2013)	Entities that issue financial statements that are presented in conformity with U.S. GAAP except investment companies that are regulated under the Investment Company Act of 1940.	Effective for annual reporting periods beginning after December 15, 2013, and interim reporting periods therein. Entities should apply the requirements prospectively from the day on which liquidation becomes imminent. Early adoption is permitted.



ASU 2013-06, <i>Services Received From Personnel of an Affiliate</i> — a consensus of the FASB Emerging Issues Task Force (issued April 19, 2013)	Not-for-profit entities, including not-for-profit, business-oriented health care entities, that receive services from personnel of an affiliate that directly benefit the recipient not-for-profit entity and for which the affiliate does not charge the recipient not-for-profit entity.	Effective prospectively for fiscal years beginning after June 15, 2014, and interim and annual periods thereafter. A recipient not-for-profit entity may apply the amendments by using a modified retrospective approach under which all prior periods presented on the adoption date should be adjusted but no adjustment should be made to the beginning balance of net assets for the earliest period presented. Early adoption is permitted.
ASU 2013-05, <i>Parent's Accounting for the Cumulative Translation Adjustment Upon Derecognition of Certain Subsidiaries or Groups of Assets Within a Foreign Entity or of an Investment in a Foreign Entity</i> — a consensus of the FASB Emerging Issues Task Force (issued March 4, 2013)	Entities with foreign subsidiaries or foreign investments.	For public entities, the ASU is effective for fiscal years (and interim periods within those fiscal years) beginning after December 15, 2013. For nonpublic entities, the ASU is effective for the first annual period beginning on or after December 15, 2014, and interim and annual periods thereafter. Early adoption will be permitted for both public and nonpublic entities. The ASU should be applied prospectively from the beginning of the fiscal year of adoption.
ASU 2013-04, <i>Obligations Resulting From Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date</i> — a consensus of the FASB Emerging Issues Task Force (issued February 28, 2013)	Entities that are jointly and severally liable with other entities.	For public entities, the ASU is effective for fiscal years beginning after December 15, 2013 (and interim reporting periods within those years). For nonpublic entities, the ASU is effective for the first annual period ending on or after December 15, 2014, and interim and annual periods thereafter. The ASU should be applied retrospectively to obligations with joint-and-several liabilities existing at the beginning of an entity's fiscal year of adoption. Entities that elect to use hindsight in measuring their obligations during the comparative periods must disclose that fact. Early adoption is permitted.
ASU 2013-02, <i>Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income</i> (issued February 5, 2013)	Entities that issue financial statements in accordance with U.S. GAAP and that report items of OCI. Public companies must comply with these amendments for all reporting periods presented, including interim periods, while nonpublic entities must comply with the amendments for annual reporting periods. For interim reporting periods, nonpublic entities are not required to report the effects of reclassifications on net income but must report information about the amounts reclassified out of AOCI by component for each reporting period. Not-for-profit entities subject to the requirements of ASC 958-205 are outside the scope of these amendments.	For public entities, the amendments are effective prospectively for reporting periods beginning after December 15, 2012. For nonpublic entities, the amendments are effective prospectively for reporting periods beginning after December 15, 2013. Early adoption is permitted.
ASU 2012-07, <i>Accounting for Fair Value Information That Arises After the Measurement Date and Its Inclusion in the Impairment Analysis of Unamortized Film Costs</i> — a consensus of the FASB Emerging Issues Task Force (issued October 24, 2012)	Entities that perform impairment assessments of unamortized film costs.	For SEC filers, effective for impairment assessments performed on or after December 15, 2012. For all other entities, effective for impairment assessments performed on or after December 15, 2013. The amendments resulting from this Issue should be applied prospectively.  Early application is permitted, including for impairment assessments performed as of a date before October 24, 2012, if, for SEC filers, the entity's financial statements for the most recent annual or interim period have not yet been issued or, for all other entities, have not yet been made available for issuance.



ASU 2012-05, <i>Not-for-Profit Entities: Classification of the Sale Proceeds of Donated Financial Assets in the Statement of Cash Flows</i> — a consensus of the FASB Emerging Issues Task Force (issued October 22, 2012)	Entities within the scope of ASC 958 that accept donated financial assets.	Effective prospectively for fiscal years, and interim periods within those years, beginning after June 15, 2013. Retrospective application to all prior periods presented upon the date of adoption is permitted. Early adoption from the beginning of the fiscal year of adoption is permitted. For fiscal years beginning before October 22, 2012, early adoption is permitted only if a not-for-profit entity's financial statements for those fiscal years and interim periods within those years have not yet been made available for issuance.
ASU 2012-04, <i>Technical Corrections and Improvements</i> (issued October 1, 2012)	All entities.	Effective upon issuance, except for amendments that are subject to transition guidance, which will be effective for fiscal periods beginning after December 15, 2012, for public entities and fiscal periods beginning after December 15, 2013, for nonpublic entities.
ASU 2012-01, <i>Continuing Care Retirement Communities — Refundable Advance Fees</i> (issued July 24, 2012)	Continuing care retirement communities that have resident contracts that provide for a payment of a refundable advance fee upon reoccupancy of that unit by a subsequent resident.	<i>Public entities</i> — Effective for fiscal periods beginning after December 15, 2012. <i>Nonpublic entities</i> — Effective for fiscal periods beginning after December 15, 2013. For both public and nonpublic entities, early adoption is permitted. The amendments should be applied retrospectively by recording a cumulative-effect adjustment to opening retained earnings (or unrestricted net assets) as of the beginning of the earliest period presented.
ASU 2011-10, <i>Derecognition of in Substance Real Estate — a Scope Clarification</i> — a consensus of the FASB Emerging Issues Task Force (issued December 14, 2011)	Entities that cease to have a controlling financial interest (as described in ASC 810-10) in a subsidiary that is in-substance real estate as a result of default on the subsidiary's nonrecourse debt.	<i>Public entities</i> — Effective for fiscal years, and interim periods within those years, beginning on or after June 15, 2012. <i>Nonpublic entities</i> — Effective for fiscal years ending after December 15, 2013, and interim and annual periods thereafter. Early adoption is permitted.
ASU 2011-06, <i>Fees Paid to the Federal Government by Health Insurers</i> — a consensus of the FASB Emerging Issues Task Force (issued July 21, 2011)	Reporting entities that are subject to the fee imposed on health insurers mandated by the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act.	Effective for calendar years beginning after December 31, 2013, when the fee initially becomes effective.
<b>Projects in Request-for-Comment Stage</b>		
Proposed ASU, <i>Classification of Certain Government-Guaranteed Residential Mortgage Loans Upon Foreclosure</i> — a consensus of the FASB Emerging Issues Task Force (issued January 17, 2014)	Creditors that extend certain fully government-guaranteed residential mortgage loans, including those guaranteed by the FHA.	Comments due April 30, 2014.
Proposed Concepts Statement, <i>Conceptual Framework for Financial Reporting — Chapter 8: Notes to Financial Statements</i> (issued March 4, 2014)	All entities.	Comments due July 14, 2014.
<b>AICPA</b>	<b>Affects</b>	<b>Status</b>
<b>Significant Adoption Dates</b>		
SOP 13-2, <i>Performing Agreed-Upon Procedures Engagements That Address the Completeness, Mapping, Consistency, or Structure of XBRL-Formatted Information</i> (issued September 10, 2013)	Entities performing agreed-upon procedures for issuers submitting exhibits to the SEC containing XBRL files.	Effective for any XBRL agreed-upon procedures engagements accepted after September 10, 2013.

SOP 13-1, <i>Attest Engagements on Greenhouse Gas Emissions Information</i> (issued May 2, 2013)	Auditors performing an examination or review of a greenhouse gases emissions statement containing either a schedule with the subject matter or an assertion related to information about an entity's greenhouse gas emissions.	Effective for reports on greenhouse gas emissions information issued on or after September 15, 2013. Early adoption is permitted.
SAS 128, <i>Using the Work of Internal Auditors</i> (issued February 17, 2014)	Auditors.	Effective for audits of financial statements for periods ending on or after December 15, 2014.
<b>Projects in Request-for-Comment Stage</b>		
Proposed SAS, <i>Amendment to Statement on Auditing Standards No. 122, Statements on Auditing Standards: Clarification and Recodification, Section 920, Letters for Underwriters and Certain Other Requesting Parties, as Amended</i> (issued February 13, 2014)	Auditors.	Comments due April 15, 2014.
Proposed SSARS, <i>Framework for Performing and Reporting on Compilation and Review Engagements</i> (issued November 26, 2013)	Auditors.	Comments due May 2, 2014.
Proposed SSARS, <i>Preparation of Financial Statements, Compilation Engagements, and Association With Financial Statements</i> (issued October 23, 2013)	Auditors.	Comments due May 2, 2014.
Proposed SSAE, <i>Subject-Matter Specific Attestation Standards: Clarification and Recodification</i> (issued January 28, 2014)	Auditors.	Comments due May 27, 2014.
<b>SEC</b>	<b>Affects</b>	<b>Status</b>
<b>Significant Adoption Dates</b>		
Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-9554) (issued March 4, 2014)	SEC registrants.	Effective March 10, 2014.
Final Rule, <i>Registration of Municipal Advisors</i> (34-70462 and 34-71288) (issued September 20, 2013, and January 13, 2014)	Municipal advisers.	Effective July 1, 2014, except that amendatory instruction 11 removing § 249.1300T is effective January 1, 2015.
Final Rule, <i>Prohibitions and Restrictions on Proprietary Trading and Certain Interests in, and Relationships With, Hedge Funds and Private Equity Funds</i> (BHCA-1) (issued December 10, 2013)	Banking entities.	Effective April 1, 2014.
Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-9457) (issued September 25, 2013)	SEC registrants.	Effective October 2, 2013.
Final Rule, <i>Broker-Dealer Reports</i> (34-70073) (issued July 30, 2013)	Broker-dealers.	Effective June 1, 2014, except the amendment to § 240.17a-5(e)(5), which is effective October 21, 2013, and the amendments to § 240.17a-5(a) and (d)(6) and § 249.639, which are effective December 31, 2013.
Final Rule, <i>Financial Responsibility Rules for Broker-Dealers</i> (34-70072) (issued July 30, 2013)	SEC registrants.	Effective October 21, 2013.
Final Rule, <i>Delegation of Authority to Director of Division of Enforcement</i> (34-70049) (issued July 26, 2013)	SEC registrants.	Effective August 1, 2013.
Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-9433) (issued July 25, 2013)	SEC registrants.	Effective July 31, 2013.
Final Rule, <i>Rescission of Supervised Investment Bank Holding Company Rules</i> (34-69979) (issued July 12, 2013)	SEC registrants.	Effective July 18, 2013.
Final Rule, <i>Retail Foreign Exchange Transactions</i> (34-69964) (issued July 11, 2013)	SEC registrants.	Effective July 16, 2013.

Final Rule, <i>Eliminating the Prohibition Against General Solicitation and General Advertising in Rule 506 and Rule 144A Offerings</i> (33-9415) (issued July 10, 2013)	SEC registrants.	Effective September 23, 2013.
Final Rule, <i>Disqualification of Felons and Other “Bad Actors” From Rule 506 Offerings</i> (33-9414) (issued July 10, 2013)	SEC registrants.	Effective September 23, 2013.
Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-9403) (issued May 14, 2013)	SEC registrants.	Effective May 21, 2013.
Final Rule, <i>Identity Theft Red Flags Rules</i> (34-69359) (issued April 10, 2013)	SEC registrants.	Effective May 20, 2013; compliance date is November 20, 2013.
Final Rule, <i>Amendment to Rule Filing Requirements for Dually-Registered Clearing Agencies</i> (34-69284) (issued April 3, 2013)	SEC registrants.	Effective June 10, 2013.
Final Rule, <i>Lost Securityholders and Unresponsive Payees</i> (34-68668) (issued January 16, 2013)	SEC registrants.	Effective March 25, 2013; compliance date is January 23, 2014.
Final Rule, <i>Temporary Rule Regarding Principal Trades With Certain Advisory Clients</i> (IA-3522) (issued December 21, 2012)	SEC registrants.	Effective December 28, 2012, and the expiration date for 17 CFR 275.206(3)-3T is extended to December 31, 2014.
Interim Final Temporary Rule, <i>Extension of Exemptions for Security-Based Swaps</i> (33-9545) (issued February 5, 2014)	SEC registrants.	Effective February 10, 2014. The expiration dates in interim final Rule 240 under the Securities Act, interim final Rules 12a-11 and 12h-1(i) under the Exchange Act, and interim final Rule 4d-12 under the Trust Indenture Act will be extended to February 11, 2017.
Interim Final Temporary Rule, <i>Treatment of Certain Collateralized Debt Obligations Backed Primarily by Trust Preferred Securities With Regard to Prohibitions and Restrictions on Certain Interests in, and Relationships With, Hedge Funds and Private Equity Funds</i> (BHCA-2) (issued January 17, 2014)	Banking entities.	Effective April 1, 2014.
Interim Final Temporary Rule, <i>Treatment of Certain Collateralized Debt Obligations Backed Primarily by Trust Preferred Securities With Regard to Prohibitions and Restrictions on Certain Interests in, and Relationships With, Hedge Funds and Private Equity Funds</i> (BHCA-2) (issued January 17, 2014)	Banking entities.	Effective April 1, 2014.
Interim Final Temporary Rule, <i>Extension of Temporary Registration of Municipal Advisors</i> (34-70468) (issued September 23, 2013)	Municipal advisers.	Effective September 30, 2013. The expiration of the effective period of Interim Final Temporary Rule 15BA2-6T and Form MA-T is delayed from September 30, 2013, to December 31, 2014.

#### Project in Request-for-Comment Stage

Proposal, <i>Re-Opening of Comment Period for Asset-Backed Securities Release</i> (33-9552 and 33-9568)	SEC registrants.	Comments due April 28, 2014 (deadline extended).
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PCAOB	Affects	Status
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#### Significant Adoption Dates

Auditing Standard 17, <i>Auditing Supplemental Information Accompanying Audited Financial Statements</i> (issued October 10, 2013, and December 19, 2013)	Auditors of public entities.	Effective for audit procedures and reports on supplemental information that accompany financial statements for fiscal years ending on or after June 1, 2014.
Attestation Standards, <i>Examination Engagements Regarding Compliance Reports of Brokers and Dealers</i> , and <i>Review Engagements Regarding Exemption Reports of Brokers and Dealers</i> (issued October 10, 2013)	Independent public accountants of brokers and dealers.	Effective for examination engagements and review engagements for fiscal years ending on or after June 1, 2014.

GASB	Affects	Status
<b>Significant Adoption Dates</b>		
Statement 71, <i>Pension Transition for Contributions Made Subsequent to the Measurement Date</i> (issued November 25, 2013)	Governmental entities.	Effective for fiscal years beginning after June 15, 2014.
Statement 70, <i>Accounting and Financial Reporting for Nonexchange Financial Guarantees</i> (issued April 22, 2013)	Governmental entities.	Effective for reporting periods beginning after June 15, 2013. Early application is encouraged.
Statement 69, <i>Government Combinations and Disposals of Government Operations</i> (issued January 2013)	Governmental entities.	Effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013, and should be applied prospectively. Early application is encouraged.
Statement 68, <i>Accounting and Financial Reporting for Pensions</i> — an amendment of GASB Statement No. 27 (issued June 2012)	Governmental entities.	Effective for financial statements for fiscal years beginning after June 15, 2014. Early application is encouraged.
Statement 67, <i>Financial Reporting for Pension Plans</i> — an amendment of GASB Statement No. 25 (issued June 2012)	Governmental entities.	Effective for financial statements for fiscal years beginning after June 15, 2013. Early application is encouraged.
<b>Projects in Request-for-Comment Stage</b>		
Proposed Statement, <i>The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments</i> (issued February 27, 2014)	Governmental entities.	Comments due December 31, 2014.
GASB Proposed Implementation Guide No. 20XX-1 (issued February 27, 2014)	Governmental entities.	Comments due December 31, 2014.
FASAB	Affects	Status
<b>Significant Adoption Dates</b>		
Technical Release 15, <i>Implementation Guidance for General Property, Plant, and Equipment Cost Accumulation, Assignment, and Allocation</i> (issued September 26, 2013)	U.S. federal government entities.	Effective upon issuance.
Statement 45, <i>Deferral of the Transition to Basic Information for Long-Term Projections</i> (issued July 8, 2013)	U.S. federal government entities.	Effective upon issuance.
Statement 44, <i>Accounting for Impairment of General Property, Plant, and Equipment Remaining in Use</i> (issued January 3, 2013)	U.S. federal government entities.	Effective for periods beginning after September 30, 2014. Early application is encouraged.
Statement 42, <i>Deferred Maintenance and Repairs — Amending Statements of Federal Financial Accounting Standards 6, 14, 19, and 32</i> (issued April 25, 2012)	U.S. federal government entities.	Effective for periods beginning after September 30, 2014. Early application is encouraged.
Statement 36, <i>Reporting Comprehensive Long-Term Fiscal Projections for the U.S. Government</i> (issued September 28, 2009)	U.S. federal government entities.	This Statement provides for a phased-in implementation, but early implementation is encouraged. All information will be reported as required supplementary information for the first four years of implementation (fiscal years 2010, 2011, 2012, and 2013). Beginning in fiscal year 2014, the required information will be presented as a basic financial statement, disclosures, and required supplementary information as designated within the standard.
Technical Bulletin 2011-1, <i>Accounting for Federal Natural Resources Other Than Oil and Gas</i> (issued July 6, 2011)	U.S. federal government entities.	Effective for periods beginning after September 30, 2013. Early application is encouraged.

IASB/IFRIC	Affects	Status
<b>Significant Adoption Dates</b>		
IFRS 14, <i>Regulatory Deferral Accounts</i> (issued January 30, 2014)	Entities reporting under IFRSs.	Effective January 1, 2016. Earlier application is permitted.
<i>Annual Improvements to IFRSs: 2011–2013 Cycle</i> (issued December 12, 2013)	Entities reporting under IFRSs.	Varies for each IFRS being affected.
<i>Annual Improvements to IFRSs: 2010–2012 Cycle</i> (issued December 12, 2013)	Entities reporting under IFRSs.	Varies for each IFRS being affected.
<i>Defined Benefit Plans: Employee Contributions</i> — amendments to IAS 19 (issued November 21, 2013)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after July 1, 2014. Earlier application is permitted.
<i>IFRS 9 Financial Instruments (Hedge Accounting and Amendments to IFRS 9, IFRS 7 and IAS 39)</i> (issued November 19, 2013)	Entities reporting under IFRSs.	No mandatory effective date. An entity may adopt the standard immediately.
<i>Novation of Derivatives and Continuation of Hedge Accounting</i> — amendments to IAS 39 (issued June 27, 2013)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2014. Earlier application is permitted.
<i>Recoverable Amount Disclosures for Non-Financial Assets</i> — amendments to IAS 36 (issued May 29, 2013)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2014. Earlier application is permitted.
IFRIC Interpretation 21, <i>Leases</i> (issued May 20, 2013)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2014. Earlier application is permitted.
<i>Investment Entities</i> — amendments to IFRS 10, IFRS 12 and IAS 27 (issued October 31, 2012)	Entities reporting under IFRSs.	Effective for reporting periods beginning on or after January 1, 2014. Early application is permitted.
<i>Offsetting Financial Assets and Financial Liabilities</i> — amendments to IAS 32 (issued December 16, 2011)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2014. An entity must apply the amendments retrospectively. Early application is permitted.
IFRS 9, <i>Financial Instruments</i> (issued October 28, 2010)	Entities reporting under IFRSs.	No mandatory effective date. An entity may adopt the standard immediately.
IFRS 9, <i>Financial Instruments</i> (issued November 9, 2009)	Entities reporting under IFRSs.	No mandatory effective date. An entity may adopt the standard immediately.
<b>Project in Request-for-Comment Stage</b>		
IASB Request for Information, <i>Post-implementation Review: IFRS 3 Business Combinations</i> (issued January 30, 2014)	Entities reporting under IFRSs.	Comments due May 30, 2014.
IASB Exposure Draft, <i>Disclosure Initiative</i> — proposed amendments to IAS 1	Entities reporting under IFRSs.	Comments due July 23, 2014.

## Appendix C: Glossary of Standards

FASB Accounting Standards Update No. 2014-07, *Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements* — a consensus of the Private Company Council

FASB Accounting Standards Update No. 2014-06, *Technical Corrections and Improvements Related to Glossary Terms*

FASB Accounting Standards Update No. 2014-05, *Service Concession Arrangements* — a consensus of the FASB Emerging Issues Task Force

FASB Accounting Standards Update No. 2014-04, *Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans Upon Foreclosure* — a consensus of the FASB Emerging Issues Task Force

FASB Accounting Standards Update No. 2014-03, *Accounting for Certain Receive-Variable, Pay-Fixed Interest Rate Swaps — Simplified Hedge Accounting Approach* — a consensus of the Private Company Council

FASB Accounting Standards Update No. 2014-02, *Accounting for Goodwill* — a consensus of the Private Company Council

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

FASB Accounting Standards Codification Topic 915, *Development Stage Entities*

FASB Accounting Standards Codification Topic 840, *Leases*

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

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

FASB Accounting Standards Codification Topic 810, *Consolidation*

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

FASB Accounting Standards Codification Topic 310, *Receivables*

FASB Accounting Standards Codification Subtopic 350-20, *Intangibles — Goodwill and Other: Goodwill*

FASB Accounting Standards Codification Subtopic 323-740, *Investments — Equity Method and Joint Ventures: Income Taxes*

FASB Accounting Standards Codification Subtopic 310-40, *Receivables: Troubled Debt Restructurings by Creditors*

FASB Statement No. 157, *Fair Value Measurements*

FASB Proposed Concepts Statement, *Conceptual Framework for Financial Reporting — Chapter 8: Notes to Financial Statements*

EITF Issues No. 13-G, “Determining Whether the Host Contract in a Hybrid Financial Instrument Issued in the Form of a Share Is More Akin to Debt or to Equity”

EITF Issue No. 13-F, “Classification of Certain Government Insured Residential Mortgage Loans Upon Foreclosure by a Creditor”

EITF Issue No. 13-E, “Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans Upon Foreclosure”

EITF Issues No. 13-D, “Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved After the Requisite Service Period”

EITF Issue No. 13-B, “Accounting for Investments in Qualified Affordable Housing Projects”

EITF Issue No. 12-H, “Accounting for Service Concession Arrangements”

EITF Issue No. 12-G, “Measuring the Financial Assets and Financial Liabilities of a Consolidated Collateralized Financing Entity”

EITF Issue No. 12-F, “Recognition of New Accounting Basis (Pushdown) in Certain Circumstances”

AICPA Statement on Auditing Standards No. 128, *Using the Work of Internal Auditors*

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

AICPA Statement on Auditing Standards No. 65, *The Auditor’s Consideration of the Internal Audit Function in an Audit of Financial Statements*

AICPA Proposed Statement on Auditing Standards, *Amendment to Statement on Auditing Standards No. 122, Statements on Auditing Standards: Clarification and Recodification, Section 920, Letters for Underwriters and Certain Other Requesting Parties, as Amended*

AICPA *Professional Standards*, AU-C Section 610, “The Auditor’s Consideration of the Internal Audit Function in an Audit of Financial Statements”



*AICPA Professional Standards, AT Section 601, "Compliance Attestation"*

*AICPA Professional Standards, AT Section 401, "Reporting on Pro Forma Financial Information"*

*AICPA Professional Standards, AT Section 301, "Financial Forecasts and Projections"*

*AICPA Technical Practice Aids, TIS Section 9160.29, "Modification to the Auditor's Report When a Client Adopts a PCC Accounting Alternative"*

*AICPA Technical Practice Aids, TIS Section 9150.33, "Compilation or Review Report in Which Management Refuses to Include Disclosure Related to Adoption of a PCC Accounting Alternative"*

*AICPA Technical Practice Aids, TIS Section 9150.32, "Modification to the Accountant's Compilation or Review Report When a Client Adopts a Private Company Council Accounting Alternative"*

*AICPA Statement on Quality Control Standards No. 8, A Firm's System of Quality Control*

*AICPA Proposed Statement on Standards for Attestation Engagements, Subject-Matter Specific Attestation Standards: Clarification and Recodification*

*AICPA Q&As, Conflict Minerals Reports*

*CAQ Alert, Cybersecurity and the External Audit*

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

*SEC Final Rule Release No. 34-71288, Registration of Municipal Advisors; Temporary Stay of Final Rule*

*SEC Final Rule Release No. 33-9554, Adoption of Updated EDGAR Filer Manual*

*SEC Release No. 34-71525, Public Company Accounting Oversight Board; Order Granting Approval of Proposed Rules, Auditing Standard No. 17, Auditing Supplemental Information Accompanying Audited Financial Statements, and Related Amendments to PCAOB Standards*

*SEC Release No. 34-71524, Public Company Accounting Oversight Board; Order Granting Approval of Proposed Rules, Standards for Attestation Engagements Related to Broker and Dealer Compliance or Exemption Reports Required by the U.S. Securities and Exchange Commission and Related Amendments to PCAOB Standards*

*SEC Release No. 33-9552, Re-Opening of Comment Period for Asset-Backed Securities Release*

*SEC Interim Final Rule Release No. BHCA-2, Treatment of Certain Collateralized Debt Obligations Backed Primarily by Trust Preferred Securities With Regard to Prohibitions and Restrictions on Certain Interests in, and Relationships With, Hedge Funds and Private Equity Funds*

*SEC Proposed Rule Release No. 34-71699, Standards for Covered Clearing Agencies*

*SEC Risk Alert, Investment Adviser Due Diligence Processes for Selecting Alternative Investments and Their Respective Managers*

*PCAOB Auditing Standard No. 17, Auditing Supplemental Information Accompanying Audited Financial Statements, and Related Amendments to PCAOB Standards*

*PCAOB Attestation Standard No. 2, Review Engagements Regarding Exemption Reports of Brokers and Dealers*

*PCAOB Attestation Standard No. 1, Examination Engagements Regarding Compliance Reports of Brokers and Dealers*

*COSO Thought Paper, Improving Organizational Performance and Governance — How the COSO Frameworks Can Help*

*GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date — an amendment of GASB Statement No. 68*

*GASB Statement No. 68, Accounting and Financial Reporting for Pensions — an amendment of GASB Statement No. 27*

*GASB Statement No. 55, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*

*GASB Proposed Statement, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*

*IFRS 14, Regulatory Deferral Accounts*

*IFRS 13, Fair Value Measurement*

*IFRS 11, Joint Arrangements*

*IFRS 3, Business Combinations*

*IAS 1, Presentation of Financial Statements*

IASB Exposure Draft, *Disclosure Initiative* — proposed amendments to IAS 1

IASB Request for Information, *Post-implementation Review: IFRS 3*

IFAC and ICAS Paper, *Do We Need a Framework for Financial Reporting? Developing the IASB's Conceptual Framework*

IFAC Exposure Draft, *Developing and Reporting Supplementary Financial Information — Definition, Principles, and Disclosures*

ISA 610 (Revised), *Using the Work of Internal Auditors*

IAASB Framework for Audit Quality, *Key Elements That Create an Environment for Audit Quality*

IES 6 (Revised), *Initial Professional Development — Assessment of Professional Competence*

IES 4 (Revised), *Initial Professional Development — Technical Competence*

IES 3 (Revised), *Initial Professional Development — Professional Skills*

IES 2 (Revised), *Initial Professional Development — Professional Values, Ethics, and Attitudes*

IAESB Information Paper (Revised), *Development and Management of Written Examinations*

IPSASB Governance Review Group Consultation Paper, *The Future Governance of the International Public Sector Accounting Standards Board (IPSASB)*

IVS 300, *Valuations for Financial Reporting*

IVS 230, *Real Property Interests*

IVSC Exposure Draft, *IVSC Investment Property Project — Proposed Amendments to IVS 230 and IVS 300*

IVSC Exposure Draft, *Development Property*

IVSC Exposure Draft, *Illustrative Examples: Chapter 1 — Bases of Value*

IVSC Discussion Paper, *Investment Property*

Basel Committee Final Standard, *The Standardised Approach for Measuring Counterparty Credit Risk Exposures*

Basel Committee Guidance, *External Audits of Banks*

Basel Committee Amendments, *Basel III Leverage Ratio Framework and Disclosure Requirements*

Basel Committee Guidelines, *Sound Management of Risks Related to Money Laundering and Financing of Terrorism*



## Appendix D: Abbreviations

<b>ABS</b>	asset-backed security	<b>IAASB</b>	International Auditing and Assurance Standards Board
<b>AICPA</b>	American Institute of Certified Public Accountants	<b>IAESB</b>	International Accounting Education Standards Board
<b>ASB</b>	Auditing Standards Board	<b>IAS</b>	International Accounting Standard
<b>ASC</b>	FASB Accounting Standards Codification	<b>IASB</b>	International Accounting Standards Board
<b>ASU</b>	FASB Accounting Standards Update	<b>ICAS</b>	Institute of Chartered Accountants of Scotland
<b>AT</b>	Attestation Standards	<b>IES</b>	International Education Standard
<b>AU-C</b>	U.S. Clarified Auditing Standards	<b>IFAC</b>	International Federation of Accountants
<b>BIS</b>	Bank for International Settlements	<b>IFRIC</b>	International Financial Reporting Interpretations Committee
<b>C&amp;DIs</b>	compliance and disclosure interpretations	<b>IFRS</b>	International Financial Reporting Standard
<b>CAQ</b>	Center for Audit Quality	<b>IIA</b>	Institute of Internal Auditors
<b>CFE</b>	collateralized financing entity	<b>IIRC</b>	International Integrated Reporting Council
<b>CFO</b>	chief financial officer	<b>IMF</b>	International Monetary Fund
<b>CFTC</b>	Commodity Futures Trading Commission	<b>INTOSAI</b>	International Organization of Supreme Audit Institutions
<b>CIA</b>	certified internal auditor	<b>IOSCO</b>	International Organization of Securities Commissions
<b>CMR</b>	conflict minerals report	<b>IPSA</b>	international private-sector audit
<b>COSO</b>	Committee of Sponsoring Organizations of the Treadway Commission	<b>IPSASB</b>	International Public Sector Accounting Standards Board
<b>CPE</b>	continuing professional education	<b>IPTF</b>	International Practices Task Force
<b>ED</b>	exposure draft	<b>ISA</b>	International Standard on Auditing
<b>EDGAR</b>	Electronic Data Gathering, Analysis, and Retrieval	<b>IT</b>	information technology
<b>EDT</b>	Eastern Daylight Time	<b>IVS</b>	international valuation standard
<b>EITF</b>	Emerging Issues Task Force	<b>IVSC</b>	International Valuation Standards Council
<b>ESG</b>	environmental, social, and governance	<b>LIBOR</b>	London Interbank Offered Rate
<b>FAF</b>	Financial Accounting Foundation	<b>NFP</b>	not-for-profit entity
<b>FAQs</b>	frequently asked questions	<b>OCC</b>	Office of the Comptroller of the Currency
<b>FASAB</b>	Federal Accounting Standards Advisory Board	<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>FASB</b>	Financial Accounting Standards Board	<b>PCAOB</b>	Public Company Accounting Oversight Board
<b>FDIC</b>	Federal Deposit Insurance Corporation	<b>PCC</b>	Private Company Council
<b>FHA</b>	Federal Housing Administration	<b>PIR</b>	post-implementation review
<b>FPI</b>	foreign private issuer	<b>Q&amp;As</b>	questions and answers
<b>FRM</b>	SEC Financial Reporting Manual	<b>SAS</b>	Statement on Auditing Standards
<b>FSB</b>	Financial Stability Board	<b>SASB</b>	Sustainability Accounting Standards Board
<b>G-20</b>	Group of Twenty	<b>SEC</b>	Securities and Exchange Commission
<b>GAAP</b>	generally accepted accounting principles		
<b>GAGAS</b>	generally accepted government auditing standards		
<b>GASB</b>	Governmental Accounting Standards Board		

<b>SOP</b>	Statement of Position
<b>SQCS</b>	Statement on Quality Control Standards
<b>SSAE</b>	Statement on Standards for Attestation Engagements
<b>SSARS</b>	Statement on Standards for Accounting and Review Services
<b>TIS</b>	Technical Inquiry Service
<b>TPA</b>	Technical Practice Aid
<b>VIE</b>	variable interest entity
<b>XBRL</b>	eXtensible Business Reporting Language

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

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

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