

Accounting Roundup.

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Dbriefs for Financial Executives

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- Friday, December 13: [2014 Boardroom Agenda: 2013 Observations and a Look Ahead](#).
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- Thursday, December 19: [Quarterly Accounting Roundup: An Update on Important Developments](#).

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Deloitte Publications

Publication	Title	Affects
November 26, 2013, <i>Heads Up</i>	<i>IFRS 9 Gets a New Hedge Accounting Model</i>	Entities reporting under IFRSs.
November 2013 <i>Banking & Securities Accounting and Financial Reporting Update</i>		Banking and securities entities.
November 2013 <i>Real Estate Accounting and Financial Reporting Update</i>		Real estate entities.
November 2013 <i>Investment Management Accounting and Financial Reporting Update</i>		Investment management entities.
November 2013 <i>EITF Snapshot</i>		All entities.
November 2013 <i>Oil & Gas Spotlight</i>	<i>M&A 101 — Understanding Merger and Acquisition Activity in the Current Environment</i>	Oil and gas entities.
November 2013 <i>Power & Utilities Spotlight</i>	<i>An Overview of Deloitte's October 2013 P&U ERM Roundtable</i>	Power and utilities entities.

Leadership Changes

FAF: On November 19, 2013, the FAF announced the appointment of [Nancy K. Kopp](#) to its board of trustees for a five-year term beginning on January 1, 2014, and ending on December 31, 2018. In addition, on November 25, 2013, the FAF appointed 10 new members to the [FASAC](#) and 6 new members to the [GASAC](#). The terms of the FASAC members will begin on January 1, 2014, and will last for one year (with eligibility for three additional one-year terms); those of the GASAC members will also begin on January 1, 2014, but will be for two years.

IFRS Foundation: On November 25, 2013, the board of trustees of the IFRS Foundation appointed 14 new members to the [IFRS Advisory Council](#). In addition, on November 26, 2013, the IFRS Foundation elected [Maria Helena Santana](#) and [Lynn Wood](#) to its board of trustees. Their terms will begin on January 1, 2014; end on December 31, 2016; and be renewable for an additional three years.

IFAC: On November 15, 2013, IFAC announced that it has added four new members to its board: Gail McEvoy from Ireland, Michael Hathorn from the United Kingdom, Sebastian Owuama from Nigeria, and Wienand Schruoff from Germany. In addition, IFAC has admitted a number of new organizations as member bodies. For more information, see the [press release](#) on IFAC's Web site.

IAASB: On November 11, 2013, the IAASB reappointed [Linda de Beer](#) as chairman of its Consultative Advisory Group. The reappointment extends Ms. de Beer's first term, which began on October 1, 2010, to March 31, 2015.

Accounting — New Standards and Exposure Drafts

Development-Stage Entities

FASB Proposes Removal of Guidance on Development-Stage Entities

Affects: Development-stage entities (DSEs) and entities with interests in DSEs.¹

Summary: On November 7, 2013, the FASB issued a [proposed ASU](#) that would eliminate the concept of a DSE from U.S. GAAP by (1) superseding ASC 915, which contains presentation and disclosure requirements unique to DSEs (e.g., inception-to-date information); (2) removing the guidance from ASC 810 on evaluating whether a DSE has sufficient equity at risk, which is one of the criteria used to determine whether an entity is a VIE; and (3) removing all other references to DSEs in the *FASB Accounting Standards Codification*. The FASB is issuing the proposal in response to concerns that the DSE distinction, inception-to-date information, and other disclosures often do not yield decision-useful information, thereby unnecessarily increasing cost.

As currently drafted, the proposal does not contain effective date and transition guidance. However, the proposal (1) indicates that the Board is currently requesting feedback from constituents on whether it should add transition guidance and (2) states that early adoption would be permitted.

Next Steps: Comments on the proposed ASU are due by December 23, 2013.

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

¹ The Codification Master Glossary defines a DSE as "[a]n entity devoting substantially all of its efforts to establishing a new business and for which either of the following conditions exists: a. [p]lanned principal operations have not commenced; b. [p]lanned principal operations have commenced, but there has been no significant revenue therefrom."

Accounting — Other Key Developments

Disclosure Framework

FASB Decides to Issue Proposal on Disclosure Framework

Affects: All entities.

Summary: At its November 12, 2013, meeting, the FASB decided to issue an ED that would incorporate a new chapter on disclosures into FASB Concepts Statement 8. The purpose of the FASB's disclosure framework is to improve the effectiveness of entities' communication of key information to financial statement users.

Next Steps: The FASB expects to issue the ED by January 15, 2014, for a four-month comment period that would end no earlier than May 15, 2014.

Other Resources: For more information about the FASB's disclosure framework project, including the FASB's July 2012 [discussion paper](#), see Deloitte's July 17, 2012, [Heads Up](#). Also see the [project page](#) on the FASB's Web site. ●

Discontinued Operations

FASB Meets to Discuss Discontinued Operations

Affects: All entities.

Summary: At its November 13, 2013, meeting, the FASB discussed outreach performed and feedback received from constituents on its [proposed ASU](#) on discontinued operations and made tentative decisions about various aspects of the proposal. The Board tentatively decided to modify the definition of a discontinued operation to specify that a component or a group of components of an entity should be reported as a discontinued operation if the following criteria, as outlined in the meeting's [Summary of Board Decisions](#), are met:

1. The component or group of components has been disposed of, or is classified as held for sale, together as a group in a single transaction
2. The disposal of the component or group of components represents a strategic shift that has (or will have) a major effect on an entity's financial results. A strategic shift includes a disposal of:
 - a. A separate major line of business,
 - b. A separate major geographical area of operations, or
 - c. A combination of parts of (a) or (b) that make up a major part of an entity's operations and financial results.

The Board tentatively decided that entities would apply the new guidance prospectively. Public companies would apply it to annual periods beginning on or after December 15, 2014, and interim periods therein. Nonpublic entities would apply it to annual periods ending on or after December 15, 2015, and interim periods thereafter.

Next Steps: The Board directed the staff to draft a final standard on discontinued operations for vote by written ballot.

Other Resources: Deloitte's November 19, 2013, [journal entry](#) and April 3, 2013, [Heads Up](#). Also see the [project page](#) on the FASB's Web site. ●

EITF Discusses Various Issues During November Meeting

Affects: All entities.

Summary: At its November 2013 meeting, the EITF discussed the following Issues:

- *Issue 12-F, "Recognition of New Accounting Basis (Pushdown) in Certain Circumstances"* — The Task Force has not yet reached a consensus on this Issue but has made a number of tentative decisions. Among other things, the Task Force tentatively decided that public entities would be (1) required to apply pushdown accounting upon a change-in-control event that causes the acquired entity to become substantially wholly owned by the acquirer and (2) permitted to apply pushdown accounting when a change-in-control event occurs that does not cause the acquired entity to become substantially wholly owned. Nonpublic entities would have the option, but would not be required, to apply pushdown accounting when a change in control occurs. The Task Force also tentatively decided not to require incremental disclosures beyond those already required under ASC 805 and other applicable U.S. GAAP. The EITF plans to discuss the Issue's effective date and transition method at a future meeting.
- *Issue 12-G, "Measuring the Financial Assets and Financial Liabilities of a Consolidated Collateralized Financing Entity"* — The Task Force reached a final consensus that reporting entities are (1) required to "use the more observable of the fair value of the financial assets or the financial liabilities to measure the financial assets and the financial liabilities of a [CFE]"² when a CFE is initially consolidated; (2) permitted to make an accounting policy election to apply this same measurement approach after initial consolidation or to apply other U.S. GAAP to account for the consolidated CFE's financial assets and financial liabilities; and (3) prohibited from electing to use the fair value option in ASC 825 to measure either the financial assets or financial liabilities of a consolidated CFE that is within the scope of this Issue. The EITF also reached a final consensus to require entities that make the accounting policy election to apply the measurement approach in this Issue to subsequent measurements of the financial assets and financial liabilities (1) to also provide ASC 820 disclosures related to fair value for the more observable measure of the CFE's financial assets or financial liabilities and (2) to disclose the method used to determine the less observable value. Entities should also disclose the fair value of the reporting entity's owned beneficial interests and should provide relevant disclosures about that fair value measurement.

For public entities, the guidance in this Issue will be effective for fiscal years beginning after December 15, 2014, and interim periods therein. For nonpublic entities, the guidance will be effective for annual periods beginning after December 15, 2015, and interim and annual periods thereafter. Early adoption is permitted for both public and nonpublic entities. Entities will apply the guidance in this Issue by using a modified retrospective transition approach. The cumulative effect of adopting this guidance would be recorded as an adjustment to beginning retained earnings. FASB ratification of this Issue is expected at the Board's December 11, 2013, meeting, after which a final ASU will be released.

- *Issue 12-H, "Accounting for Service Concession Arrangements"* — The Task Force reached a final consensus under which entities are prohibited from accounting for service concession arrangements as a lease if 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."³

For public entities, the guidance in this Issue will be effective for fiscal years beginning after December 15, 2014, and interim periods therein. For nonpublic entities, the guidance will be effective for annual periods beginning after December 15, 2014, and annual and interim periods thereafter. Early adoption is permitted. Entities will apply the guidance "on a modified retrospective basis to service concession arrangements that exist at the beginning of an entity's fiscal year of adoption," recognizing the cumulative effect of adoption as an adjustment to beginning retained earnings. FASB ratification of this Issue is expected at the Board's December 11, 2013, meeting, after which a final ASU will be released.

² Quoted from the EITF's November 1, 2013, Issue Summary No. 1, Supplement No. 3, related to Issue 12-G. Under this approach, if the financial liabilities of the CFE are more observable, for example, the consolidating entity would measure these liabilities at fair value and use that value to determine the value of the CFE's financial assets.

³ Quoted from the EITF's October 31, 2013, Issue Summary No. 1, Supplement No. 3, related to Issue 12-H.

- *Issue 13-B, "Accounting for Investments in Qualified Affordable Housing Projects"* — The Task Force reached a final consensus related to low-income housing tax credit (LIHTC) investments under which an entity is permitted to make an accounting policy election to apply a proportionate amortization method to LIHTC investments if certain conditions are met. Regarding investments in tax credits other than LIHTC, the Task Force agreed to recommend that the FASB add a separate project to the EITF's agenda to address such investments.

For public entities, the guidance in this Issue will be effective for fiscal years beginning after December 15, 2014, and interim periods therein. For nonpublic entities, the guidance will be effective for annual periods beginning after December 15, 2014, and interim and annual periods thereafter. Early adoption is permitted. Entities that applied the effective-yield method to account for LIHTC investments will be permitted to continue to do so, but only for investments already accounted for under the effective-yield method. Otherwise, the guidance in this Issue must be applied retrospectively to all periods presented. FASB ratification of this Issue is expected at the Board's December 11, 2013, meeting, after which a final ASU will be released.

The scope of the FASB's ratification of this final consensus will be limited to LIHTC investments. However, the FASB will also consider whether to ratify a consensus-for-exposure that would permit entities to make an accounting policy election to apply the guidance in this Issue to tax credit investments other than LIHTC investments that meet the qualifying criteria in this final consensus. If the FASB ratifies the consensus-for-exposure, it will issue a proposed ASU based on it.

- *Issue 13-E, "Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans Upon Foreclosure"* — The Task Force reached a final consensus that requires entities to reclassify consumer mortgage loans collateralized by residential real estate when either the creditor obtains "legal title to the residential real estate property" or a deed is completed "in lieu of foreclosure or similar legal agreement under which the borrower conveys all interest in the residential real estate property to the creditor to satisfy that loan." In addition, an entity is required to disclose (1) the amount of residential real estate meeting the conditions above and (2) "the recorded investment in consumer mortgage loans secured by residential real estate properties that are in the process of foreclosure."⁴

For public entities, the guidance in this Issue will be effective for fiscal years beginning after December 15, 2014, and interim periods therein. For nonpublic entities, the guidance will be effective for annual periods beginning after December 15, 2014, and annual and interim periods thereafter. Early adoption is permitted. Entities will have the option of applying the guidance in this Issue prospectively to all foreclosures occurring after the effective date or of applying it by using a modified retrospective transition approach in which mortgage loans and OREO are reassessed under the guidance and reclassified on the basis of the carrying value of the real estate at adoption. FASB ratification of this Issue is expected at the Board's December 11, 2013, meeting, after which a final ASU will be released.

- *Issue 13-F, "Classification of Certain Government Insured Residential Mortgage Loans Upon Foreclosure by a Creditor"* — The Task Force reached a consensus-for-exposure that a creditor should reclassify a mortgage loan within the scope of this Issue to a receivable separate from loans and should measure the receivable at the full amount of the guarantee. A mortgage loan would be within the scope of this Issue if (1) it "has a government guarantee (that is not separable from the loan) entitling the creditor to the full unpaid principal balance of the loan" and (2) "at the time of foreclosure (as determined [under EITF Issue 13-E]), the creditor has the intent to make a claim on the guarantee and the ability to recover through the guarantee."⁵

The Task Force will discuss the effective date of this Issue at a future meeting but did reach a consensus-for-exposure to provide the same transition approach as that for Issue 13-E. That is, entities would have the option of applying the guidance in this Issue prospectively to all foreclosures on government-guaranteed mortgage loans collateralized by residential real estate occurring after the effective date or of applying the guidance by using a modified retrospective transition approach. Under this approach, government-guaranteed mortgage loans existing as of the adoption date would be reassessed under the guidance and reclassified to a separate receivable on the basis of the full amount of the guarantee, with any resultant adjustments recorded as an adjustment to beginning retained earnings.

⁴ Quoted from the EITF's October 31, 2013, Issue Summary No. 1, Supplement No. 1, related to Issue 13-E.

⁵ Quoted from the EITF's October 21, 2013, Issue Summary No. 1, Supplement No. 1, related to Issue 13-F.

Other Resources: For more information, see the EITF's [meeting materials and minutes](#) on the FASB's Web site. Also see Deloitte's November 2013 *EITF Snapshot*, which summarizes meeting deliberations and tentative decisions. ●

Income Taxes

FAF Issues Post-Implementation Review Report on FASB Statement 109

Affects: All entities.

Summary: On November 19, 2013, the FAF issued a post-implementation review (PIR) [report](#) on Statement 109 (codified in ASC 740), which was the FASB's pre-Codification standard on accounting for income taxes. The PIR report concluded that Statement 109 had provided decision-useful information to investors and that its application and implementation were an overall success.

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

Private Companies

FASB Endorses Private-Company Alternatives

Affects: Private companies.

Summary: At its November 25, 2013, meeting, the FASB voted to endorse for final issuance two alternatives to U.S. GAAP for private companies put forth by the PCC. The first alternative will allow private companies to elect to amortize goodwill recognized from a business combination over 10 years (or, alternatively, a period less than 10 years if more appropriate). It will also simplify the goodwill impairment process by allowing private companies to test goodwill (1) only when impairment indicators are present (rather than at least annually) and (2) at an entity-wide level (rather than at the reporting-unit level).

The second alternative will allow private companies that are not financial institutions⁶ 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 approach allows private companies to measure the hedging interest rate swap at its settlement value, rather than at fair value, and gives private companies more time to put hedge documentation in place. The alternative also provides certain private companies with relief from fair value measurement disclosure requirements.

Next Steps: Both of the endorsed alternatives will be effective for reporting periods beginning after December 15, 2014. Early adoption will be permitted for both alternatives.

Other Resources: For more information, see the [PCC project page](#) on the FASB's Web site. ●

PCC Meets to Discuss Various Projects

Affects: Private companies.

Summary: At its November 12, 2013, meeting, the PCC discussed its various proposed alternatives for private companies, including the following:

- [Accounting for identifiable intangible assets in a business combination](#) — The proposed guidance gives private companies an alternative approach to accounting for the recognition, measurement, and disclosure of intangible assets acquired in a business combination. The PCC directed the FASB staff to further research the issue for discussion at the PCC's January 2014 meeting.
- [Accounting for goodwill arising from a business combination](#) — Under the proposed guidance, private companies could elect simplified accounting for amortizing goodwill and testing goodwill for impairment. The PCC voted to finalize the alternative and send it to the FASB for endorsement (see article above).

⁶ ASC 942-320-50-1 defines the term "financial institutions" as including "banks, savings and loan associations, savings banks, credit unions, finance companies, and insurance entities."

- [Applying VIE guidance to common-control leasing arrangements](#) — The proposal would give private companies the option of not applying the VIE consolidation guidance to certain interests in lessor entities that are under common control. The PCC voted to finalize the alternative and to send it to the FASB for endorsement.
- [Simplified hedge accounting and combined-instruments approaches to accounting for certain receive-variable, pay-fixed interest swaps](#) — The proposal outlines two alternative approaches that private companies can elect to avoid having to comply with the strict cash flow hedge accounting requirements of ASC 815. The first alternative, described as the “combined instruments approach,” would allow private companies to account for variable-rate debt and an interest rate swap as a single, combined instrument (i.e., a single unit of account) on the face of the balance sheet if certain conditions are met. The second alternative, called the “simplified hedge accounting approach,” would allow private companies to assume no hedge ineffectiveness in a cash flow hedge relationship involving a variable-rate borrowing and a pay-fixed, receive-variable interest rate swap. The PCC voted to finalize the simplified hedge accounting alternative and to send it over to the FASB for endorsement (see article above). With respect to the combined-instruments approach, the PCC directed the FASB staff to conduct further research for discussion at the PCC’s January 2014 meeting.

Other Resources: For more information about the PCC’s proposed alternatives, see Deloitte’s [July 9, 2013](#), and [August 27, 2013](#), *Heads Up* newsletters as well as the [media meeting recap](#) on the FASB’s Web site. ●

Revenue Recognition

FASB Votes to Issue Final Revenue Recognition Standard

Affects: All entities.

Summary: On November 6, 2013, the FASB voted to proceed with preparing its final ASU on revenue recognition as part of its joint convergence project with the IASB. In the words of FASB Chairman Russell G. Golden, this “vote represents a major milestone in [the] 11-year effort to create greater comparability in an area of financial reporting that affects all industries.”

Next Steps: The final ASU is expected to be effective in 2017 for public entities and 2018 for nonpublic entities.

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

International

IASB Proposes Narrow-Scope Amendments to IAS 27

Affects: Entities reporting under IFRSs.

Summary: On December 2, 2013, the IASB issued an [ED](#) that proposes amendments under which entities would be permitted to “use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate (parent only) financial statements.” The proposed amendments would be expected to “reduce compliance costs for many entities, while providing information helpful to an assessment of the investor’s net assets and profit or loss.”

Next Steps: Comments on the ED are due by February 3, 2014.

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

IASB Issues Narrow-Scope Amendments to IAS 19

Affects: Entities reporting under IFRSs.

Summary: On November 21, 2013, the IASB issued amendments to IAS 19 that simplify the accounting for contributions that employees and third parties make to defined benefit plans. The amendments would permit entities to recognize “such contributions as a reduction in the service cost in the period in which the related service is rendered, instead of attributing the contributions to the periods of service.”

Next Steps: The amendments will become effective on July 1, 2014; early adoption is permitted.

Other Resources: For more information, see Deloitte’s November 21, 2013, *IFRS in Focus*. Also see the [project page](#) on the IASB’s Web site. ●

IASB Issues Amendments to IFRS 9

Affects: Entities reporting under IFRSs.

Summary: On November 19, 2013, the IASB issued amendments to IFRS 9 as part of the hedge accounting phase of its project on accounting for financial instruments. The changes include (1) the introduction of a new hedge accounting model, along with disclosure requirements related to risk management activity; (2) an option for entities to recognize fair value changes of financial liabilities for which they have elected the fair value option in OCI rather than in profit and loss; and (3) the removal of IFRS 9's mandatory effective date (which formerly was January 1, 2015) to give the IASB more time to finalize other aspects of its project on accounting for financial instruments.

Next Steps: The IASB is currently redeliberating aspects of the other two phases of its financial instruments project (i.e., classification and measurement and the expected credit loss impairment model) and is expecting to issue a final version of IFRS 9 after completing those deliberations.

Other Resources: Deloitte's November 26, 2013, [Heads Up](#). Also see the [project summary](#) on the IASB's Web site. ●

Auditing Developments

AICPA

AICPA Issues Accounting and Valuation Guide on Goodwill Impairment

Affects: All entities.

Summary: In November 2013, the AICPA issued an [accounting and valuation guide](#) on testing goodwill for impairment. Topics covered in the guide include:

- Fair value measurement of a reporting unit under ASC 820.
- Various practice issues related to goodwill impairment testing (e.g., sharing assets and liabilities among reporting units, market capitalization comparisons).
- How to perform the optional qualitative assessment, including an illustrative example.
- A sample valuation analysis used to perform steps 1 and 2 of the goodwill impairment test.
- Examples of disclosures that meet the requirements in ASC 350-20 and SEC Regulation S-K, Item 303. ●

AICPA Issues Proposed SSARS to Amend Framework for Compilation and Review Engagements

Affects: Accountants performing compilation and review engagements.

Summary: On November 26, 2013, the ARSC of the AICPA issued an [ED](#) of a proposed SSARS that would supersede portions of the guidance in AR Section 60 on the framework for performing and reporting on compilation and review engagements. The proposal would outline certain minor changes that are in line with the AICPA's "clarity drafting conventions" used by the ASB as part of its clarity project; the guidance in AR Section 60 would not substantively change.

Next Steps: Comments on the ED are due by May 2, 2014. ●

AICPA Issues FAQs on Third-Party Verification Letters

Affects: CPAs and their clients.

Summary: On November 4, 2013, the AICPA announced its issuance of a series of [FAQs](#) on third-party verification letters. The primary purpose of these FAQs is to highlight best practices for CPAs who are responding to a third-party request for verification of client information. ●

CAQ

CAQ and Other Governance Organizations Issue “Call to Action” on Enhancing Audit Committee Report

Affects: Audit committees of public entities.

Summary: On November 20, 2013, the CAQ and other key U.S. governance organizations issued a “call to action” to audit committees of public entities. The document highlights the “premise that, given the importance of the audit committee’s responsibilities for broadly overseeing the financial statement process, including the work of the external and internal auditors, it is important for investors and others with a stake in our financial markets to understand and have confidence in the audit committee’s work.”

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

International

IIA Research Foundation Issues Guide on Implementing Section 404 of the Sarbanes-Oxley Act

Affects: Public entities.

Summary: On November 1, 2013, the IIA Research Foundation issued a [guide](#) on implementing Section 404 of the Sarbanes-Oxley Act, which contains requirements for performing an internal control assessment. The guide, which has been designed with an entity’s management in mind, contains information on topics such as designing a top-down, risk-based assessment; identifying and understanding key controls; and the interaction between Sections 302 and 404 of the Sarbanes-Oxley Act.

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

Governmental Accounting and Auditing Developments

GASB

GASB Issues Statement to Amend Pension Transition Requirements

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

Summary: On November 25, 2013, the GASB issued [Statement 71](#), which amends GASB Statement 68 to “require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability.” The purpose of the new Statement is to remove “a potential source of understatement of restated beginning net position and expense in a government’s first year of implementing [Statement 68].”

Next Steps: Like Statement 68, Statement 71 is effective for fiscal years beginning after June 15, 2014.

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

FAF Issues Final Policy on Scope of GASB’s Standard-Setting Authority

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

Summary: On November 19, 2013, the FAF issued a [final policy](#) establishing a consultation process in which the FAF and GASB will confer, before the GASB creates its technical agenda, to determine whether “information the GASB might consider for standard-setting activity is ‘financial accounting and reporting information’ within the scope of the GASB’s standard-setting mission.” Such information will be classified into one of three groups: Group 1 (in-scope), Group 2 (possibly in-scope but lacking certain in-scope characteristics of information in Group 1), or Group 3 (not in-scope).

The final policy became effective upon issuance.

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

GASB Releases Toolkit for Government Pension Plans

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

Summary: On November 11, 2013, the GASB released a [toolkit](#) to help pension plans implement the guidance in GASB Statement 67. The toolkit includes:

- A video overview by GASB Chairman David A. Vaudt on the most critical implementation issues for pension plans.
- A podcast discussion of Statement 67's key changes to the accounting and financial reporting for pension plans and the types of plans that will be affected.
- An FAQ on the background of GASB Statements 67 and 68.
- An FAQ fact sheet on Statement 67.
- An article discussing implementation items for entities to consider when applying the new standards.
- A "Setting the Record Straight" document that clarifies "common misperceptions" about the new standards.
- An executive summary and the full text of Statement 67.

GASB Statement 67 is effective for fiscal years beginning after June 15, 2013. ●

Regulatory and Compliance Developments

Financial Institutions

FSB Publishes Guidance on Supervising Risk Appetite and Risk Culture at Financial Institutions

Affects: Financial institutions.

Summary: On November 18, 2013, the FSB issued the following two papers on improving financial institutions' risk management practices:

- *FSB Principles for an Effective Risk Appetite Framework* — Establishes "key elements for: (i) an effective risk appetite framework, (ii) an effective risk appetite statement, (iii) risk limits, and (iv) defining the roles and responsibilities of the board of directors and senior management."
- *Guidance on Supervisory Interaction With Financial Institutions on Risk Culture* — Identifies "the foundational elements that contribute to the promotion of a sound risk culture within a financial institution."

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

OCC, Federal Reserve, and FDIC Issue Proposed Rule on Liquidity Risk Management

Affects: Large banks and savings associations.

Summary: On October 30, 2013, the OCC, Federal Reserve, and FDIC issued a [proposed rule](#) that "would implement a quantitative liquidity requirement consistent with the liquidity coverage ratio standard established by the Basel Committee on Banking Supervision." The goal of the proposal is to improve "the banking sector's ability to absorb shocks arising from financial and economic stress, as well as . . . the measurement and management of liquidity risk."

Next Steps: Comments on the proposed rule are due by January 31, 2014.

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

PCAOB

PCAOB Issues Staff Guidance on the Quality-Control Remediation Process

Affects: Registered public accounting firms.

Summary: On November 18, 2013, the staff in the PCAOB's Division of Registration and Inspections issued [guidance](#) identifying the following five criteria the staff uses when making recommendations to the Board concerning the sufficiency of auditing firms' remediation efforts: change, relevance, design, implementation, and execution and effectiveness. ●

Appendix A: 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
Significant Adoption Dates		
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 2013-03, <i>Clarifying the Scope and Applicability of a Particular Disclosure to Nonpublic Entities</i> (issued February 7, 2013)	Nonpublic entities that have total assets of \$100 million or more or that have one or more derivative instruments.	Effective upon issuance.
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 2013-01, <i>Clarifying the Scope of Disclosures About Offsetting Assets and Liabilities</i> (issued January 31, 2013)	All entities.	Effective for fiscal years beginning on or after January 1, 2013, and interim periods within those years. The disclosures required by the ASU must be provided retrospectively for all comparative periods presented.
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 2012-06, <i>Subsequent Accounting for an Indemnification Asset Recognized at the Acquisition Date as a Result of a Government-Assisted Acquisition of a Financial Institution</i> —a consensus of the FASB Emerging Issues Task Force (issued October 23, 2012)	Entities that recognize an indemnification asset as a result of a government-assisted acquisition of a financial institution.	Effective for fiscal years, and interim periods within those years, beginning on or after December 15, 2012. Early adoption is permitted. Entities should apply the ASU prospectively to any new indemnification assets acquired after the adoption date and to indemnification assets existing as of the adoption date that arise from a government-assisted acquisition of a financial institution.

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 2011-12, <i>Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05</i> (issued December 23, 2011)	Entities that report items of OCI.	<i>Public entities</i> — Effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. <i>Nonpublic entities</i> — Effective for fiscal years ending after December 15, 2012, and interim and annual periods thereafter. For both public and nonpublic entities, early adoption is permitted and transition disclosures are not required. In addition, the ASU must be applied retrospectively to all periods presented.
ASU 2011-11, <i>Disclosures About Offsetting Assets and Liabilities</i> (issued December 16, 2011)	Entities that have financial instruments and derivatives accounted for in accordance with ASC 815, including bifurcated embedded derivatives, repurchase agreements, and reverse repurchase agreements, and securities borrowing and securities lending transactions that are either offset in accordance with ASC 210-20-45 or ASC 815-10-45 or subject to an enforceable master netting arrangement or similar agreement.	An entity is required to apply the amendments for annual reporting periods beginning on or after January 1, 2013, and interim periods within those annual periods. An entity should provide the disclosures required by those amendments retrospectively for all comparative periods 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 2011-09, <i>Disclosures About an Employer's Participation in a Multiemployer Plan</i> (issued September 21, 2011)	Nongovernmental reporting entities that participate in multiemployer plans. While the majority of the amendments in this ASU apply only to multiemployer pension plans, there also are amendments that require changes in disclosures for multiemployer plans that provide postretirement benefits other than pensions as defined in the Master Glossary of the <i>FASB Accounting Standards Codification</i> .	<i>Public entities</i> — Effective for annual periods for fiscal years ending after December 15, 2011, with early adoption permitted. <i>Nonpublic entities</i> — Effective for annual periods for fiscal years ending after December 15, 2012, with early adoption permitted. The amendments should be applied retrospectively for all prior periods presented.

ASU 2011-07, <i>Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities</i> — a consensus of the FASB Emerging Issues Task Force (issued July 25, 2011)	Health care organizations.	<p><i>Public entities</i> — Effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2011, with early adoption permitted.</p> <p><i>Nonpublic entities</i> — Effective for the first annual period ending after December 15, 2012, and interim and annual periods thereafter, with early adoption permitted. The amendments to the presentation of the provision for bad debts related to patient service revenue in the statement of operations should be applied retrospectively to all prior periods presented. The disclosures required by this ASU should be provided for the period of adoption and subsequent reporting periods.</p>
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.
ASU 2011-05, <i>Presentation of Comprehensive Income</i> (issued June 16, 2011)	Entities that report items of OCI.	<p>Amendments made by ASU 2011-05 to ASC 220-10-45-17 and 45-18, ASC 220-10-55-7 and 55-8, ASC 220-10-55-9, and ASC 220-10-55-18 are amended by ASU 2011-12.</p> <p><i>Public entities</i> — Effective for fiscal years, and interim periods within those years, beginning after December 15, 2011.</p> <p><i>Nonpublic entities</i> — Effective for fiscal years ending after December 15, 2012, and interim and annual periods thereafter.</p> <p>For both public and nonpublic entities, early adoption is permitted and transition disclosures are not required. In addition, the ASU must be applied retrospectively to all periods presented.</p>
ASU 2011-02, <i>A Creditor's Determination of Whether a Restructuring Is a Troubled Debt Restructuring</i> (issued April 5, 2011)	All entities.	<p><i>Public entities</i> — For troubled debt restructuring identification and disclosure purposes, the guidance is effective for the first interim or annual period beginning on or after June 15, 2011, and must be applied retrospectively to modifications occurring at or after the beginning of the annual period of adoption.</p> <p><i>Nonpublic entities</i> — Effective for annual periods ending on or after December 15, 2012, including interim periods within those annual periods. Early adoption is permitted for any interim period in the fiscal year of adoption; however, nonpublic entities that elect early adoption should apply the guidance retrospectively to modifications occurring at or after the beginning of the annual period of adoption.</p>
Projects in Request-for-Comment Stage		
Proposed ASU, <i>Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements</i> (issued November 7, 2013)	Entities that are development-stage entities under U.S. GAAP. The proposed amendments could also affect the consolidation decisions for a reporting entity that has an interest in an entity that is a development-stage entity.	Comments due December 23, 2013.
Proposed ASU, <i>Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved After the Requisite Service Period</i> — a consensus of the FASB Emerging Issues Task Force (issued October 23, 2013)	Reporting entities that grant their employees share-based payments for which the award's terms stipulate that a performance target could be achieved after the requisite service period.	Comments due December 23, 2013.
Proposed ASU, <i>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</i> — a consensus of the FASB Emerging Issues Task Force (issued October 23, 2013)	Reporting entities that are issuers of, or investors in, hybrid financial instruments issued in the form of a share.	Comments due December 23, 2013.

AICPA	Affects	Status
Significant Adoption Dates		
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 127, <i>Omnibus Statement on Auditing Standards — 2013</i> (issued January 7, 2013)	Auditors.	Effective for audits of financial statements for periods ending on or after December 15, 2012.
SAS 126, <i>The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern</i> (Redrafted) (issued June 29, 2012)	Auditors.	Effective for audits of financial statements for periods ending on or after December 15, 2012.
SAS 125, <i>Alert That Restricts the Use of the Auditor's Written Communication</i> (issued December 2011)	Auditors.	Effective for the auditor's written communications related to audits of financial statements for periods ending on or after December 15, 2012. For all other engagements conducted in accordance with GAAS, effective for the auditor's written communications issued on or after December 15, 2012.
SAS 124, <i>Financial Statements Prepared in Accordance With a Financial Reporting Framework Generally Accepted in Another Country</i> (issued October 2011)	Auditors.	Effective for audits of financial statements for periods ending on or after December 15, 2012.
SAS 123, <i>Omnibus Statement on Auditing Standards — 2011</i> (issued October 2011)	Auditors.	Effective for audits of financial statements for periods ending on or after December 15, 2012.
SAS 122, <i>Statements on Auditing Standards: Clarification and Recodification</i> (issued October 2011)	Auditors.	Effective for audits of financial statements for periods ending on or after December 15, 2012.
Projects in Request-for-Comment Stage		
Proposed SSARS, <i>Framework for Performing and Reporting on Compilation and Review Engagements</i> (issued November 26, 2013)	Auditors of public entities.	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 of public entities.	Comments due May 2, 2014.
SEC	Affects	Status
Significant Adoption Dates		
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>Extension of Temporary Registration of Municipal Advisors</i> (34-70468) (issued September 23, 2013)	SEC registrants.	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.
Final Rule, <i>Registration of Municipal Advisors</i> (34-70462) (issued September 20, 2013)	SEC registrants.	Effective January 13, 2014, except the amendment removing § 249.1300T, which is effective January 1, 2015.
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>Adjustments to Civil Monetary Penalty Amounts</i> (33-9387) (issued February 27, 2013)	SEC registrants.	Effective March 5, 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>Extension of Dates for Certain Requirements of Rule 19b-4(n)(1) and Rule 19b-4(o)(2) and Amendment of Form 19b-4</i> (34-68357) (issued December 5, 2012)	SEC registrants.	Effective December 10, 2012.
Final Rule, <i>Clearing Agency Standards</i> (34-68080) (issued October 22, 2012)	SEC registrants.	Effective January 2, 2013.
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.
Final Rule, <i>Temporary Rule Regarding Principal Trades With Certain Advisory Clients</i> (IA-3128) (issued December 28, 2010)	Investment advisers registered with the SEC as broker-dealers to meet the requirements of Section 206(3) of the Investment Advisers Act when they act in a principal capacity in transactions with certain of their advisory clients.	Effective December 30, 2010. Expiration date for 17 CFR 275.206(3)-3T is extended to December 31, 2012.
Projects in Request-for-Comment Stage		
<i>Proposed Interagency Policy Statement Establishing Joint Standards for Assessing the Diversity Policies and Practices of Entities Regulated by the Agencies and Request for Comment</i> (34-70731) (issued October 23, 2013)	SEC registrants.	Comments due December 24, 2013.
Proposed Rule, <i>Crowdfunding</i> (33-9470) (issued October 22, 2013)	SEC registrants.	Comments due February 3, 2014.
PCAOB	Affects	Status
Significant Adoption Dates		
Auditing Standard 17, <i>Auditing Supplemental Information Accompanying Audited Financial Statements</i> (issued October 10, 2013)	Auditors of public entities.	Effective, pending SEC approval, 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, pending SEC approval, for examination engagements and review engagements for fiscal years ending on or after June 1, 2014.
Auditing Standard 16, <i>Communications With Audit Committees</i> (issued August 15, 2012)	Auditors of public entities.	Effective for audits of fiscal years beginning on or after December 15, 2012.
Project in Request-for-Comment Stage		
Proposed Auditing Standards, <i>The Auditor's Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion; the Auditor's Responsibilities Regarding Other Information in Certain Documents Containing Audited Financial Statements and the Related Auditor's Report; and Related Amendments to PCAOB Standards</i> (issued August 13, 2013)	Auditors of public entities.	Comments due December 11, 2013.
GASB	Affects	Status
Significant Adoption Dates		
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.
Statement 66, <i>Technical Corrections — 2012</i> — an amendment of GASB Statements No. 10 and No. 62 (issued March 2012)	Governmental entities.	Effective for financial statement periods beginning after December 15, 2012. Early application is encouraged.
Statement 65, <i>Items Previously Reported as Assets and Liabilities</i> (issued March 2012)	Governmental entities.	Effective for financial statement periods beginning after December 15, 2012. Early application is encouraged.
FASAB	Affects	Status
Significant Adoption Dates		
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
Significant Adoption Dates		
<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>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i> — amendments to IFRS 10, IFRS 11 and IFRS 12 (issued June 28, 2012)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013. Early application is permitted.
<i>Annual Improvements to IFRSs: 2009–2011 Cycle</i> (issued May 17, 2012)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013. Early application is permitted.
<i>Government Loans</i> — amendments to IFRS 1 (issued March 13, 2012)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013. 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.
<i>Disclosures — Offsetting Financial Assets and Financial Liabilities</i> — amendments to IFRS 7 (issued December 16, 2011)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013, and interim periods within those annual periods. An entity must provide the disclosures required by the amendments retrospectively.
<i>Mandatory Effective Date and Transition Disclosures</i> — amendments to IFRS 9 and IFRS 7 (issued December 16, 2011)	Entities reporting under IFRSs.	Amended the effective date of IFRS 9 (2009) and IFRS 9 (2010) so that IFRS 9 is required to be applied for annual periods beginning on or after January 1, 2015. Early application is permitted.
IFRIC Interpretation 20, <i>Stripping Costs in the Production Phase of a Surface Mine</i> (issued October 19, 2011)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013, with early adoption permitted.
IAS 19, <i>Employee Benefits</i> (Revised 2011) (issued June 16, 2011)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013. Early application is permitted.
IAS 28, <i>Investments in Associates and Joint Ventures</i> (Revised 2011) (issued May 12, 2011)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013. Early application is permitted.
IAS 27, <i>Separate Financial Statements</i> (Revised 2011) (issued May 12, 2011)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013. Early application is permitted.

IFRS 13, <i>Fair Value Measurement</i> (issued May 12, 2011)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013. Early application is permitted. The disclosure requirements do not need to be applied to comparative information provided for periods before initial application of this IFRS.
IFRS 12, <i>Disclosure of Interests in Other Entities</i> (issued May 12, 2011)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013. Early application is permitted.
IFRS 11, <i>Joint Arrangements</i> (issued May 12, 2011)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013. Early application is permitted.
IFRS 10, <i>Consolidated Financial Statements</i> (issued May 12, 2011)	Entities reporting under IFRSs.	Effective for annual periods beginning on or after January 1, 2013. 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.
Projects in Request-for-Comment Stage		
IASB Discussion Paper DP/2013/1, <i>A Review of the Conceptual Framework for Financial Reporting</i> (issued July 18, 2013)	Entities reporting under IFRSs.	Comments due January 14, 2014.
IASB Exposure Draft ED/2013/9, <i>IFRS for SMEs — Proposed Amendments to the International Financial Reporting Standard for Small and Medium-Sized Entities</i> (issued October 3, 2013)	Entities reporting under IFRSs.	Comments due March 3, 2014.

Appendix B: Glossary of Standards

FASB Proposed Accounting Standards Update, *Reporting Discontinued Operations*

FASB Proposed Accounting Standards Update, *Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements*

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

FASB Accounting Standards Codification Topic 825, *Financial Instruments*

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

FASB Accounting Standards Codification Topic 810, *Consolidation*

FASB Accounting Standards Codification Topic 805, *Business Combinations*

FASB Accounting Standards Codification Topic 740, *Income Taxes*

FASB Accounting Standards Codification Subtopic 942-320, *Financial Services — Depository and Lending: Investments — Debt and Equity Securities*

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

FASB Statement No. 109, *Accounting for Income Taxes*

FAF Final Policy, *GASB Scope of Authority: Consultation Process Policy*

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 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 Accounting and Valuation Guide, *Testing Goodwill for Impairment*

AICPA *Professional Standards*, AR Section 60, "Framework for Performing and Reporting on Compilation and Review Engagements"

AICPA Proposed Statement on Standards for Accounting and Review Services, *Framework for Performing and Reporting on Compilation and Review Engagements*

AICPA Frequently Asked Questions, *Third-Party Verification Letters: Questions and Answers*

SEC Regulation S-K, Item 303, "Management's Discussion and Analysis of Financial Condition and Results of Operations"

PCAOB Staff Guidance, *Information Concerning the Quality Control Remediation Process Under PCAOB Rule 4009*

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. 67, *Financial Reporting for Pension Plans* — an amendment of GASB Statement No. 25

FSB Paper, *FSB Principles for an Effective Risk Appetite Framework*

FSB Paper, *Guidance on Supervisory Interactions With Financial Institutions on Risk Culture*

OCC, Federal Reserve, and FDIC Proposed Rule, *Liquidity Coverage Ratio: Liquidity Risk Measurement, Standards, and Monitoring*

IAS 19, *Employee Benefits*

IFRS 9, *Financial Instruments*

Appendix C: Abbreviations

AICPA	American Institute of Certified Public Accountants	GASB	Governmental Accounting Standards Board
AR	Accounting and Review Services	IAASB	International Auditing and Assurance Standards Board
ARSC	Accounting and Review Services Committee	IAS	International Accounting Standard
ASB	Auditing Standards Board	IASB	International Accounting Standards Board
ASC	FASB Accounting Standards Codification	IFAC	International Federation of Accountants
ASU	FASB Accounting Standards Update	IFRIC	International Financial Reporting Interpretations Committee
CAQ	Center for Audit Quality	IFRS	International Financial Reporting Standard
CFE	collateralized financing entity	IIA	Institute of Internal Auditors
CPE	continuing professional education	LIHTC	low-income housing tax credit
DSE	development-stage entity	OCC	Office of the Comptroller of the Currency
ED	exposure draft	OCI	other comprehensive income
EST	Eastern Standard Time	OREO	other real estate owned
EITF	Emerging Issues Task Force	PCAOB	Public Company Accounting Oversight Board
FAF	Financial Accounting Foundation	PCC	Private Company Council
FAQs	frequently asked questions	PIR	post-implementation review
FASAB	Federal Accounting Standards Advisory Board	SAS	Statement on Auditing Standards
FASAC	Federal Accounting Standards Advisory Council	SEC	Securities and Exchange Commission
FASB	Federal Accounting Standards Board	SOP	Statement of position
FDIC	Federal Deposit Insurance Corporation	SSARS	Statement on Standards for Accounting and Review Services
FSB	Financial Stability Board	VIE	variable interest entity
GAAP	generally accepted accounting principles		
GASAC	Governmental Accounting Standards Advisory Council		

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

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

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