



In This Issue

- [Accounting — Newly Effective Standards for Public Business Entities](#)
- [Accounting — Newly Issued Standards](#)
- [Accounting — Exposure Drafts](#)
- [Accounting — Other Key Developments](#)
- [Auditing Developments](#)
- [Regulatory and Compliance Developments](#)
- [Appendix A: Significant Adoption Dates](#)
- [Appendix B: Current Status of FASB Projects](#)
- [Appendix C: New Deloitte Publications](#)

Quarterly Accounting Roundup

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To our clients, colleagues, and other friends:

Welcome to *Quarterly Accounting Roundup: Year in Review — 2019*. Notable standards issued by the FASB in 2019 include Accounting Standards Updates (ASUs) that:

- Change some effective dates for certain new accounting standards, including those on hedging (ASU 2017-12¹), leases (ASU 2016-02²), credit losses (ASU 2016-13³), goodwill impairment testing (ASU 2017-04⁴), and long-duration insurance contracts (ASU 2018-12⁵).
- Revise certain aspects of the FASB's new credit losses standard.
- Clarify certain aspects of the accounting for credit losses, hedging activities, and financial instruments.
- Make Codification improvements to the Board's new leasing standard.
- Clarify the accounting for share-based payments issued as sales incentives to customers.
- Extend certain private-company alternatives to not-for-profit entities.

The FASB has also announced that it expects to publish an ASU early next year that will provide some relief to entities that are affected by reference rate reform.

¹ FASB Accounting Standards Update No. 2017-12, *Targeted Improvements to Accounting for Hedging Activities*.

² FASB Accounting Standards Update No. 2016-02, *Leases*.

³ FASB Accounting Standards Update No. 2016-13, *Measurement of Credit Losses on Financial Instruments*.

⁴ FASB Accounting Standards Update No. 2017-04, *Simplifying the Test for Goodwill Impairment*.

⁵ FASB Accounting Standards Update No. 2018-12, *Targeted Improvements to the Accounting for Long-Duration Contracts*.

On the regulatory front, SEC Chairman Jay Clayton [announced](#) that the Commission advanced 34 of the 39 rules on its near-term agenda in 2019 (as of December 10, 2019). Noteworthy final rules released by the SEC in 2019 include those that (1) modernize and simplify certain disclosure requirements in Regulation S-K; (2) amend the capital, margin, and segregation requirements for security-based swap dealers and broker-dealers (as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act); (3) enhance the guidance on retail investors' relationships with financial professionals; and (4) amend the auditor independence rules. The SEC staff also released a statement that highlights risks for entities to consider as they transition away from the London Interbank Offered Rate (LIBOR). Further, the SEC issued proposed rules that would amend (1) disclosures for acquisitions or dispositions of businesses; (2) the definitions of accelerated filer and large accelerated filer (the population of registrants that qualify as nonaccelerated filers, and that are thus not required to obtain an auditor attestation report on internal control over financial reporting, would be expanded); (3) disclosures related to a registrant's business, risk factors, and legal proceedings; and (4) proxy requirements.

The AICPA held its annual Conference on Current SEC and PCAOB Developments in early December. During the conference, representatives from the SEC, PCAOB, FASB, IASB®, and other organizations provided updates on new developments, regulations, and current priorities. Topics that dominated the conversation at this year's conference included the FASB's new standards on revenue recognition, leases, and credit losses; emerging issues, including reference rate reform, digital assets, and cybersecurity; SEC reporting matters; audit quality; auditor independence; and critical audit matters (CAMs).

For more information about the conference, see Deloitte's December 15, 2019, [Heads Up](#).

Note that *Quarterly Accounting Roundup: Year in Review — 2019* summarizes final guidance that affects reporting and disclosures for the coming reporting season. With the exception of fourth-quarter developments, proposed guidance is not included. For more information about earlier proposals, please see issues of [Quarterly Accounting Roundup](#) for the first three quarters of 2019.

In addition, note that in this year-end edition, an asterisk in the article title denotes events that occurred in the fourth quarter, including updates to previously reported topics, or that were not addressed in previous 2019 issues of *Quarterly Accounting Roundup*. Events without asterisks were covered in previous issues.

We value your feedback and would appreciate any comments you may have on *Quarterly Accounting Roundup*. Take a moment to tell us what you think by sending us an e-mail at accountingstandards@deloitte.com.

For the latest news and publications, visit [Deloitte Accounting Research Tool \(DART\)](#), a comprehensive online library of accounting and financial disclosure literature, including Deloitte's own interpretive guidance and publications. For a digest of news, developments, and Deloitte publications related to predominantly U.S. accounting topics, [subscribe](#) to *Weekly Accounting Roundup*. Also see our [Twitter](#) feed for up-to-date information on the latest news, research, events, and more.

Featured Deloitte Publications

In the fourth quarter of 2019, Deloitte released the following new and updated Roadmaps:

- [*A Roadmap to Fair Value Measurements and Disclosures \(Including the Fair Value Option\)*](#) — Provides an overview of the guidance in ASC 820⁶ and ASC 825 related to fair value measurements and disclosures as well as insights into how to apply this guidance in practice.
- [*A Roadmap to Accounting for Current Expected Credit Losses*](#) — Combines the requirements in ASC 326 with Deloitte's interpretations and examples in a comprehensive, reader-friendly format. In addition, the publication highlights (1) the requirements of ASC 326 that significantly differ from those in existing U.S. GAAP and (2) standard-setting developments addressing questions raised and challenges identified by stakeholders over the past three years.
- [*A Roadmap to Accounting for Share-Based Payment Awards \(2019\)*](#) — Provides Deloitte's insights into and interpretations of the guidance on share-based payment arrangements in ASC 718 (employee and nonemployee awards) and ASC 505-50 (nonemployee awards before the adoption of ASU 2018-07⁷) as well as in other literature (e.g., ASC 260 and ASC 805). The 2019 edition includes several new discussions, as well as expansions of previously expressed views, to reflect our latest thinking and input from standard setters and regulators. In addition, the terminology throughout the Roadmap has been updated to align with the amendments made by ASU 2018-07 to certain terms and definitions in ASC 718 related to nonemployee share-based payment accounting.
- [*A Roadmap to SEC Comment Letter Considerations, Including Industry Insights \(2019\)*](#) — Contains extracts of frequently issued SEC staff comments, analysis of those extracts, and links to resources that are relevant to SEC filers. Other features include (1) an update on the SEC's priorities; (2) a summary of comment letter trends related to the top 10 topics of frequent comment in the 12-month period ended July 31, 2019; and (3) topics of focus related to disclosures associated with financial statement accounting, SEC reporting, initial public offerings, foreign private issuers, and industry-specific matters.
- [*A Roadmap to Accounting for Business Combinations \(2019\)*](#) — Provides Deloitte's insights into and interpretations of the guidance in ASC 805 on business combinations, pushdown accounting, common-control transactions, and asset acquisitions as well as an overview of related SEC reporting requirements. The Roadmap reflects guidance issued through November 7, 2019, and discusses several active FASB projects that may result in changes to current requirements.
- [*A Roadmap to Accounting for Contingencies and Loss Recoveries*](#) — Provides Deloitte's insights into and interpretations of the accounting guidance in ASC 450 on loss contingencies, gain contingencies, and loss recoveries.
- [*A Roadmap to SEC Reporting Considerations for Equity Method Investees \(2019\)*](#) — Combines the SEC's guidance on reporting for equity method investments with Deloitte's interpretations (Q&As) and examples in a comprehensive, reader-friendly format. The 2019 edition includes updates made on the basis of recent SEC activity and practice developments.
- [*A Roadmap to Comparing IFRS Standards and U.S. GAAP: Bridging the Differences \(2019\)*](#) — Explores some of the key differences between IFRS[®] Standards and U.S. GAAP that are effective as of January 1, 2020, for public business entities (PBEs) with a calendar-year annual reporting period.

⁶ For titles of FASB Accounting Standards Codification (ASC) references, see Deloitte's "[Titles of Topics and Subtopics in the FASB Accounting Standards Codification](#)."

⁷ FASB Accounting Standards Update No. 2018-07, *Improvements to Nonemployee Share-Based Payment Accounting*.

Accounting — Newly Effective Standards for Public Business Entities

In This Section

- **Cloud Computing**
 - [FASB ASU 2018-15 Amends Guidance on Cloud Computing Arrangements](#)
- **Collaborative Arrangements**
 - [FASB ASU 2018-18 Amends Guidance on Collaborative Arrangements](#)
- **Consolidation**
 - [FASB ASU 2018-17 Makes Targeted Amendments to the Related-Party Guidance for Variable Interest Entities](#)
- **Credit Losses**
 - [FASB ASU 2016-13 Incorporates CECL Model Into U.S. GAAP*](#)
- **Definition of “Collections”**
 - [FASB ASU 2019-03 Amends U.S. GAAP Definition of “Collections”](#)
- **Episodic Television Series**
 - [FASB ASU 2019-02 Enhances the Accounting for Costs Associated With Episodic Television Series](#)
- **Fair Value Measurement**
 - [FASB ASU 2018-13 Amends the Fair Value Disclosure Requirements](#)
- **Financial Instruments**
 - [FASB ASU 2019-04 Amends Certain Aspects of Guidance on Financial Instruments](#)
- **Goodwill**
 - [FASB ASU 2017-04 Simplifies the Testing of Goodwill for Impairment](#)

Cloud Computing

FASB ASU 2018-15 Amends Guidance on Cloud Computing Arrangements

Affects: All entities.

Summary: The FASB issued [ASU 2018-15](#)⁸ on August 29, 2018, to provide guidance on implementation costs incurred in a cloud computing arrangement (CCA) that is a service contract. The ASU, which was released in response to a consensus reached by the EITF at its June 2018 meeting, aligns the accounting for such costs with the guidance on capitalizing costs associated with developing or obtaining internal-use software. Specifically, the ASU amends ASC 350 to include in its scope implementation costs of a CCA that is a service contract and clarifies that a customer should apply ASC 350-40 to determine which implementation costs should be capitalized in such a CCA.

Next Steps: For PBEs, the ASU’s amendments are effective for fiscal years beginning after December 15, 2019, and interim periods therein. For entities other than PBEs, the ASU’s amendments are effective for annual reporting periods beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021. All entities are permitted to early adopt the ASU, including adoption in any interim period.

Other Resources: Deloitte’s September 11, 2018, [Heads Up](#) and June 2018 [EITF Snapshot](#).

Collaborative Arrangements

FASB ASU 2018-18 Amends Guidance on Collaborative Arrangements

Affects: All entities.

Summary: [ASU 2018-18](#),⁹ which was released on November 5, 2018, amends ASC 808 to clarify when transactions between participants in a collaborative arrangement under ASC 808 are within the scope of the FASB’s new revenue standard, [ASU 2014-09](#)¹⁰ (codified in ASC 606). Specifically, the ASU was issued to:

- “Clarify that certain transactions between collaborative arrangement participants should be accounted for as revenue under Topic 606 when the collaborative arrangement participant is a customer in the context of the unit of account.”
- “Add unit-of-account guidance in Topic 808 to align with the guidance in Topic 606 (that is, a distinct good or service) when an entity is assessing whether the collaborative arrangement or a part of the arrangement is within the scope of Topic 606.”
- “Require that in a transaction with a collaborative arrangement participant that is not directly related to sales to third parties, presenting the transaction together with revenue recognized under Topic 606 is precluded if the collaborative arrangement participant is not a customer.”

⁸ FASB Accounting Standards Update No. 2018-15, *Customer’s Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract* — a consensus of the FASB Emerging Issues Task Force.

⁹ FASB Accounting Standards Update No. 2018-18, *Collaborative Arrangements (Topic 808): Clarifying the Interaction Between Topic 808 and Topic 606*.

¹⁰ FASB Accounting Standards Update No. 2014-09, *Revenue From Contracts With Customers*.

- **Leases**
 - [FASB ASU 2019-01 Makes Codification Improvements to New Leasing Standard](#)
- **Share-Based Payment**
 - [FASB ASU 2019-08 Clarifies the Accounting for Share-Based Payments Issued as Sales Incentives to Customers](#)
- **International**
 - [IASB Amendments Related to IBOR Reform](#)
 - [IASB Amendments Clarify the Definition of Materiality](#)
 - [IASB Amendments to IFRS 3 Enhance the Definition of a Business](#)

Next Steps: The ASU's amendments are effective for PBEs for fiscal years beginning after December 15, 2019, including interim periods therein. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted if financial statements have not yet been issued (PBEs) or have not yet been made available for issuance (all other entities); however, the standard cannot be adopted earlier than an entity's date of adoption of ASC 606.

Other Resources: Deloitte's November 13, 2018, [Heads Up](#).

Consolidation

FASB ASU 2018-17 Makes Targeted Amendments to the Related-Party Guidance for Variable Interest Entities

Affects: All entities.

Summary: [ASU 2018-17](#),¹¹ which the FASB issued on October 31, 2018, amends two aspects of the related-party guidance in ASC 810. Specifically, the ASU (1) adds an elective private-company scope exception to the variable interest entity guidance for entities under common control and (2) removes a sentence in ASC 810-10-55-37D regarding the evaluation of fees paid to decision makers to conform with the amendments in [ASU 2016-17](#)¹² (issued in October 2016).

Next Steps: For entities other than private companies, ASU 2018-17 is effective for fiscal years beginning after December 15, 2019, including interim periods therein. For private companies, the ASU is effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted for all entities.

Other Resources: Deloitte's [A Roadmap to Consolidation — Identifying a Controlling Financial Interest](#) and November 19, 2018, [Heads Up](#).

Credit Losses

FASB ASU 2016-13 Incorporates CECL Model Into U.S. GAAP*

Affects: All entities.

Summary: The FASB issued [ASU 2016-13](#) on June 16, 2016, to add the guidance in ASC 326 on the impairment of financial instruments. The ASU introduces an impairment model (known as the current expected credit loss (CECL) model) that is based on expected losses rather than incurred losses. Under the new guidance, an entity recognizes as an allowance its estimate of expected credit losses, which the FASB believes will result in more timely recognition of such losses. The ASU is also intended to reduce the complexity of U.S. GAAP by decreasing the number of credit impairment models that entities use to account for debt instruments.

Once adopted, the new guidance will significantly change the accounting for credit impairment. Banks and certain asset portfolios (e.g., loans, leases, debt securities) will need to modify their current processes for establishing an allowance for loan and lease losses and other-than-temporary impairments to ensure that they comply with the ASU's new requirements. To do so, they will need to make changes to their operations and systems associated with credit modeling, regulatory compliance, and technology.

¹¹ FASB Accounting Standards Update No. 2018-17, *Targeted Improvements to Related Party Guidance for Variable Interest Entities*.

¹² FASB Accounting Standards Update No. 2016-17, *Interests Held Through Related Parties That Are Under Common Control*.

The FASB has also issued the following ASUs to revise certain aspects of the new guidance on credit losses:

- [ASU 2019-11](#)¹³ — Topics addressed include purchased credit-deteriorated assets, transition relief for troubled debt restructurings, disclosure relief for accrued interest receivable, and financial assets secured by collateral maintenance provisions.
- [ASU 2019-05](#)¹⁴ — Provides transition relief for entities adopting the guidance in ASU 2016-13 and allows entities to elect the fair value option for certain financial instruments.
- [ASU 2018-19](#)¹⁵ — Clarifies that operating lease receivables are not within the scope of ASC 326-20 and should instead be accounted for under the new leasing standard, ASC 842.

Other credit-loss-related guidance issued in 2019 includes the following:

- [SEC SAB 119](#) (November) — Aligns certain portions of the SEC staff's interpretive guidance with ASC 326.
- FASB staff Q&As ([July](#) and [January](#)) — The July Q&A addresses the estimation of expected credit losses on financial assets in accordance with the guidance in ASU 2016-13. Specific topics covered include using historical loss information, making reasonable and supportable forecasts, and the reversion to historical loss information. The [January](#) Q&A discusses issues related to using the weighted-average remaining maturity method to estimate the allowance for credit losses in accordance with ASU 2016-13.

In addition, on October 17, 2019, the Federal Reserve Board, Federal Deposit Insurance Corporation (FDIC), National Credit Union Administration (NCUA), and Office of the Comptroller of the Currency (OCC) released two joint proposals related to credit losses:

- [Interagency Policy Statement on Allowances for Credit Losses](#), which describes the “measurement of expected credit losses using the CECL methodology and updates concepts and practices detailed in existing supervisory guidance that remain applicable.”
- [Interagency Guidance on Credit Risk Review Systems](#), which discusses “sound management of credit risk, a system of independent, ongoing credit review, and appropriate communication regarding the performance of the institution's loan portfolio to its management and board of directors.”

Comments on the joint interagency proposals were due by December 16, 2019.

Next Steps: For effective date and transition information about ASU 2016-13 and the related amendments, see [Appendix A](#).

Other Resources: Deloitte's [A Roadmap to Accounting for Current Expected Credit Losses](#) and [June 17, 2016](#); [May 15, 2019](#); and [December 2, 2019](#), *Heads Up* newsletters.

¹³ FASB Accounting Standards Update No. 2019-11, *Codification Improvements to Topic 326, Financial Instruments — Credit Losses*.

¹⁴ FASB Accounting Standards Update No. 2019-05, *Financial Instruments — Credit Losses (Topic 326): Targeted Transition Relief*.

¹⁵ FASB Accounting Standards Update No. 2018-19, *Codification Improvements to Topic 326, Financial Instruments — Credit Losses*.

Definition of “Collections”

FASB ASU 2019-03 Amends U.S. GAAP Definition of “Collections”

Affects: All entities.

Summary: The FASB issued [ASU 2019-03](#)¹⁶ on March 21, 2019, to amend the definition of the term “collections” in U.S. GAAP by aligning it with the definition used in the *Code of Ethics for Museums* of the American Alliance of Museums. The amendments in the ASU “require that a collection-holding entity disclose its policy for the use of proceeds from when collection items are deaccessioned (that is, removed from a collection).”

Next Steps: The ASU’s amendments are effective prospectively for annual financial statements issued for fiscal years beginning after December 15, 2019, and for interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted.

Episodic Television Series

FASB ASU 2019-02 Enhances the Accounting for Costs Associated With Episodic Television Series

Affects: All entities.

Summary: The FASB issued [ASU 2019-02](#)¹⁷ on March 6, 2019, in response to an EITF consensus. The ASU aligns “the accounting for production costs of an episodic television series with the accounting for production costs of films by removing the content distinction for capitalization.” Further, the ASU requires entities to “reassess estimates of the use of a film for a film in a film group and account for any changes prospectively.”

Next Steps: The ASU is effective for public companies for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For other entities, the ASU is effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. Early adoption is permitted.

Fair Value Measurement

FASB ASU 2018-13 Amends the Fair Value Disclosure Requirements

Affects: All entities.

Summary: The FASB issued [ASU 2018-13](#)¹⁸ on August 28, 2018, to revise the fair value measurement disclosure requirements of ASC 820 by introducing some new requirements and modifying or eliminating others.

Next Steps: ASU 2018-13 is effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019.

Other Resources: Deloitte’s August 31, 2018, [Heads Up](#) and [A Roadmap to Fair Value Measurements and Disclosures \(Including the Fair Value Option\)](#).

¹⁶ FASB Accounting Standards Update No. 2019-03, *Updating the Definition of Collections*.

¹⁷ FASB Accounting Standards Update No. 2019-02, *Improvements to Accounting for Costs of Films and License Agreements for Program Materials* — a consensus of the FASB Emerging Issues Task Force.

¹⁸ FASB Accounting Standards Update No. 2018-13, *Disclosure Framework — Changes to the Disclosure Requirements for Fair Value Measurement*.

Financial Instruments

FASB ASU 2019-04 Amends Certain Aspects of Guidance on Financial Instruments

Affects: All entities.

Summary: The FASB's [ASU 2019-04](#),¹⁹ which was released on April 25, 2019, clarifies certain aspects of the accounting for credit losses, hedging activities, and financial instruments (addressed by ASUs 2016-13, [2017-12](#), and [2016-01](#),²⁰ respectively), including the following:

- *ASU 2016-13* — Accrued interest, transfers between classifications or categories for loans and debt securities, recoveries, reinsurance recoverables, projections of interest rate environments for variable-rate financial instruments, costs to sell when foreclosure is probable, consideration of expected prepayments in the determination of the effective interest rate, vintage disclosures, and extension and renewal options.
- *ASU 2017-12* — Partial-term fair value hedges of interest rate risk, amortization of fair value hedge basis adjustments, disclosure of fair value hedge basis adjustments, consideration of the hedged contractually specified interest rate under the hypothetical derivative method, application of a first-payments-received cash flow hedging technique to overall cash flows on a group of variable interest payments, not-for-profit entities, private companies that are not financial institutions, and transition guidance.
- *ASU 2016-01* — Fair value disclosures related to held-to-maturity debt securities, measurement alternative in ASC 321-10-35-2, and remeasurement of equity securities at historical exchange rates.

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

Other Resources: Deloitte's May 7, 2019, [Heads Up](#) and [A Roadmap to Accounting for Current Expected Credit Losses](#).

Goodwill

FASB ASU 2017-04 Simplifies the Testing of Goodwill for Impairment

Affects: All entities.

Summary: The FASB issued [ASU 2017-04](#) on January 26, 2017, to simplify the accounting for goodwill impairments by eliminating step 2 from the goodwill impairment test. Instead, if "the carrying amount of a reporting unit exceeds its fair value, an impairment loss shall be recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit."

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

- For PBEs that are SEC filers, excluding smaller reporting companies (SRCs), December 15, 2019.
- For all other entities, December 15, 2022.

Other Resources: Deloitte's February 1, 2017, [Heads Up](#).

¹⁹ FASB Accounting Standards Update No. 2019-04, *Codification Improvements to Topic 326, Financial Instruments — Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments*.

²⁰ FASB Accounting Standards Update No. 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*.

Leases

FASB ASU 2019-01 Makes Codification Improvements to New Leasing Standard

Affects: All entities.

Summary: On March 5, 2019, the FASB issued [ASU 2019-01](#),²¹ which amends certain aspects of the Board's new leasing standard, [ASU 2016-02](#). The ASU addresses the following topics:

- Determination of the fair value of the underlying asset by lessors that are not manufacturers or dealers.
- Presentation in the statement of cash flows for sales-type and direct financing leases by lessors within the scope of ASC 942.
- Clarification of interim disclosure requirements during transition.

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

Other Resources: Deloitte's March 7, 2019, [journal entry](#) and [A Roadmap to Applying the New Leasing Standard](#).

Share-Based Payment

FASB ASU 2019-08 Clarifies the Accounting for Share-Based Payments Issued as Sales Incentives to Customers

Affects: All entities.

Summary: Under the guidance in [ASU 2019-08](#),²² which was released on November 11, 2019, entities apply the guidance in ASC 718 to measure and classify share-based sales incentives. Accordingly, they use a fair-value-based measure to calculate such incentives on the grant date, which is the date on which the grantor (the entity) and the grantee (the customer) reach a mutual understanding of the key terms and conditions of the share-based consideration. The result is reflected as a reduction of revenue in accordance with the guidance in ASC 606 on consideration payable to a customer. After initial recognition, the measurement and classification of the share-based sales incentives continues to be subject to ASC 718 unless (1) the award is subsequently modified when vested and (2) the grantee is no longer a customer.

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

Other Resources: Deloitte's November 13, 2019, [Heads Up](#) and [A Roadmap to Accounting for Share-Based Payment Awards](#).

International

IASB Amendments Related to IBOR Reform

Affects: Entities reporting under IFRS Standards.

²¹ FASB Accounting Standards Update No. 2019-01, *Leases (Topic 842): Codification Improvements*.

²² FASB Accounting Standards Update No. 2019-08, *Codification Improvements — Share-Based Consideration Payable to a Customer*.

Summary: The IASB published amendments²³ on September 26, 2019, that “are designed to support the provision of useful financial information by companies during the period of uncertainty arising from the phasing out of interest-rate benchmarks such as interbank offered rates (IBORs).” Specifically, the amendments:

- Modify specific hedge accounting requirements so that entities would apply those requirements as if the interest rate benchmark on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered because of interest rate benchmark reform.
- Apply to all hedging relationships that are directly affected by the interest rate benchmark reform.
- Require specific disclosures about the extent to which the entities’ hedging relationships are affected by the amendments.

Next Steps: The amendments are effective for annual periods beginning on or after January 1, 2020, and must be applied retrospectively. Early application is permitted.

Other Resources: Deloitte’s September 26, 2019, [IFRS in Focus](#).

IASB Amendments Clarify the Definition of Materiality

Affects: Entities reporting under IFRS Standards.

Summary: The IASB published amendments to IAS 1²⁴ and IAS 8²⁵ to clarify the definition of “material” and to align the definition used in the conceptual framework with that in the standards themselves. Specifically, the amendments define the term “material” as follows:

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

Next Steps: The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier application is permitted.

Other Resources: Deloitte’s November 13, 2018, [IFRS in Focus](#).

IASB Amendments to IFRS 3 Enhance the Definition of a Business

Affects: Entities reporting under IFRS Standards.

Summary: The IASB issued amendments²⁶ to IFRS 3²⁷ on October 22, 2018, which are intended to “help companies determine whether an acquisition made is of a business or a group of assets.” The amendments highlight that “the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others.”

Next Steps: The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. Early adoption is permitted.

Other Resources: Deloitte’s October 24, 2018, [IFRS in Focus](#).

²³ IASB Amendments, *Interest Rate Benchmark Reform* — amendments to IFRS 9, IAS 9, and IFRS 7.

²⁴ IAS 1, *Presentation of Financial Statements*.

²⁵ IAS 8, *Accounting Policies: Changes in Accounting Estimates and Errors*.

²⁶ IASB Amendments, *Definition of a Business* — amendments to IFRS 3.

²⁷ IFRS 3, *Business Combinations*.

Accounting — Newly Issued Standards

In This Section

- [Effective Dates](#)
 - [FASB Changes Some Effective Dates for Certain New Accounting Standards*](#)
- [Not-for-Profit Entities](#)
 - [FASB Extends Certain Private-Company Alternatives to Not-for-Profit Entities](#)

Effective Dates

FASB Changes Some Effective Dates for Certain New Accounting Standards*

Affects: All entities.

Summary: On November 15, 2019, the FASB issued the following two ASUs:

- [ASU 2019-10](#),²⁸ which amends the effective dates for certain major new accounting standards to give implementation relief to private companies and certain other types of entities. Specifically, ASU 2019-10 changes some effective dates for certain new standards, including those on hedging (ASU 2017-12, codified in ASC 815); leases (ASU 2016-02, codified in ASC 842); credit losses (ASU 2016-13, codified in ASC 326); and goodwill impairment testing (ASU 2017-04, codified in ASC 350).
- [ASU 2019-09](#),²⁹ which gives all insurance entities that issue long-duration insurance contracts (e.g., life insurance and annuities) additional time to implement [ASU 2018-12](#) (codified in ASC 944).

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

Other Resources: Deloitte's November 19, 2019, [Heads Up](#).

Not-for-Profit Entities

FASB Extends Certain Private-Company Alternatives to Not-for-Profit Entities

Affects: Not-for-profit entities.

Summary: On May 30, 2019, the FASB issued [ASU 2019-06](#),³⁰ which extends certain private-company accounting alternatives to not-for-profit entities. Specifically, the ASU permits such entities to elect alternative approaches to account for goodwill and certain identifiable intangible assets acquired in a business combination.

The amendments in ASU 2019-06 became effective upon issuance.

Other Resources: Deloitte's June 12, 2019, [Heads Up](#).

²⁸ FASB Accounting Standards Update No. 2019-10, *Financial Instruments — Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*.

²⁹ FASB Accounting Standards Update No. 2019-09, *Financial Services — Insurance (Topic 944): Effective Date*.

³⁰ FASB Accounting Standards Update No. 2019-06, *Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities*.

Accounting — Exposure Drafts

In This Section

- [Codification Improvements](#)
 - [FASB Proposes Codification Improvements*](#)
- [Hedge Accounting](#)
 - [FASB Proposes Improvements to Hedge Accounting*](#)

Codification Improvements

FASB Proposes Codification Improvements*

Affects: All entities.

Summary: On November 26, 2019, the FASB issued a [proposed ASU](#)³¹ that would make certain enhancements to the Codification. Specifically, the proposed ASU would (1) remove references to various FASB Concepts Statements, (2) situate all disclosure guidance in the appropriate disclosure section of the Codification, and (3) make other improvements and technical corrections to the Codification.

Next Steps: Comments on the proposed ASU are due by December 26, 2019.

Hedge Accounting

FASB Proposes Improvements to Hedge Accounting*

Affects: All entities.

Summary: On November 12, 2019, the FASB issued a [proposed ASU](#)³² that would clarify certain aspects of the Board's new hedging standard, [ASU 2017-12](#),³³ including (1) changes in hedged risk in a cash flow hedge, (2) contractually specified components in cash flow hedges of nonfinancial forecasted transactions, (3) foreign-currency-denominated debt instruments designated as hedging instruments and hedged items, and (4) using the term "prepayable" under the shortcut method. According to FASB Chairman Russell Golden, the purpose of the proposed ASU is to "promote . . . better, more consistent application" of the hedging standard by better aligning certain aspects of the standard with its "stated objectives."

Next Steps: Comments on the proposed ASU are due by January 13, 2020.

Other Resources: Deloitte's November 26, 2019, [Heads Up](#).

³¹ FASB Proposed Accounting Standards Update, *Codification Improvements*.

³² FASB Proposed Accounting Standards Update, *Codification Improvements to Hedge Accounting*.

³³ FASB Accounting Standards Update No. 2017-12, *Targeted Improvements to Accounting for Hedging Activities*.

Accounting — Other Key Developments

In This Section

- [Reference Rate Reform](#)
 - [FASB Announces Plans to Publish Guidance on Reference Rate Reform*](#)
- [International](#)
 - [IFRS Foundation Issues Guide on Accounting Policies*](#)

Reference Rate Reform

FASB Announces Plans to Publish Guidance on Reference Rate Reform*

Affects: All entities.

Summary: On November 13, 2019, the FASB announced that it is planning to publish an ASU that will “provide temporary, optional guidance to ease the potential burden in accounting for, or recognizing the effects of, reference rate reform on financial reporting.” Specifically, the final guidance “will provide optional expedients and exceptions for applying generally accepted accounting principles to contract modifications and hedge accounting relationships affected by reference rate reform, facilitating a smoother transition to new reference rates.”

Next Steps: The Board expects to issue the final ASU in early 2020.

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

International

IFRS Foundation Issues Guide on Accounting Policies*

Affects: Entities reporting under IFRS Standards.

Summary: On November 21, 2019, the IFRS Foundation issued a [guide](#)³⁴ that outlines the following three-step process companies can use to “determine their accounting policies when preparing IFRS financial statements”:

- *Step 1* — “Consider whether an IFRS Standard specifically applies to the transaction, other event or condition.”
- *Step 2* — “Consider whether IFRS Standards deal with similar and related issues.”
- *Step 3* — “Refer to and consider the applicability of the *Conceptual Framework for Financial Reporting*.”

The steps are accompanied by examples illustrating how they are applied.

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

³⁴ IFRS Foundation Guide, *Guide to Selecting and Applying Accounting Policies* — IAS 8.

Auditing Developments

In This Section

- [AICPA](#)
 - [AICPA Issues Statements on Auditing Standards*](#)
- [CAQ](#)
 - [CAQ Issues Publication on Company-Prepared Information*](#)
 - [CAQ and Audit Analytics Issue Report on Audit Committee Transparency*](#)
- [Credit Losses](#)
 - [AICPA and CAQ Issue Publications on Credit Losses](#)
- [PCAOB](#)
 - [PCAOB Issues Staff Guidance](#)
 - [PCAOB Adopts New Estimates Standard and Amendments](#)

AICPA

AICPA Issues Statements on Auditing Standards*

Affects: Auditors.

Summary: In 2019, the AICPA issued the following Statements on Auditing Standards (SASs):

- [SAS 138](#)³⁵ (December) — Changes the description of materiality used in AICPA *Professional Standards* to make it consistent with the definition used by the U.S. judicial system, PCAOB, SEC, and FASB (formerly, the definition was aligned with that used by the IASB and IAASB).
- [SAS 137](#)³⁶ (July) — “[A]ddresses the auditor’s responsibilities relating to other information, whether financial or nonfinancial information (other than financial statements and the auditor’s report thereon), included in an entity’s annual report.”
- [SAS 136](#)³⁷ (July) — “[A]ddresses the auditor’s responsibility to form an opinion on the financial statements of employee benefit plans . . . subject to the Employee Retirement Income Security Act of 1974 (ERISA), hereinafter referred to as ERISA plans. It also addresses the form and content of the auditor’s report issued as a result of an audit of ERISA plan financial statements.”
- [SAS 135](#)³⁸ (May) — Amends AU-C Sections 260,³⁹ 550,⁴⁰ and 240⁴¹ “to more closely align [AICPA] guidance with the PCAOB’s standards.”
- [SAS 134](#)⁴² (May) — “[A]ddresses the auditor’s responsibility to form an opinion on the financial statements and the form and content of the auditor’s report issued as a result of an audit of financial statements.” This SAS also discusses “the auditor’s responsibilities, and the form and content of the auditor’s report, when the auditor concludes that a modification to the auditor’s opinion on the financial statements is necessary, and when additional communications are necessary in the auditor’s report.”

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

Other Resources: For more information, see the [May 8, July 10](#), and [December 5, 2019](#), press releases on the AICPA’s Web site.

³⁵ AICPA Statement on Auditing Standards No. 138, *Amendments to the Description of the Concept of Materiality*.

³⁶ AICPA Statement on Auditing Standards No. 137, *The Auditor’s Responsibilities Relating to Other Information Included in Annual Reports*.

³⁷ AICPA Statement on Auditing Standards No. 136, *Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA*.

³⁸ AICPA Statement on Auditing Standards No. 135, *Omnibus Statement on Auditing Standards — 2019*.

³⁹ AICPA *Professional Standards*, AU-C Section 260, “The Auditor’s Communication With Those Charged With Governance.”

⁴⁰ AICPA *Professional Standards*, AU-C Section 550, “Related Parties.”

⁴¹ AICPA *Professional Standards*, AU-C Section 240, “Consideration of Fraud in a Financial Statement Audit.”

⁴² AICPA Statement on Auditing Standards No. 134, *Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements*.

CAQ

CAQ Issues Publication on Company-Prepared Information*

Affects: Investors and audit committees.

Summary: On December 3, 2019, the Center for Audit Quality (CAQ) released a [publication](#)⁴³ that “provides a foundational understanding of the current role of auditors in various types of company-prepared and publicly disclosed information.” The publication is intended to help investors and audit committees understand “how auditors are positioned to help fill existing gaps in enhancing the reliability of decision-useful information.”

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

CAQ and Audit Analytics Issue Report on Audit Committee Transparency*

Affects: Audit committees.

Summary: On November 6, 2019, the CAQ and Audit Analytics issued the 2019 edition of [Audit Committee Transparency Barometer](#), which analyzes “how public company audit committees approach the public communication of their external auditor oversight activities.” In addition, the report provides statistics on disclosure trends, including those related to cybersecurity, as well as examples of effective disclosures provided by S&P 1500 companies in filings between July 1, 2018, and June 30, 2019.

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

Credit Losses

AICPA and CAQ Issue Publications on Credit Losses

Affects: Auditors (AICPA publication) and audit committees (CAQ publication).

Summary: On September 10, 2019, the AICPA issued a [practice aid](#)⁴⁴ that provides nonauthoritative guidance intended to help auditors communicate with audit committees and management regarding certain aspects of the guidance on credit losses in FASB [ASU 2016-13](#). Specifically, the practice aid addresses “key considerations in auditing the allowance for credit losses . . . related to loans under [ASC] 326-20 and disclosure considerations.” Topics covered include “obtaining an understanding of the entity, assessing the risks, identifying the controls relevant to the audit, designing an audit response, performing audit procedures, and evaluating the audit results.”

Further, on May 7, 2019, the CAQ released a [publication](#)⁴⁵ designed to help audit committees with overseeing entities’ implementation of the FASB’s new credit losses standard, ASC 326, which becomes effective on January 1, 2020, for most calendar-year-end entities that are SEC filers. The publication contains key questions for audit committees to consider and is divided into four sections addressing the following topics:

- Understanding the credit losses standard.
- Evaluating the entity’s impact assessment.
- Evaluating the implementation plan.
- Other important implementation considerations.

⁴³ CAQ Publication, *The Role of Auditors in Company-Prepared Information: Present and Future*.

⁴⁴ AICPA Practice Aid, *Allowance for Credit Losses — Audit Considerations*.

⁴⁵ CAQ Publication, *Preparing for the New Credit Losses Standard*.

Other Resources: For more information, see the press releases on the [AICPA's](#) and [CAQ's](#) Web sites.

PCAOB

PCAOB Issues Staff Guidance

Affects: Auditors.

Summary: In 2019, the PCAOB issued staff guidance on the following topics:

- *Auditing estimates and the work of specialists* (August) — This guidance comprises four documents on the Board's new requirements related to auditing estimates and the work of specialists:
 - [Auditing Accounting Estimates](#).
 - [Auditing the Fair Value of Financial Instruments](#).
 - [Supervising or Using the Work of an Auditor's Specialist](#).
 - [Using the Work of a Company's Specialist](#).
- [Rule 3526\(b\) Communications With Audit Committees Concerning Independence](#) — Discusses "questions that have arisen in practice regarding application of Rule 3526(b)," which addresses communications with audit committees concerning independence.
- CAMs — Over the past year, the PCAOB released four documents on the Board's new requirements related to implementation of CAMs:
 - [Implementation of Critical Audit Matters: A Deeper Dive on the Communication of CAMs](#) (May).
 - [The Basics](#) (March).
 - [Staff Observations From Review of Audit Methodologies](#) (March).
 - [A Deeper Dive on the Determination of CAMs](#) (March).

PCAOB Adopts New Estimates Standard and Amendments

Affects: Auditors.

Summary: On December 20, 2018, the PCAOB adopted a new [standard](#)⁴⁶ on auditing accounting estimates as well as [amendments](#)⁴⁷ to its auditing standards on the auditor's use of the work of specialists. The new standard "replaces three standards with a single, uniform standard that sets forth an updated approach to auditing accounting estimates." The amendments "strengthen the requirements for evaluating the work of a company's specialist, whether employed or engaged by the company."

The SEC released an [order](#)⁴⁸ approving the new estimates standard on July 1, 2019.

Next Steps: The new standard and amendments are effective for financial statement audits for fiscal years ending on or after December 15, 2020.

Other Resources: Deloitte's January 16, 2019, [Audit & Assurance Update](#). Also see the [press release](#) on the PCAOB's Web site.

⁴⁶ PCAOB Release No. 2018-005, *Auditing Accounting Estimates, Including Fair Value Measurements — and Amendments to PCAOB Auditing Standards*.

⁴⁷ PCAOB Release No. 2018-006, *Amendments to Auditing Standards for Auditor's Use of the Work of Specialists*.

⁴⁸ SEC Release No. 34-86270, *Public Company Accounting Oversight Board; Order Granting Approval of Amendments to Auditing Standards for Auditor's Use of the Work of Specialists*.

Regulatory and Compliance Developments

In This Section

- SEC
 - SEC Issues Proposed Rule on the Use of Derivatives by Investment Funds*
 - SEC Proposes to Modernize Shareholder Proposal Rule*
 - SEC Proposes Amendments to Rules Related to Proxy Voting Advice*
 - SEC Proposes Changes to Advertising and Cash Solicitation Rules for Investment Advisers*
 - SEC Seeks Feedback on Disclosure Requirements for Residential Mortgage-Backed Securities*
 - SEC Proposes to Modernize Filing Fee Disclosure and Payment Methods*
 - SEC Issues Staff Legal Bulletin on Shareholder Proposals*
 - SEC and Other Organizations Agencies Simplify Requirements Related to the Volcker Rule*
 - SEC Proposes Changes to NMS Fee Plan Amendments*
 - SEC Staff Issues Statement on LIBOR Transition
 - SEC Staff Updates Financial Reporting Manual
 - SEC Issues Final Rule Related to Capital, Margin, and Segregation Requirements for Security-Based Swap Dealers and Broker-Dealers
 - SEC Amends Auditor Independence Rules

SEC

SEC Issues Proposed Rule on the Use of Derivatives by Investment Funds*

Affects: SEC registrants.

Summary: On November 25, 2019, the SEC issued a [proposed rule](#)⁴⁹ that would “enhance the regulation of the use of derivatives by registered investment companies, including mutual funds, exchange-traded funds (ETFs) and closed-end funds, as well as business development companies” and “provide an updated and more comprehensive approach to the regulation of funds’ derivatives use.”

Next Steps: Comments on the proposed rule are due 60 days after the date of its publication in the *Federal Register*.

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

SEC Proposes to Modernize Shareholder Proposal Rule*

Affects: SEC registrants.

Summary: On November 5, 2019, the SEC issued a [proposed rule](#)⁵⁰ that would amend Rule 14a-8 of the Securities Exchange Act of 1934 (the “Exchange Act”), which governs a company’s process for including shareholder proposals in its proxy statement. Specifically, the proposal would:

- “[U]pdate the criteria, including the ownership requirements, that a shareholder must satisfy to be eligible to have a shareholder proposal included in a company’s proxy statement.”
- “[U]pdate the ‘one proposal’ rule to clarify that a single person may not submit multiple proposals at the same shareholder’s meeting, whether the person submits a proposal as a shareholder or as a representative of a shareholder.”
- “[M]odernize the levels of shareholder support a proposal must receive to be eligible for resubmission at the same company’s future shareholder meetings.”

Next Steps: Comments on the proposed rule are due by February 3, 2020.

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

SEC Proposes Amendments to Rules Related to Proxy Voting Advice*

Affects: SEC registrants.

Summary: On November 5, 2019, the SEC issued a [proposed rule](#)⁵¹ that would “enhance the quality of the disclosure about material conflicts of interest that proxy voting advice businesses provide their clients [and] provide an opportunity for a period of review and feedback through which companies and other soliciting parties would be able to identify errors in the proxy voting advice.”

Next Steps: Comments on the proposed rule are due by February 3, 2020.

⁴⁹ SEC Proposed Rule Release No. 34-87607, *Use of Derivatives by Registered Investment Companies and Business Development Companies; Required Due Diligence by Broker-Dealers and Registered Investment Advisers Regarding Retail Customers’ Transactions in Certain Leveraged/Inversed Investment Vehicles*.

⁵⁰ SEC Proposed Rule Release No. 34-87458, *Procedural Requirements and Resubmission Thresholds Under Exchange Act Rule 14a-8*.

⁵¹ SEC Proposed Rule Release No. 34-87457, *Amendments to the Exemptions From the Proxy Rules for Proxy Voting Advice*.

- [SEC Amends the Single Issuer Exemption for Broker-Dealers](#)
- [SEC Issues Guidance Related to Retail Investors' Relationships With Financial Professionals](#)
- [SEC Releases Announcement About Exhibits Containing Immaterial, Competitively Harmful Information](#)
- [SEC Issues Final Rule on Modernization and Simplification of Regulation S-K](#)
- [SEC Issues Final Rule to Allow Exchange Act Reporting Companies to Use Regulation A](#)

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

SEC Proposes Changes to Advertising and Cash Solicitation Rules for Investment Advisers*

Affects: SEC registrants.

Summary: On November 4, 2019, the SEC issued a [proposed rule](#)⁵² that would amend rules under the Investment Advisers Act of 1940 that “prohibit certain investment adviser advertisements and payments to solicitors.” The proposed amendments would “reflect changes in technology, the expectations of investors seeking advisory services, and the evolution of industry practices.”

Next Steps: Comments on the proposed rule are due by February 10, 2020.

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

SEC Seeks Feedback on Disclosure Requirements for Residential Mortgage-Backed Securities*

Affects: SEC registrants.

Summary: In a [public statement](#) on October 30, 2019, SEC Chairman Jay Clayton asked for public input on asset-level disclosure requirements for residential mortgage-backed securities (RMBSs). He noted that the U.S. Department of the Treasury's recently issued housing reform plan recommended that the SEC “review the RMBS asset-level disclosure requirements to assess the number of required reporting fields and to clarify the defined terms for SEC-registered private-label securitization issuances.”

In addressing the purpose of his request for comments, Chairman Clayton stated, “Since the financial crisis, activity in the SEC-registered RMBS space has been very limited and since the Commission revised its ABS rules in 2014, no SEC-registered RMBS offerings have taken place. . . . While there are a number of factors that may be contributing to the absence of SEC-registered RMBS offerings, I am interested in receiving feedback on whether any portion of the Commission's 2014 ABS rules are a significant contributing factor to this absence” (footnote omitted).

Next Steps: The SEC has created both a [webform](#) and an [e-mail box](#) that the public can use to submit feedback on this topic. For more information, including a list of specific questions for consideration, see Chairman Clayton's [public statement](#) on the SEC's Web site.

SEC Proposes to Modernize Filing Fee Disclosure and Payment Methods*

Affects: SEC registrants.

Summary: On October 24, 2019, the SEC issued a [proposed rule](#)⁵³ that would amend “most fee-bearing forms, schedules, statements, and related rules to require each fee table and accompanying disclosure to include all required information for fee calculation in a structured format.” In addition, the proposal would allow a fee to be paid by using the Automated Clearing House payment system and remove the option of paying a fee by using paper check and money orders.

Next Steps: Comments on the proposed rule are due 60 days after the date of its publication in the *Federal Register*.

⁵² SEC Proposed Rule Release No. IA-5407, *Investment Adviser Advertisements; Compensation for Solicitations*.

⁵³ SEC Proposed Rule Release No. 33-10720, *Filing Fee Disclosure and Payment Methods Modernization*.

SEC Issues Staff Legal Bulletin on Shareholder Proposals*

Affects: SEC registrants.

Summary: On October 16, 2019, the SEC's Division of Corporation Finance issued a [staff legal bulletin](#) (SLB)⁵⁴ that provides its views on shareholder proposals under Rule 14a-8 of the Exchange Act. Specific topics addressed in the SLB include:

- The “analytical framework of Rule 14a-8(i)(7).”
- Analyses by the board of directors that are “provided in no-action requests to demonstrate that the policy issue raised by the proposal is not significant to the company.”
- Excluding a proposal under Rule 14a-8(i)(7) on the basis of “the scope and application of micromanagement.”
- Letters on proof of ownership.

SEC and Other Agencies Simplify Requirements Related to the Volcker Rule*

Affects: SEC registrants.

Summary: On October 8, 2019, the SEC and several other government agencies — including the Federal Reserve Board, CFTC, FDIC, and OCC — have jointly finalized [revisions](#)⁵⁵ to compliance requirements related to the Volcker Rule. The revisions lessen the compliance requirements for firms that do not have significant trading activities, while “firms with significant trading activity will have more stringent compliance requirements.” In addition, the revisions “continue to prohibit proprietary trading, while providing greater clarity and certainty for activities allowed under the law.”

Next Steps: The date by which entities must comply with the amendments is January 1, 2021.

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

SEC Proposes Changes to NMS Fee Plan Amendments*

Affects: SEC registrants.

Summary: On October 1, 2019, the SEC issued a [proposed rule](#)⁵⁶ that would “rescind a provision that allows a proposed amendment to a national market system [(NMS)] plan . . . to become effective upon filing if the proposed amendment establishes or changes a fee or other charge.” Because of the rescission of this provision, a proposed amendment to an NMS plan “instead would be subject to the procedures set forth in Rule 608(b)(1) and (2) that require the Commission to publish the proposed amendment, provide an opportunity for public comment, and preclude a proposed amendment from becoming effective unless approved by the Commission.”

Comments on the proposed rule were due by December 10, 2019.

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

⁵⁴ SEC Staff Legal Bulletin No. 14K, *Shareholder Proposals*.

⁵⁵ Federal Reserve, FDIC, CFTC, and SEC Final Rule Release No. BHCA-7, *Prohibitions and Restrictions on Proprietary Trading and Certain Interest in, and Relationships With, Hedge Funds and Private Equity Funds*.

⁵⁶ SEC Proposed Rule Release No. 34-87193, *Rescission of Effective-Upon-Filing Procedure for NMS Plan Amendments*.

SEC Staff Issues Statement on LIBOR Transition

Affects: SEC registrants.

Summary: On July 12, 2019, the SEC staff issued a [statement](#)⁵⁷ that:

- Discusses the expected discontinuation of use of LIBOR and how the transition from LIBOR may significantly affect financial markets and market participants (including public companies, investment companies and advisers, and broker-dealers).
- Lists questions and considerations for market participants related to new or existing contracts and other business risks.
- Provides specific guidance from the SEC's divisions of Corporation Finance, Investment Management, and Trading and Markets and its Office of the Chief Accountant.

Although the statement focuses on LIBOR, its guidance is also relevant to market participants that may be affected by a transition from other reference rates.

Other Resources: Deloitte's August 6, 2019, [Heads Up](#). Also see the [press release](#) on the SEC's Web site.

SEC Staff Updates Financial Reporting Manual

Affects: SEC registrants.

Summary: On July 1, 2019, the SEC's Division of Corporation Finance published an update to its [Financial Reporting Manual](#). The revisions include:

- Removal of Section 1610 and paragraph 2030.3.
- Updates to Topic 2 and paragraph 2020.1 to clarify how Regulation S-X, Rule 3-13,⁵⁸ and Note 5 of Regulation S-X, Rule 8-01,⁵⁹ are applied.
- Consolidation of Section 5240 with the note to Topic 2.
- Amendments to Section 10110 to change the revenue threshold for emerging growth companies in accordance with SEC Release 33-10332.⁶⁰
- Technical amendments to Sections 11100 and 11200 to replace references to [ASU 2014-09](#) and [ASU 2016-02](#) with those to ASC topics.

SEC Issues Final Rule Related to Capital, Margin, and Segregation Requirements for Security-Based Swap Dealers and Broker-Dealers

Affects: SEC registrants.

Summary: On June 21, 2019, the SEC issued a [final rule](#)⁶¹ containing new and amended requirements related to its capital, margin, and segregation regulations for security-based swap dealers (SBSDs) and major security-based swap participants (MSBSPs). Specifically, the final rule, which is being issued in response to a mandate of the Dodd-Frank Wall Street Reform and Consumer Protection Act, addresses (1) capital rules for nonbank SBSDs and MSBSPs, (2) margin requirements for nonbank SBSDs and nonbank MSBSPs, (3) segregation requirements for broker-dealers and SBSDs, and (4) cross-border application.

The final rule became effective on October 21, 2019.

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

⁵⁷ SEC Public Statement, *Staff Statement on LIBOR Transition*.

⁵⁸ SEC Regulation S-X, Rule 3-13, "Filing of Other Financial Statements in Certain Cases."

⁵⁹ Regulation S-X, Rule 8-01, "Preliminary Notes to Article 8."

⁶⁰ SEC Final Rule Release No. 33-10332, *Inflation Adjustments and Other Technical Amendments Under Titles I and III of the JOBS Act*.

⁶¹ SEC Final Rule Release No. 34-86175, *Capital, Margin, and Segregation Requirements for Security-Based Swap Dealers and Major Security-Based Swap Participants and Capital and Segregation Requirements for Broker-Dealers*.

SEC Amends Auditor Independence Rules

Affects: Auditors.

Summary: On June 18, 2019, the SEC issued a [final rule](#)⁶² to amend its auditor independence rules. Specifically, the amendments refocus “the analysis that must be conducted to determine whether an auditor is independent when the auditor has a lending relationship with certain shareholders of an audit client at any time during an audit or professional engagement period.”

The final rule became effective on October 3, 2019.

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

SEC Amends the Single Issuer Exemption for Broker-Dealers

Affects: Broker-dealers.

Summary: On June 10, 2019, the SEC issued a [final rule](#)⁶³ that clarifies the scope of an existing exemption under which a broker-dealer is not required to “engage an independent public accountant to certify the broker-dealer’s annual reports filed with the Commission if, among other things, the securities business of the broker-dealer has been limited to acting as broker (agent) for a single issuer in soliciting subscriptions for securities of that issuer.”

The final rule became effective on August 13, 2019.

SEC Issues Guidance Related to Retail Investors’ Relationships With Financial Professionals

Affects: Investment advisers and broker-dealers.

Summary: On June 5, 2019, the SEC released a package of rules and interpretations that are “designed to enhance the quality and transparency of retail investors’ relationships with investment advisers and broker-dealers, bringing the legal requirements and mandated disclosures in line with reasonable investor expectations, while preserving access (in terms of choice and cost) to a variety of investment services and products.” The package includes:

- [Final rule](#)⁶⁴ on *standard of conduct for broker-dealers* — Establishes a “new standard of conduct specifically for broker-dealers that substantially enhances the broker-dealer standard of conduct beyond existing suitability obligations.”
- [Final rule](#)⁶⁵ on *relationship summaries* — Requires investment advisers and broker-dealers “to deliver a relationship summary to retail investors at the beginning of their relationship.”
- [Interpretation](#)⁶⁶ on *standard of conduct for investment advisers* — Reaffirms and clarifies “the Commission’s views of the fiduciary duty that investment advisers owe to their clients under the Advisers Act.”
- [Interpretation](#)⁶⁷ on the “solely incidental” exclusion — Discusses the provision of the Investment Advisers Act of 1940 that “excludes from the definition of ‘investment adviser’ any broker or dealer that provides advisory services when such services are ‘solely incidental’ to the conduct of the broker or dealer’s business and when such incidental advisory services are provided for no special compensation.”

⁶² SEC Final Rule Release No. 33-10648, *Auditor Independence Rules With Respect to Certain Loans or Debtor-Creditor Relationships*.

⁶³ SEC Final Rule Release No. 34-86073, *Amendment to Single Issuer Exemption for Broker-Dealers*.

⁶⁴ SEC Final Rule Release No. 34-86031, *Regulation Best Interest: The Broker-Dealer Standard of Conduct*.

⁶⁵ SEC Final Rule Release No. 34-86032, *Form CRS Relationship Summary: Amendments to Form ADV*.

⁶⁶ SEC Final Rule Release No. IA-5248, *Commission Interpretation Regarding Standard of Conduct for Investment Advisers*.

⁶⁷ SEC Final Rule Release No. IA-5249, *Commission Interpretation Regarding the Solely Incidental Prong of the Broker-Dealer Exclusion From the Definition of Investment Adviser*.

The final rules became effective on September 10, 2019, and the interpretations became effective on July 12, 2019.

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

SEC Releases Announcement About Exhibits Containing Immaterial, Competitively Harmful Information

Affects: SEC registrants.

Summary: On April 1, 2019, the SEC posted to its Web site an [announcement](#)⁶⁸ on the new rules and procedures in the Commission's recently issued final rule on modernization and simplification of Regulation S-K, specifically those related to exhibits containing immaterial and competitively harmful information. Topics discussed in the announcement include (1) new rule requirements related to the identification of where information has been omitted from a filed exhibit, (2) the process of reviewing registrants' filings for compliance, and (3) transition issues.

SEC Issues Final Rule on Modernization and Simplification of Regulation S-K

Affects: SEC registrants.

Summary: On March 20, 2019, the SEC issued a [final rule](#)⁶⁹ to modernize and simplify certain disclosure requirements in Regulation S-K and related rules and forms. The intent of the final rule is to improve the readability of filed documents and simplify registrants' compliance efforts without significantly altering the total mix of information that is ultimately provided to investors. Among other things, the amendments permit registrants to, in certain instances, forgo discussion of the comparison of the earliest prior years (year 2 to year 3) in Management's Discussion and Analysis and allow companies to redact confidential information that is not material and could cause competitive harm to the company from certain exhibits without filing a confidential treatment request.

The final rule became effective on May 2, 2019, with the exception of certain provisions (see final rule for details).

Other Resources: Deloitte's March 25, 2019, [Heads Up](#). Also see the [press release](#) on the SEC's Web site.

SEC Issues Final Rule to Allow Exchange Act Reporting Companies to Use Regulation A

Affects: SEC registrants.

Summary: On December 19, 2018, the SEC issued a [final rule](#)⁷⁰ to allow companies that are subject to the reporting requirements of the Exchange Act to use the Regulation A exemption from registration under the Securities Act of 1933 for offerings of securities up to \$50 million. As stated in the SEC's press release on the final rule, the rule also allows Exchange Act reporting companies to "meet their Regulation A ongoing reporting obligations through their Exchange Act reports" and makes conforming changes to Form 1-A. The final rule was issued in response to a mandate from the Economic Growth, Regulatory Relief, and Consumer Protection Act.

The final rule became effective on January 31, 2019.

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

⁶⁸ SEC Announcement, *New Rules and Procedures for Exhibits Containing Immaterial, Competitively Harmful Information*.

⁶⁹ SEC Final Rule Release No. 33-10618, *FAST Act Modernization and Simplification of Regulation S-K*.

⁷⁰ SEC Final Rule Release No. 33-10591, *Conditional Small Issues Exemption Under the Securities Act of 1933 (Regulation A)*.

Appendix A: Significant Adoption Dates

The chart below describes significant adoption dates for FASB/EITF, PCAOB, AICPA, SEC, and IASB/IFRIC standards. Content recently added or revised is highlighted in [green](#).

FASB/EITF	Effective Date for PBEs	Effective Date for Non-PBEs	Early Adoption Allowed (Yes/No)	Deloitte Resources
Final Guidance				
ASU 2019-11, <i>Codification Improvements to Topic 326, Financial Instruments — Credit Losses</i> (issued November 27, 2019)	For entities that have not yet adopted the amendments in ASU 2016-13 as of the issuance date of ASU 2019-11, the effective dates and transition requirements for the amendments are the same as the effective dates and transition requirements in ASU 2016-13. For entities that have adopted the amendments in ASU 2016-13, the amendments in ASU 2019-11 are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.	For entities that have not yet adopted the amendments in ASU 2016-13 as of the issuance date of ASU 2019-11, the effective dates and transition requirements for the amendments are the same as the effective dates and transition requirements in ASU 2016-13. For entities that have adopted the amendments in ASU 2016-13, the amendments in ASU 2019-11 are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.	Yes, in any interim period after the issuance of ASU 2019-11 as long as an entity has adopted the amendments in ASU 2016-13.	December 2, 2019, Heads Up
ASU 2019-10, <i>Financial Instruments — Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates</i> (issued November 15, 2019)	This ASU amends the effective dates of ASUs 2016-02, 2016-13, 2017-04, and 2017-12. See effective date information for these ASUs below.	This ASU amends the effective dates of ASUs 2016-02, 2016-13, 2017-04, and 2017-12. See effective date information for these ASUs below.	N/A	November 19, 2019, Heads Up
ASU 2019-09, <i>Financial Services — Insurance (Topic 944): Effective Date</i> (issued November 15, 2019)	This ASU amends the effective date of ASU 2018-12. See effective date information for ASU 2018-12 below.	This ASU amends the effective date of ASU 2018-12. See effective date information for ASU 2018-12 below.	N/A	November 2019 Insurance Spotlight

ASU 2019-08, <i>Codification Improvements — Share-Based Consideration Payable to a Customer</i> (issued November 11, 2019)	<p>For entities that have not yet adopted the amendments in ASU 2018-07, the amendments in ASU 2019-08 are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.</p> <p>For entities that have adopted the amendments in ASU 2018-07, the amendments in ASU 2019-08 are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.</p>	For entities that have not yet adopted the amendments in ASU 2018-07, the amendments in ASU 2019-08 are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020.	Yes, but not before an entity adopts the amendments in ASU 2018-07.	November 13, 2019, Heads Up
ASU 2019-07, <i>Codification Updates to SEC Sections</i> (issued July 26, 2019)	The amendments became effective upon issuance.	The amendments became effective upon issuance.	N/A	July 29, 2019, DART news item
ASU 2019-06, <i>Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities</i> (issued May 30, 2019)	N/A	The amendments became effective upon issuance.	N/A	June 12, 2019, Heads Up
ASU 2019-05, <i>Financial Instruments — Credit Losses (Topic 326): Targeted Transition Relief</i> (issued May 15, 2019)	For entities that have not yet adopted ASU 2016-13, the amendments are effective at the same time as ASU 2016-13. For entities that have adopted ASU 2016-13, the amendments are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.	For entities that have not yet adopted ASU 2016-13, the amendments are effective at the same time as ASU 2016-13. For entities that have adopted ASU 2016-13, the amendments are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.	Yes	May 15, 2019, Heads Up

ASU 2019-04, <i>Codification Improvements to Topic 326, Financial Instruments — Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments</i> (issued April 25, 2019; effective date amended by ASU 2019-10)	<p>The amendments to ASU 2016-01 are effective for fiscal years and interim periods beginning after December 15, 2019.</p> <p>For entities that have not yet adopted ASU 2016-13, the amendments are effective at the same time as ASU 2016-13. For entities that have adopted ASU 2016-13, the amendments are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.</p> <p>The amendments to ASU 2017-12 are effective (1) at the same time as ASU 2017-12 for entities that have not yet adopted the ASU, and (2) as of the beginning of the first annual reporting period beginning after April 25, 2019, for entities that have adopted ASU 2017-12.</p>	<p>The amendments to ASU 2016-01 are effective for fiscal years and interim periods beginning after December 15, 2019.</p> <p>For entities that have not yet adopted ASU 2016-13, the amendments are effective at the same time as ASU 2016-13. For entities that have adopted ASU 2016-13, the amendments are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.</p> <p>The amendments to ASU 2017-12 are effective (1) at the same time as ASU 2017-12 for entities that have not yet adopted the ASU, and (2) as of the beginning of the first annual reporting period beginning after April 25, 2019, for entities that have adopted the ASU.</p>	Yes	May 7, 2019, Heads Up
ASU 2019-03, <i>Updating the Definition of Collections</i> (issued March 21, 2019)	Fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020.	Fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020.	Yes	March 21, 2019, DART news item
ASU 2019-02, <i>Improvements to Accounting for Costs of Films and License Agreements for Program Materials</i> (issued March 6, 2019)	Fiscal years beginning after December 15, 2019, and interim periods within those fiscal years.	Fiscal years beginning after December 15, 2020, and interim periods within those fiscal years.	Yes	March 6, 2019, DART news item
ASU 2019-01, <i>Leases (Topic 842): Codification Improvements</i> (issued March 5, 2019)	See effective date information for ASU 2016-02 below.	See effective date information for ASU 2016-02 below.	Yes	March 7, 2019, journal entry

ASU 2018-20, <i>Narrow-Scope Improvements for Lessors</i> (issued December 10, 2018)	For entities that have not adopted ASC 842, the effective date is the same as the effective date in ASU 2016-02. An entity that has adopted ASC 842 can apply the amendments as of the original effective date of ASC 842 for the entity. Alternatively, the entity has the option of applying the amendments in either the first reporting period ending after the issuance of this ASU (e.g., December 31, 2018) or in the first reporting period beginning after the issuance of this ASU (e.g., January 1, 2019).	No	December 14, 2018, Heads Up
ASU 2018-19, <i>Codification Improvements to Topic 326: Financial Instruments — Credit Losses</i> (issued November 15, 2018)	See effective date information for ASU 2016-13 below.	Yes, as of fiscal years beginning after December 15, 2018, including interim periods within those fiscal years.	
ASU 2018-18, <i>Clarifying the Interaction Between Topic 808 and Topic 606</i> (issued November 5, 2018)	Fiscal years beginning after December 15, 2019, and interim periods within those fiscal years.	Yes	November 13, 2018, Heads Up
ASU 2018-17, <i>Targeted Improvements to Related Party Guidance for Variable Interest Entities</i> (issued October 31, 2018)	Fiscal years beginning after December 15, 2019, and interim periods within those fiscal years.	Yes	November 19, 2018, Heads Up
ASU 2018-16, <i>Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes</i> (issued October 25, 2018)	For entities that have not yet adopted ASU 2017-12, the amendments in this ASU must be adopted concurrently with the amendments in ASU 2017-12. For entities that have adopted the amendments in ASU 2017-12, the amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years.	Yes	November 7, 2018, journal entry

ASU 2018-15, <i>Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract</i> (issued August 29, 2018)	Fiscal years beginning after December 15, 2019, and interim periods within those fiscal years.	Fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021.	Yes	September 11, 2018, Heads Up
ASU 2018-14, <i>Disclosure Framework — Changes to the Disclosure Requirements for Defined Benefit Plans</i> (issued August 28, 2018)	Fiscal years ending after December 15, 2020.	Fiscal years ending after December 15, 2021.	Yes	August 29, 2018, Heads Up
ASU 2018-13, <i>Disclosure Framework — Changes to the Disclosure Requirements for Fair Value Measurement</i> (issued August 28, 2018)	Fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019.	Fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019.	Yes	August 31, 2018, Heads Up
ASU 2018-12, <i>Targeted Improvements to the Accounting for Long-Duration Contracts</i> (issued August 15, 2018; effective date amended by ASU 2019-09)	For PBEs that meet the definition of an SEC filer, excluding entities eligible to be SRCs as defined by the SEC, the amendments in this ASU are effective for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years.	Fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024.	Yes	August 2018 and November 2019 Insurance Spotlight newsletters
ASU 2018-11, <i>Leases (Topic 842): Targeted Improvements</i> (issued July 30, 2018)	The amendments in this ASU related to separating components of a contract affect the amendments in ASU 2016-02, which are not yet effective but can be early adopted. For entities that have not adopted ASC 842 before the issuance of this ASU, the effective date and transition requirements for the amendments in this ASU related to separating components of a contract are the same as the effective date and transition requirements in ASU 2016-02.	The amendments in this ASU related to separating components of a contract affect the amendments in ASU 2016-02, which are not yet effective but can be early adopted. For entities that have not adopted ASC 842 before the issuance of this ASU, the effective date and transition requirements for the amendments in this ASU related to separating components of a contract are the same as the effective date and transition requirements in ASU 2016-02.	Yes	August 7, 2018, Heads Up

ASU 2018-10, <i>Codification Improvements to Topic 842, Leases</i> (issued July 18, 2018)	The amendments in this ASU affect the amendments in ASU 2016-02, which are not yet effective, but for which early adoption upon issuance is permitted. For entities that early adopted ASC 842, the amendments are effective upon issuance of this ASU, and the transition requirements are the same as those in ASC 842. For entities that have not adopted ASC 842, the effective date and transition requirements will be the same as the effective date and transition requirements in ASC 842.	Yes
ASU 2018-09, <i>Codification Improvements</i> (issued July 16, 2018)	The transition and effective date guidance is based on the facts and circumstances of each amendment. Some of the amendments in this ASU do not require transition guidance and will be effective upon issuance of this ASU. However, many of the amendments in this ASU do have transition guidance with effective dates for annual periods beginning after December 15, 2018, for PBEs.	Yes
ASU 2018-08, <i>Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made</i> (issued June 21, 2018)	For entities that serve as a resource recipient, the amendments should be applied to contributions received for annual periods beginning after June 15, 2018, and interim periods within those fiscal years. For entities that serve as a resource provider, the amendments should be applied to contributions made for annual periods beginning after December 15, 2018, and interim periods within those fiscal years.	Yes
ASU 2018-07, <i>Improvements to Nonemployee Share-Based Payment Accounting</i> (issued June 20, 2018)	Fiscal years beginning after December 15, 2018, and interim periods within those fiscal years.	Yes, but no earlier than the date on which an entity adopts ASC 606.
	Fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020.	June 21, 2018, Heads Up and A Roadmap to Accounting for Share-Based Payment Awards

ASU 2018-04, <i>Investments — Debt Securities (Topic 320) and Regulated Operations (Topic 980): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 117 and SEC Release No. 33-9273</i> (issued March 9, 2018)	The effective date for the amendments to ASC 320 is the same as the effective date of ASU 2016-01. Other amendments are effective upon issuance.	N/A	
ASU 2018-03, <i>Technical Corrections and Improvements to Financial Instruments — Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities</i> (issued February 28, 2018)	<p>Fiscal years beginning after December 15, 2017, and interim periods within those fiscal years beginning after June 15, 2018.</p> <p>Entities with fiscal years beginning between December 15, 2017, and June 15, 2018, are not required to adopt these amendments until the interim period beginning after June 15, 2018, and entities with fiscal years beginning between June 15, 2018, and December 15, 2018, are not required to adopt these amendments before adopting the amendments in ASU 2016-01.</p> <p>For all other entities, the effective date is the same as the effective date in ASU 2016-01.</p>	<p>The effective date is the same as the effective date in ASU 2016-01.</p> <p>Yes, if the entity has adopted ASU 2016-01.</p>	March 1, 2018, journal entry
ASU 2018-01, <i>Land Easement Practical Expedient for Transition to Topic 842</i> (issued January 25, 2018)	See effective date information for ASU 2016-02 below.	See effective date information for ASU 2016-02 below.	Yes
ASU 2017-14, <i>Income Statement — Reporting Comprehensive Income (Topic 220), Revenue Recognition (Topic 605), and Revenue From Contracts With Customers (Topic 606): Amendments to SEC Paragraphs Pursuant to Staff Accounting Bulletin No. 116 and SEC Release No. 33-10403</i> (issued November 22, 2017)	See effective date information for ASU 2014-09 below.	See effective date information for ASU 2014-09 below.	Yes

ASU 2017-13, <i>Revenue Recognition</i> (Topic 605), <i>Revenue From Contracts With Customers</i> (Topic 606), <i>Leases</i> (Topic 840), and <i>Leases</i> (Topic 842): <i>Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Rescission of Prior SEC Staff Announcements and Observer Comments</i> (issued September 29, 2017)	Effective upon adoption of ASU 2014-09 and ASU 2016-02, respectively (see related effective date information below).	Yes	July 20, 2017, <i>Heads Up</i>
ASU 2017-12, <i>Targeted Improvements to Accounting for Hedging Activities</i> (issued August 28, 2017; effective date amended by ASU 2019-10)	Fiscal years beginning after December 15, 2018, and interim periods within those fiscal years.	Yes	February 20, 2018, <i>journal entry and August 30, 2017, and November 19, 2019, Heads Up</i>
ASU 2017-11, <i>(Part I) Accounting for Certain Financial Instruments With Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests With a Scope Exception</i> (issued July 13, 2017)	The amendments in Part I are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. No transition guidance is required for the amendments in Part II because those amendments do not have an accounting effect.	Yes	July 21, 2017, <i>Heads Up, A Roadmap to Accounting for Contracts on an Entity's Own Equity, and A Roadmap to Distinguishing Liabilities From Equity</i>
ASU 2017-10, <i>Determining the Customer of the Operation Services</i> — a consensus of the FASB Emerging Issues Task Force (issued May 16, 2017)	For PBEs that have not adopted ASU 2014-09, the amendments are effective at the same time ASU 2014-09 is effective. For entities that have adopted ASU 2014-09, the amendments are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, for a PBE; an NFP entity that has issued, or is a conduit bond obligor for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market; and an employee benefit plan that files or furnishes financial statements with or to the SEC.	Yes	March 2017 <i>EITF Snapshot</i>

ASU 2017-08, <i>Premium Amortization on Purchased Callable Debt Securities</i> (issued March 30, 2017)	Fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018.	Fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020.	Yes	April 4, 2017, <i>Heads Up</i>
ASU 2017-07, <i>Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost</i> (issued March 10, 2017)	Annual periods beginning after December 15, 2017, including interim periods within those annual periods.	Annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019.	Yes	March 14, 2017, <i>Heads Up</i> and November 8, 2017, <i>Financial Reporting Alert</i>
ASU 2017-05, <i>Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets</i> (issued February 22, 2017)	See effective date information for ASU 2014-09 below.	See effective date information for ASU 2014-09 below.	Yes	February 28, 2017, <i>Heads Up</i> and A <i>Roadmap to Applying the New Revenue Recognition Standard</i>
ASU 2017-04, <i>Simplifying the Test for Goodwill Impairment</i> (issued January 26, 2017; effective date amended by ASU 2019-10)	For PBEs that are SEC filers, excluding entities eligible to be SRCs as defined by the SEC, the amendments in the ASU are effective for annual and interim goodwill impairment tests in fiscal years beginning after December 15, 2019. For PBEs that are not SEC filers, the ASU's amendments are effective for annual and interim goodwill impairment tests in fiscal years beginning after December 15, 2022.	Annual and interim goodwill impairment tests in fiscal years beginning after December 15, 2022.	Yes, for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017.	February 1, 2017, and November 19, 2019, <i>Heads Up</i> newsletters
ASU 2017-01, <i>Clarifying the Definition of a Business</i> (issued January 5, 2017)	Annual periods beginning after December 15, 2017, including interim periods within those annual periods.	Annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019.	Yes, in certain circumstances.	January 13, 2017, <i>Heads Up</i> and Appendix C of A <i>Roadmap to Accounting for Business Combinations</i>
ASU 2016-20, <i>Technical Corrections and Improvements to Topic 606, Revenue From Contracts With Customers</i> (issued December 21, 2016)	See status column for ASU 2014-09 below.	See status column for ASU 2014-09 below.	Yes	January 5, 2017, journal entry
ASU 2016-18, <i>Restricted Cash</i> — a consensus of the FASB Emerging Issues Task Force (issued November 17, 2016)	Fiscal years beginning after December 15, 2017, and interim periods within those fiscal years.	Fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.	Yes	November 17, 2016, <i>Heads Up</i> and A <i>Roadmap to the Preparation of the Statement of Cash Flows</i>

ASU 2016-16, <i>Intra-Entity Transfers of Assets Other Than Inventory</i> (issued October 24, 2016)	Annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods.	Annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019.	Yes	October 25, 2016, <i>Heads Up</i> and <i>A Roadmap to Accounting for Income Taxes</i>
ASU 2016-15, <i>Classification of Certain Cash Receipts and Cash Payments</i> — a consensus of the FASB Emerging Issues Task Force (issued August 26, 2016)	Fiscal years beginning after December 15, 2017, including interim periods within those fiscal years.	Fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.	Yes	August 30, 2016, <i>Heads Up</i> and <i>A Roadmap to the Preparation of the Statement of Cash Flows</i>
ASU 2016-13, <i>Measurement of Credit Losses on Financial Instruments</i> (issued June 16, 2016; effective date amended by ASU 2018-19 and ASU 2019-10)	For PBEs that are SEC filers, excluding entities eligible to be SRCs, the amendments in the ASU are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other PBEs, the amendments in the ASU are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years.	For all other entities, including NFPs and employee benefit plans within the scope of ASC 960 through ASC 965 on plan accounting, the amendments in the ASU are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years.	Yes, as of fiscal years beginning after December 15, 2018, including interim periods within those fiscal years.	<i>A Roadmap to Accounting for Current Expected Credit Losses</i> and June 17, 2016, and November 19, 2019, <i>Heads Up</i> newsletters
ASU 2016-12, <i>Revenue From Contracts With Customers</i> (Topic 606); <i>Narrow-Scope Improvements and Practical Expedients</i> (issued May 9, 2016)	See effective date information for ASU 2014-09 below.	See effective date information for ASU 2014-09 below.	Yes	May 11, 2016, <i>Heads Up</i>
ASU 2016-11, <i>Revenue Recognition</i> (Topic 605) and <i>Derivatives and Hedging</i> (Topic 815); <i>Rescission of SEC Guidance Because of Accounting Standards Updates 2014-09 and 2014-16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting</i> (issued May 2, 2016)	Effective at the same time as ASU 2014-09 and ASU 2014-16.	Effective at the same time as ASU 2014-09 and ASU 2014-16.	Yes	
ASU 2016-10, <i>Identifying Performance Obligations and Licensing</i> (issued April 14, 2016)	See effective date information for ASU 2014-09 below.	See effective date information for ASU 2014-09 below.	Yes	April 15, 2016, <i>Heads Up</i>
ASU 2016-08, <i>Principal Versus Agent Considerations</i> (Reporting Revenue Gross Versus Net) (issued March 17, 2016)	See effective date information for ASU 2014-09 below.	See effective date information for ASU 2014-09 below.	Yes	March 22, 2016, <i>Heads Up</i>

ASU 2016-04, <i>Recognition of Breakage for Certain Prepaid Stored-Value Products</i> — a consensus of the FASB Emerging Issues Task Force (issued March 8, 2016)	Effective for PBEs, certain NFPs, and certain employee benefit plans for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years.	Fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.	Yes	March 16, 2016, Heads Up
ASU 2016-02, <i>Leases</i> (issued February 25, 2016; effective date amended by ASU 2019-10)	Effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, for any of the following: <ul style="list-style-type: none"> • PBEs. • NFPs that have issued, or are a conduit bond obligor for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market. • Employee benefit plans that file financial statements with the SEC. 	For all other entities, the amendments in the ASU are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021.	Yes	A Roadmap to Applying the New Leasing Standard and November 19, 2019, Heads Up
ASU 2016-01, <i>Recognition and Measurement of Financial Assets and Financial Liabilities</i> (issued January 5, 2016)	Fiscal years beginning after December 15, 2017, including interim periods within those fiscal years.	For all other entities, including NFPs and employee benefit plans within the scope of ASC 960 through ASC 965 on plan accounting, the amendments in the ASU are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.	Certain provisions only.	January 12, 2016, Heads Up
ASU 2015-14, <i>Revenue From Contracts With Customers (Topic 606): Deferral of the Effective Date</i> (issued August 12, 2015)	See effective date information for ASU 2014-09 below.	See effective date information for ASU 2014-09 below.	Yes	August 13, 2015, journal entry

ASU 2014-09, <i>Revenue From Contracts With Customers</i> (issued on May 28, 2014; effective date amended by ASU 2015-14)	For PBEs, certain NFPs, and certain employee benefit plans, the ASU is effective for annual reporting periods (including interim reporting periods) within those periods) beginning after December 15, 2017.	Annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019.	For PBEs, certain NFPs, and certain employee benefit plans, early application is permitted only as of annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2016. All other entities may apply the ASU early as of an annual reporting period beginning after December 15, 2016, including interim reporting periods within that reporting period. All other entities also may apply the guidance in the ASU early as of an annual reporting period beginning after December 15, 2016, and interim reporting periods within annual reporting periods beginning one year after the annual reporting period in which the entity first applies the guidance in the ASU.	<i>A Roadmap to Applying the New Revenue Recognition Standard</i>
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PCAOB	Effective Date for PBEs	Early Adoption Allowed (Yes/No)	Deloitte Resources
Final Guidance			
Release 2018-006, <i>Amendments to Auditing Standards for Auditors' Use of the Work of Specialists</i> (issued December 20, 2018 and approved by the SEC on July 1, 2019)	Effective for audits of financial statements for fiscal years ending on or after December 15, 2020.	No	January 16, 2019, Audit & Assurance Update
Release 2018-005, <i>Auditing Accounting Estimates, Including Fair Value Measurements — and Amendments to PCAOB Auditing Standards</i> (issued December 20, 2018 and approved by the SEC on July 1, 2019)	Effective for audits of financial statements for fiscal years ending on or after December 15, 2020.	No	January 16, 2019, Audit & Assurance Update
Release 2017-001, <i>The Auditor's Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion and Related Amendments to PCAOB Standards</i> (issued June 1, 2017, and approved by the SEC on October 23, 2017)	Effective for audits of fiscal years ending on or after December 15, 2017, except for the paragraphs in the critical audit matters' section, which are effective for audits of large accelerated filers for fiscal years ending on or after June 30, 2019, and for audits of all other companies for fiscal years ending on or after December 15, 2020.	Yes	June 20, 2017, Heads Up

AICPA	Effective Date for Non-PBEs	Deloitte Resources
Final Guidance		
SAS 138, <i>Amendments to the Description of the Concept of Materiality</i> (issued December 5, 2019)	Effective for audits of financial statements for periods ending on or after December 15, 2020.	December 6, 2019, DART news item
SAS 137, <i>The Auditor's Responsibilities Relating to Other Information Included in Annual Reports</i> (issued June 10, 2019)	Effective for audits of financial statements for periods ending on or after December 15, 2020. Early adoption is not permitted.	July 10, 2019, DART news item

SAS 136, <i>Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA</i> (issued July 10, 2019)	Effective for audits of ERISA plan financial statements for periods ending on or after December 15, 2020. Early adoption is not permitted.	July 10, 2019, DART news item
SAS 135, <i>Omnibus Statement on Auditing Standards — 2019</i> (issued May 8, 2019)	Effective for audits of financial statements for periods ending on or after December 15, 2020. Early adoption is not permitted.	May 10, 2019, DART news item
SAS 134, <i>Auditor Reporting and Amendments, Including Disclosures in the Audit of Financial Statements</i> (issued May 8, 2019)	Effective for audits of financial statements for periods ending on or after December 15, 2020. Early adoption is not permitted.	May 10, 2019, DART news item
SEC		
Effective Date		
Deloitte Resources		
Final Guidance		
Staff Accounting Bulletin No. 119 (issued November 19, 2019)	November 25, 2019.	November 22, 2019, DART news item
Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-10709) (issued September 27, 2019)	October 24, 2019.	September 30, 2019, DART news item
Final Rule, <i>Solicitations of Interest Prior to a Registered Public Offering</i> (33-10699) (issued September 25, 2019)	December 3, 2019.	September 26, 2019, DART news item
Final Rule, <i>Exchange-Traded Funds</i> (33-10695) (issued September 25, 2019)	December 23, 2019.	September 26, 2019, DART news item
Final Rule, <i>Recordkeeping and Reporting Requirements for Security-Based Swap Dealers, Major Security-Based Swap Participants, and Broker-Dealers</i> (34-87005) (September 19, 2019)	February 14, 2020.	September 19, 2019, DART news item

Final Rule, Revisions to Prohibitions and Restrictions on Proprietary Trading and Certain Interests in, and Relationships With, Hedge Funds and Private Equity Funds (BHCA-7) (September 18, 2019)	January 1, 2020.	
Final Rule, Technical Amendments to Update Cross-References to Commission's FOIA Regulations (34-86982) (September 17, 2019)	September 26, 2019.	
Final Rule, Amendments to Rules for Nationally Recognized Statistical Rating Organizations (34-86590) (issued August 7, 2019)	September 13, 2019.	August 7, 2019, DART news item
Final Rule, FAST Act Modernization and Simplification of Regulation S-K (Technical Correction) (33-10618A) (August 6, 2019)	August 13, 2019.	August 7, 2019, DART news item
Final Rule, Revisions to Prohibitions and Restrictions on Proprietary Trading and Certain Interests in, and Relationships With, Hedge Funds and Private Equity Funds (BHCA-6) (issued July 5, 2019)	August 6, 2019.	July 10, 2019, DART news item
Final Rule, Capital, Margin, and Segregation Requirements for Security-Based Swap Dealers and Major Security-Based Swap Participants and Capital and Segregation Requirements for Broker-Dealers (34-86175) (issued June 21, 2019)	October 21, 2019.	June 21, 2019, DART news item
Final Rule, Auditor Independence With Respect to Certain Loans or Debtor-Creditor Relationships (33-10648) (issued June 18, 2019)	October 3, 2019.	June 18, 2019, DART news item
Final Rule, Amendment to Single Issuer Exemption for Broker-Dealers (34-86073) (issued June 10, 2019)	August 13, 2019.	June 11, 2019, DART news item

Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-10645) (issued June 7, 2019)	July 1, 2019.		
Final Rule, <i>Form CRS Relationship Summary; Amendments to Form ADV</i> (34-86032) (issued June 5, 2019)	September 10, 2019.		June 5, 2019, DART news item
Final Rule, <i>Regulation Best Interest: The Broker-Dealer Standard of Conduct</i> (34-86031 (issued June 5, 2019)	September 10, 2019.		June 5, 2019, DART news item
Final Rule, <i>Disclosure of Order Handling Information</i> (extension of compliance date for certain requirements) (34-85714) (issued April 24, 2019)	April 30, 2019.		
Final Rule, <i>FAST Act Modernization and Simplification of Regulation S-K</i> (33-10618) (issued March 20, 2019)	May 2, 2019.		March 25, 2019, Heads Up
Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-10615) (issued March 12, 2019)	April 1, 2019.		March 12, 2019, DART news item
Final Rule, <i>Disclosure of Hedging by Employees, Officers and Directors</i> (33-10593) (issued December 20, 2018)	March 8, 2019.		
Final Rule, <i>Transaction Fee Pilot for NMS Stocks</i> (34-84875) (issued December 19, 2018)	April 22, 2019.		
Final Rule, <i>Amendments to Regulation A</i> (33-10591) (issued December 19, 2018)	January 31, 2019.		
Final Rule, <i>Applications by Security-Based Swap Dealers or Major Security-Based Swap Participants for Statutorily Disqualified Associated Persons to Effect or Be Involved in Effecting Security-Based Swaps</i> (34-84858) (issued December 19, 2018)	April 22, 2019.		

Final Rule, <i>Adoption of Updated EDGAR Filer Manual</i> (33-10585) (issued December 14, 2018)	December 26, 2018.
Final Rule, <i>Covered Investment Fund Research Reports</i> (33-10580) (issued November 30, 2018)	January 14, 2019.
Final Rule, <i>Disclosure of Order Handling Information</i> (34-84528) (issued November 2, 2018)	January 18, 2019.
Final Rule, <i>Modernization of Property Disclosures for Mining Registrants</i> (33-10570) (issued October 31, 2018)	February 25, 2019.
Final Rule, <i>Optional Internet Availability of Investment Company Shareholder Reports</i> (33-10506) (issued June 5, 2018)	January 1, 2019.
Final Rule, <i>Investment Company Reporting Modernization</i> (33-10442) (issued December 8, 2017)	January 16, 2018, to March 31, 2026.

IASB/IFRIC	Effective Date	Early Adoption (Yes/No)	Deloitte Resources
Final Guidance			
<i>Interest Rate Benchmark Reform</i> — amendments to IFRS 9, IAS 39 and IFRS 7 (issued September 26, 2019)	Annual periods beginning on or after January 1, 2020; must be applied retrospectively.	Yes	September 26, 2019, IFRS in Focus
<i>Definition of Material</i> — amendments to IAS 1 and IAS 8 (issued October 31, 2018)	Annual periods beginning on or after January 1, 2020.	Yes	November 13, 2018, IFRS in Focus
<i>Definition of a Business</i> — amendments to IFRS 3 (October 22, 2018)	Annual periods beginning on or after January 1, 2020.	Yes	October 24, 2018, IFRS in Focus
<i>Amendments to References to the Conceptual Framework in IFRS Standards</i> (issued March 29, 2018)	Annual reporting periods beginning on or after January 1, 2020.	Yes	May 14, 2018, IFRS in Focus
<i>Plan Amendment, Curtailment or Settlement</i> — amendments to IAS 19 (issued February 7, 2018)	Annual periods beginning on or after January 1, 2019.	Yes	March 1, 2018, IFRS in Focus

<i>Annual Improvements to IFRS Standards 2015–2017 Cycle</i> (issued December 12, 2017)	Annual periods beginning on or after January 1, 2019.	Yes	March 1, 2018, <i>IFRS in Focus</i>
<i>Long-term Interests in Associates and Joint Ventures</i> — amendments to IAS 28 (issued October 12, 2017)	Annual reporting periods beginning on or after January 1, 2019.	Yes	October 19, 2017, <i>IFRS in Focus</i>
<i>Prepayment Features With Negative Compensation</i> — amendments to IFRS 9 (issued October 12, 2017)	Annual reporting periods beginning on or after January 1, 2019.	Yes	October 19, 2017, <i>IFRS in Focus</i>
IFRIC 23, <i>Uncertainty Over Income Tax Treatments</i> (issued June 7, 2017)	Annual reporting periods beginning on or after January 1, 2019.	Yes	June 7, 2017, <i>IFRS in Focus</i>
IFRS 17, <i>Insurance Contracts</i> (issued May 18, 2017)	Annual reporting periods beginning on or after January 1, 2021.	Yes, for entities that apply IFRS 9 and IFRS 15.	May 18, 2017, <i>IFRS in Focus</i>
<i>Transfers of Investment Property</i> — amendments to IAS 40 (issued December 8, 2016)	Annual periods beginning on or after January 1, 2018.	Yes	December 19, 2016, <i>IFRS in Focus</i>
<i>Applying IFRS 9 Financial Instruments With IFRS 4 Insurance Contracts</i> — amendments to IFRS 4 (issued September 12, 2016)	At the same time as IFRS 9.	At the same time as IFRS 9.	September 21, 2016, <i>IFRS in Focus</i>
<i>Clarifications to IFRS 15</i> (issued April 12, 2016)	At the same time as IFRS 15.	Yes	April 20, 2016, <i>IFRS in Focus</i>
IFRS 16, <i>Leases</i> (issued January 12, 2016)	Annual periods beginning on or after January 1, 2019.	Yes	May 28, 2015, <i>IFRS in Focus</i>
IFRS 9, <i>Financial Instruments</i> (issued July 24, 2014)	Annual periods beginning on or after January 1, 2018.	Yes	July 29, 2014, <i>IFRS in Focus</i>
IFRS 15, <i>Revenue From Contracts With Customers</i> (issued May 28, 2014)	Annual periods beginning on or after January 1, 2018.	Yes	May 28, 2014, <i>IFRS in Focus</i>

Appendix B: Current Status of FASB Projects

This appendix summarizes the current status and next steps for the FASB's active standard-setting projects (excluding research initiatives). New projects are shaded in [green](#).

Project	Status and Next Steps	Deloitte Resources
Recognition and Measurement Projects		
Accounting by a joint venture for nonmonetary assets contributed by investors	On September 18, 2019, the FASB added a project on the accounting by a joint venture for contributions of nonmonetary assets by the venturers.	
Codification improvements	<p>General</p> <p>The FASB has a standing project on its agenda to make regular updates and improvements to the Codification (e.g., technical corrections and clarifications). On November 26, 2019, the Board issued a proposed ASU that would make improvements to various Codification topics. Comments are due by December 26, 2019.</p> <p>Credit Losses</p> <p>On November 26, 2019, the FASB issued ASU 2019-11, which makes limited improvements to its guidance on credit losses.</p> <p>In addition, the FASB is developing a proposed ASU on credit loss vintage disclosure.</p> <p>Hedge Accounting</p> <p>On November 12, 2019, the FASB issued a proposed ASU that would make limited amendments to its hedge accounting guidance in response to stakeholder feedback on ASU 2017-12. Comments are due by January 13, 2020.</p> <p>Share-Based Consideration Payable to a Customer</p> <p>On November 11, 2019, the FASB issued ASU 2019-08, which clarifies that share-based payments made as consideration payable to a customer should be measured and classified in accordance with ASC 718.</p>	<p>Heads Up — <i>FASB Improves Guidance on Credit Losses</i> (December 2, 2019)</p> <p>Heads Up — <i>FASB Proposes Improvements to Hedge Accounting Guidance</i> (November 26, 2019)</p> <p>Heads Up — <i>FASB Clarifies the Accounting for Share-Based Payments Issued as Sales Incentives to Customers</i> (November 13, 2019)</p>
Consolidation reorganization and targeted improvements	On September 20, 2017, the FASB issued a proposed ASU that would reorganize the consolidation guidance in ASC 810 by dividing it into separate subtopics for voting interest entities and variable interest entities. The new subtopics would be included in a new topic, ASC 812, which would supersede ASC 810. Comments on the proposal were due by December 4, 2017. On June 27, 2018, the FASB decided to continue the project.	Heads Up — <i>FASB Proposes to Reorganize Its Consolidation Guidance</i> (October 5, 2017)

Distinguishing liabilities from equity (including convertible debt)	On July 31, 2019, the FASB issued a proposed ASU that would change the issuer's accounting for convertible instruments, contracts in the entity's own equity, and earnings-per-share computations. Comments were due by October 14, 2019. On December 11, 2019, the FASB discussed comment letter feedback and reaffirmed certain decisions. The FASB will continue redeliberations in the first quarter of 2020.	Heads Up — <i>FASB Proposes Simplifications to the Issuer's Accounting for Convertible Instruments and Contracts on an Entity's Own Equity</i> (August 8, 2019)
Effective dates for private companies, not-for-profit organizations and small public companies	On November 15, 2019, the FASB issued ASU 2019-10 , which defers — for private companies, not-for-profit organizations, and small public companies — the effective dates of the credit losses and leasing standards and the recent amendments to the hedge accounting standard.	Heads Up — <i>FASB Changes Some Effective Dates for Certain New Accounting Standards</i> (November 19, 2019)
Financial instruments — clarifying the interaction between ASC 321 and ASC 323 (EITF Issue 19-A)	On July 30, 2019, the FASB issued a proposed ASU that would clarify the interaction between the accounting for equity securities under ASC 321 and that for equity method investments under ASC 323. Comments were due by August 29, 2019. On November 20, 2019, the FASB ratified the consensus reached by the EITF at its November 7, 2019, meeting. The FASB expects to issue the final ASU in the first quarter of 2020.	EITF Snapshot (November 2019)
Hedging: last-of-layer method	On March 28, 2018, the FASB decided to add a narrow-scope project to address the accounting for last-of-layer basis adjustments and hedging multiple layers under the last-of-layer method in accordance with ASU 2017-12. On October 16, 2019, the FASB discussed various issues and directed the staff to draft a proposed ASU for external review.	Journal Entry — <i>FASB Reaches Tentative Decisions Related to Its Project on Last-of-Layer Hedging</i> (October 22, 2019)
Identifiable intangible assets and subsequent accounting for goodwill	On July 9, 2019, the FASB issued an invitation to comment on the subsequent accounting for goodwill, the recognition of intangible assets in a business combination, and disclosures about goodwill and intangible assets. Comments were due by October 7, 2019.	

Improving the accounting for asset acquisitions and business combinations	On August 2, 2017, the FASB tentatively decided that this project should (1) address differences between the accounting for acquisitions of assets and that for acquisitions of businesses and (2) focus on the accounting for transaction costs, in-process research and development, and contingent consideration. On May 8, 2018, the FASB discussed how certain aspects of the accounting for asset acquisitions could be aligned with those for business combinations. On May 8, 2019, the FASB decided to expand the scope of this project to include the accounting for in-process research and development and contingent consideration obligations recognized upon the initial consolidation of a variable interest entity that is not a business.	
Insurance — effective date	On November 15, 2019, the FASB issued ASU 2019-09 , which defers the effective date of ASU 2018-12 .	Insurance Spotlight — <i>FASB Defers Effective Dates of Targeted Improvements to the Accounting for Long-Duration Contracts</i> (November 2019)
Reference rate reform: facilitation of the effects of the interbank offered rate transition on financial reporting	On September 5, 2019, the FASB issued a proposed ASU that would provide optional guidance to ease the potential burden related to accounting for reference rate reform. Comments were due by October 7, 2019. On November 13, 2019, the FASB approved the issuance of a final ASU, which it expects to issue in early 2020.	Journal Entry — <i>FASB Discusses Reference Rate Reform, Distinguishing Liabilities From Equity, and the Conceptual Framework</i> (June 26, 2019) Heads Up — <i>SEC Staff Issues Statement on LIBOR Transition</i> (August 6, 2019)
Revenue recognition: contract modifications of licenses of intellectual property (EITF Issue 19-B)	On May 8, 2019, the FASB decided to add this project to the EITF's agenda to address the accounting for contract modifications of licenses of intellectual property (including additional rights granted and revocation of licensing rights).	EITF Snapshot (November 2019)
Simplifications to accounting for income taxes	On May 14, 2019, the FASB issued a proposed ASU that would make limited amendments to ASC 740 to simplify the accounting for income taxes. Comments on the proposal were due by June 28, 2019. On September 4, 2019, the FASB discussed comments received and directed the staff to draft a final ASU for a vote by written ballot. The FASB expects to issue the final ASU in the fourth quarter of 2019.	Heads Up — <i>FASB Proposes Simplifications to Accounting for Income Taxes</i> (May 29, 2019)
Warrant modifications: issuer's accounting for modifications of equity-classified freestanding call options that are not within the scope of ASC 718 or ASC 815 (EITF Issue 19-C)	On September 18, 2019, the FASB added to the EITF's agenda a project on the issuer's accounting for modifications of equity-classified warrants (i.e., equity-classified freestanding call options that are outside the scope of ASC 718 and ASC 815).	

Presentation and Disclosure Projects

Disclosure framework: disclosure review — income taxes	On July 26, 2016, the FASB issued a proposed ASU that would modify existing and add new income tax disclosure requirements. Comments on the proposed ASU were due by September 30, 2016. On March 25, 2019, the FASB issued a revised proposed ASU on this topic; comments were due by May 31, 2019.	Heads Up — <i>FASB Proposes Changes to Income Tax Disclosure Requirements</i> (March 29, 2019)
Disclosure framework: disclosure review — inventory	On January 10, 2017, the FASB issued a proposed ASU that would modify or eliminate certain disclosure requirements related to inventory and establish new requirements. Comments on the proposed ASU were due by March 13, 2017. On June 21, 2017, the Board discussed a summary of comments received.	Heads Up — <i>FASB Proposes Updates to Inventory Disclosures</i> (January 12, 2017)
Disclosure framework: disclosures — interim reporting	At its May 28, 2014, meeting, the FASB decided to amend ASC 270 “to reflect that disclosures about matters required to be set forth in annual financial statements should be provided on an updated basis in the interim report if there is a substantial likelihood that the updated information would be viewed by a reasonable investor as significantly altering the ‘total mix’ of information available to the investor.” On July 11, 2018, the Board directed the staff to develop principles for interim disclosure. On September 18, 2019, the FASB decided to add to ASC 270 a high-level principle related to interim disclosure.	
Disclosure improvements in response to SEC’s release on disclosure update and simplification	On May 6, 2019, the FASB issued a proposed ASU that would make Codification amendments in response to the SEC’s disclosure update and simplification initiative. Comments on the proposal were due by June 28, 2019.	
Disclosures by business entities about government assistance	On November 12, 2015, the FASB issued a proposed ASU that would require specific disclosures about government assistance received by businesses. Comments on the proposed ASU were due by February 10, 2016. The FASB most recently discussed this project on February 27, 2019.	Journal Entry — <i>FASB Begins Redeliberating Project on Business Entities’ Disclosures About Government Assistance</i> (June 14, 2016) Heads Up — <i>FASB Proposes ASU to Increase Transparency of Accounting for Government Assistance Arrangements</i> (November 20, 2015)
Financial performance reporting: disaggregation of performance information	The FASB added this project to its technical agenda on September 20, 2017, “to focus on the disaggregation of performance information either through presentation in the statement of income or disclosure in the notes.” On December 11, 2019, the FASB decided to pause research on the project to monitor the progression of its segment reporting project and certain IASB activities.	

Not-for-profit reporting of gifts in kind	The FASB added this project on August 21, 2019. The project's objective is to enhance transparency about the reporting of gifts in kind by not-for-profit entities. On November 6, 2019, the FASB made decisions about presentation and disclosure and directed the staff to draft a proposed ASU for a vote by written ballot.	
Segment reporting	The FASB added this project to its technical agenda on September 20, 2017. The purpose of the project is to improve "the aggregation criteria and segment disclosures." The FASB most recently discussed this project on December 11, 2019.	A Roadmap to Segment Reporting
Simplifying the balance sheet classification of debt	On January 10, 2017, the FASB issued a proposed ASU that would reduce the complexity of determining whether debt should be classified as current or noncurrent in a classified balance sheet. Comments on that proposal were due by May 5, 2017. On September 12, 2019, the FASB issued a revised proposed ASU on this topic. Comments were due by October 28, 2019.	Heads Up — <i>FASB Reexposes Proposed ASU on Simplification of the Balance Sheet Classification of Debt</i> (September 19, 2019)
Framework Projects		
Conceptual framework	<p>Presentation</p> <p>On August 11, 2016, the FASB issued a proposed concepts statement that would add a new chapter on presentation of financial statement information to the conceptual framework. Comments were due by November 9, 2016. On May 3, 2017, the FASB discussed feedback received.</p> <p>Measurement</p> <p>On June 18, 2014, the Board decided to begin developing concepts related to measurement. The Board most recently discussed this project on November 13, 2019.</p> <p>Elements</p> <p>On May 3, 2017, the FASB decided to add a conceptual framework project on elements. The FASB most recently discussed this project on November 13, 2019.</p>	

Appendix C: New and Updated Deloitte U.S. Accounting Publications

Roadmap Series

A Roadmap to Fair Value Measurements and Disclosures (Including the Fair Value Option) (December 2019)

A Roadmap to Accounting for Current Expected Credit Losses (December 2019)

A Roadmap to Accounting for Share-Based Payment Awards (November 2019)

A Roadmap to SEC Comment Letter Considerations, Including Industry Insights (November 2019)

A Roadmap to Accounting for Business Combinations (November 2019)

A Roadmap to Accounting for Contingencies and Loss Recoveries (November 2019)

A Roadmap to Comparing IFRS Standards and U.S. GAAP: Bridging the Differences (November 2019)

A Roadmap to SEC Reporting Considerations for Equity Method Investees (October 2019)

A Roadmap to Accounting for Equity Method Investments and Joint Ventures (September 2019)

Annual Industry Updates for the Financial Services Industry

Insurance — Accounting and Financial Reporting Update (December 2019)

Real Estate — Accounting and Financial Reporting Update (December 2019)

Banking & Capital Markets — Accounting and Financial Reporting Update (November 2019)

Investment Management — Accounting and Financial Reporting Update (November 2019)

Heads Up Newsletters

Highlights of the 2019 AICPA Conference on Current SEC and PCAOB Developments (December 15, 2019)

FASB Improves Guidance on Credit Losses (December 2, 2019)

FASB Proposes Improvements to Hedge Accounting Guidance (November 26, 2019)

FASB Changes Some Effective Dates for Certain New Accounting Standards (November 19, 2019)

FASB Clarifies the Accounting for Share-Based Payments Issued as Sales Incentives to Customers (November 13, 2019)

EITF Snapshot Newsletter

November 2019

Financial Reporting Alert Newsletter

Financial Reporting Considerations Related to Pension and Other Postretirement Benefits (November 1, 2019)

Technology Alert Newsletters

Challenges Associated With Applying the New Revenue Standard: Blend-and-Extend Modifications Related to a Cloud-Based or Hosted Software Arrangement (December 2, 2019)

Challenges Associated With Applying the New Revenue Standard: Identifying the Performance Obligations in a Hybrid Cloud-Based Arrangement (December 2, 2019)

Challenges Associated With Applying the New Revenue Standard: Accounting for Cloud-Based or Hosting Arrangements With Variable Consideration (December 2, 2019)

Challenges Associated With Applying the New Revenue Standard: Accounting for Implementation Services Related to a Cloud-Based or Hosting Arrangement (November 1, 2019)

Challenges Associated With Applying the New Revenue Standard: Nonrefundable Up-Front Fees in Software Arrangements (October 23, 2019)

Challenges Associated With Applying the New Revenue Standard: Highly Variable or Uncertain Pricing (October 7, 2019)

Accounting Spotlight Newsletters

Current Expected Credit Losses: Complexities for Commercial Entities (November 20, 2019)

Cloud Computing Arrangements: Implementation Complexities (October 29, 2019)

Industry Spotlight Newsletter

Insurance Spotlight — FASB Defers Effective Dates of Targeted Improvements to the Accounting for Long-Duration Contracts (November 2019)

Deloitte Accounting Journal Entries

FASB Reaches Tentative Decisions Related to Its Project on Last-of-Layer Hedging (October 22, 2019)

FASB Votes to Finalize ASUs on Amendments to the Effective Dates for Credit Losses, Derivatives and Hedging, Leases, and Insurance Standards (October 18, 2019)

Dbriefs for Financial Executives

We invite you to participate in *Dbriefs*, Deloitte's webcast series that delivers practical strategies you need to stay on top of important issues. Gain access to valuable ideas and critical information from webcasts in the "Financial Executives" series on the following topics:

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

Quarterly Accounting Roundup is prepared by members of Deloitte's National Office. The purpose of this publication is to briefly describe key regulatory and professional developments that have recently occurred in the field of accounting and to provide links to locations where additional information can be found on each topic. Readers seeking additional information about a topic should review the information referred to in the hyperlinks and not rely solely on the descriptions included in this communication.

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