SECOND QUARTER 2017

SIGNIFICANT ACCOUNTING & REPORTING MATTERS

OUM & CO. LLP

ACCOUNTANTS & BUSINESS ADVISORS

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Issued on a quarterly basis, the Significant Accounting and Reporting Matters Guide provides a brief digest of final and proposed financial accounting standards. This guide is designed to help audit committees, boards and financial executives keep up to date on the latest corporate governance and financial reporting developments.

Highlights include:

Financial Accounting Headlines
FASB, SEC & PCAOB Highlights
IASB Projects
Effective Dates of US Accounting Pronouncements
Other Activities

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FINANCIAL ACCOUNTING STANDARDS BOARD (FASB)

FINAL FASB GUIDANCE

All final FASB guidance can be accessed on the FASB website located under the *Standards* tab, *Accounting Standards Updates*.

Accounting Standards Update 2017-10, *Determining the Customer of the Operation Services*

Issued: May 2017

Summary: ASU 2017-10 amends Topic 853[1] to clarify that when applying Topic 606,[2] an operating entity in a service concession arrangement should consider the grantor to be its customer for the services it provides in all cases. This includes the construction of the infrastructure, if any, as well as operating services.

The FASB ultimately concluded the operating entity is acting as the grantor's service provider to operate and maintain the infrastructure, which is controlled by the grantor, and the only parties to the executed service concession arrangement are the grantor and the operating entity.

Effective Date: The effective date of ASU 2017-10 depends on whether an entity has already adopted Topic 606:

- For an entity that has not adopted Topic 606 before the issuance of this ASU, the effective date and transition requirements for the amendments generally are the same as the effective date and transition requirements for Topic 606. An entity may apply this ASU earlier, including within an interim period, even though the entity has not yet adopted Topic 606, but specific transition requirements apply.
- For an entity that has adopted Topic 606 before the issuance of this ASU, the effective date of the amendments is as follows:
    1. For a public business entity the amendments are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years.
    2. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.

Accounting Standards Update 2017-09, *Scope of Modification Accounting*

[1] Service Concession Arrangements

[2] Revenue from Contracts with Customers

Issued: May 2017

Summary: ASU 2017-09 clarifies Topic 718[3] such that that an entity must apply modification accounting to changes in the terms or conditions of a share-based payment award *unless* all of the following criteria are met:

1. The fair value of the modified award is the same as the fair value of the original award immediately before the modification. The standard indicates that if the modification does not affect any of the inputs to the valuation technique used to value the award, the entity is not required to estimate the value immediately before and after the modification.
2. The vesting conditions of the modified award are the same as the vesting conditions of the original award immediately before the modification.
3. The classification of the modified award as an equity instrument or a liability instrument is the same as the classification of the original award immediately before the modification.

Effective Date: The amendments are effective for all entities for fiscal years beginning after December 15, 2017, including interim periods within those years. Early adoption is permitted, including adoption in an interim period.

PROPOSED FASB GUIDANCE

The following is a summary of significant proposed guidance that was issued for comment during the quarter. All proposed FASB guidance can be accessed on the FASB website located under the *Projects* tab.

Proposed Accounting Standards Updates, *Technical Corrections and Improvements—Elimination of Topic 995 and Subtopic 942-740*

Issued: June 2017

Comment Deadline: August 28, 2017

Summary: The FASB has issued two exposure drafts[4] as a result of its ongoing technical corrections and improvements project. The proposed amendments would eliminate certain sections of the Accounting Standards Codification which have been superseded by guidance on accounting for deferred taxes contained in Topic 740.

Proposed Accounting Standards Update, *Targeted Improvements to Related Party Guidance for Variable Interest Entities*

Issued: June 2017

Comment Deadline: September 5, 2017

[3] Compensation – Stock Compensation

[4] *Elimination of Topic 995* and *Elimination of Certain Guidance for Bad Debt Reserves of Savings and Loans*

Summary: The proposed amendments would improve the following areas of the variable interest entity (VIE) guidance in Topic 810:[5]

- Private company alternative - A private company (reporting entity) may elect an accounting policy whereby it would not have to apply VIE guidance to legal entities under common control (including common control leasing arrangements) if both the parent and the legal entity being evaluated for consolidation are not public business entities.
- Decision-making fees - Indirect interests held through related parties in common control arrangements would be considered on a proportional basis for determining whether fees paid to decision makers and service providers are variable interests. This change would provide consistency with how indirect interests held through related parties under common control are considered for determining whether a reporting entity must consolidate a VIE.
- VIE related party guidance – The proposed amendments would eliminate mandatory consolidation when power is shared among related parties or when commonly controlled related parties, as a group, have the characteristics of a controlling financial interest but no reporting entity individually has a controlling financial interest. Instead, the guidance would provide a framework, based on qualitative factors, by which a reporting entity should determine if it has a controlling financial interest and therefore should consolidate a VIE.

Invitation to Comment, *U.S. GAAP Financial Reporting Taxonomy—Efficiency and Effectiveness Review*

Issued: May 2017

Comment Deadline: June 15, 2017

Summary: The FASB is conducting an assessment of the GAAP Taxonomy through this invitation to comment (ITC). The GAAP Taxonomy specifies elements to be tagged in a standard, structured, and interactive format, which provides a means for public companies to report financial information in digital format and meets the SEC's regulatory requirements. The ITC requests feedback on two areas: potential improvements to the usability of the GAAP Taxonomy; and potential improvements to the processes that support GAAP Taxonomy-related activities. The FASB plans to hold a public roundtable meeting to discuss the feedback received on this ITC on Tuesday, July 18, 2017.

[5] Consolidation

OTHER ACTIVITIES

The following section provides high level summaries of other relevant FASB publications and activities.

Private Company Council

Summary: The Private Company Council (PCC) met in April 2017. Several PCC members expressed support for the FASB's proposed amendments to simplify hedge accounting, including provisions to allow private companies flexibility in completing the hedge documentation requirements given their limited accounting resources. Many PCC members expressed support for the FASB's project to exempt private companies under common control from applying the Variable Interest Entity (VIE) guidance in Topic 810. See the exposure draft on related party consolidation matters above.

Additional topics discussed include the FASB's disclosure framework project, liabilities and equity ("down round" features), and cloud computing.

A complete recap of the meeting can be found **here**.

FASB Transition Resource Groups

Credit Losses TRG

Summary: The FASB established the Transition Resource Group (TRG) for Credit Losses early in 2016 to solicit, analyze, and discuss implementation issues that could arise when organizations implement ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*. The group met in June 2017, and discussed the following topics: use of the effective interest rate; scope of PCD assets for beneficial interests; transition guidance for PCD assets; troubled debt restructurings; and estimated life of a credit card receivable.

Revenue Recognition TRG

Summary: The TRG for Revenue Recognition was established in 2014 to solicit, analyze, and discuss stakeholder issues arising from implementation of the recently issued standard, ASU 2014-09 (Topic 606), *Revenue from Contracts with Customers*; to inform the FASB and IASB about those implementation issues, which will help the Boards determine what, if any, action will be needed to address those issues; and to provide a forum for stakeholders to learn about the new guidance from others involved with implementation. The group did not meet during the second quarter of 2017, nor are any additional meetings currently scheduled.

AICPA Financial Reporting Executive Committee

Summary: The Financial Reporting Executive Committee (FinREC) is the senior committee of the AICPA for financial reporting. It is authorized to make public statements on behalf of the AICPA on financial reporting matters. During the quarter, topics discussed by FinREC included:

Revenue Recognition – FinREC has issued multiple working drafts that provide industry-specific considerations and illustrative examples related to the implementation of ASU 2014-09, *Revenue from Contracts with Customers*. FinREC continued to issue working drafts for comment in the second quarter of 2017 affecting a variety of industry sectors. Comment periods are generally 60 days.

In January 2017, the AICPA published the first edition of its *Audit and Accounting Guide: Revenue Recognition*. This edition addresses general accounting considerations, general auditing considerations, and accounting implementation issues in the aerospace & defense and asset management industries. Future editions will address accounting implications of these and other industries. The AICPA plans to update the online edition as additional accounting implementation issues are finalized. At its completion, the guide will include 16 industry-specific chapters that address accounting implementation issues, and provide industry- specific illustrative examples of how to apply the new standard. It will also provide detailed coverage of audit considerations.

Complete details and additional AICPA resources are available **here**.

Accounting and Valuation Guide - FinREC continued deliberations on a new interpretive practice guide, *Valuation of Portfolio Company Investments of Venture Capital and Private Equity Firms and Other Investment Companies*. Deliberations included market participant assumptions, calibration and other valuation-related matters.

Refer to the AICPA website at: **www.aicpa.org/interestareas/frc/accountingfinancialreporting/pages/finrec.aspx**.

SECURITIES AND EXCHANGE COMMISSION (SEC)

FINAL SEC GUIDANCE

All SEC Final Rules can be accessed on the SEC website located under the *Regulatory Actions* section, *Final Rules*.

(Note: The following pertains to significant accounting and reporting SEC releases. For a complete listing of SEC rules, please refer to the SEC website.)

The SEC did not issue any significant final guidance during the quarter.

PROPOSED SEC GUIDANCE

All SEC Proposed Rules can be accessed on the **SEC website** located under the *Regulatory Actions* section, *Proposed Rules*.

(Note: The following pertains to significant accounting and reporting SEC releases. For a complete listing of SEC rules, please refer to the SEC website.)

The SEC did not issue any significant proposed guidance during the quarter.

OTHER ACTIVITIES

The following section provides high level summaries of other relevant SEC publications and activities.

Partial Nullification of Conflict Minerals Rule

Summary: In April, in light of a U.S District Court decision that a portion of the conflict minerals rule infringes upon a company's constitutional right of free speech, the SEC staff issued updated guidance on how a company should comply with aspects of the conflict minerals rule not affected by the Court's decision. The guidance clarifies that the SEC staff will not enforce compliance with Item 1.01(c) of Form SD, the specialized disclosure form used for conflict minerals reporting.

PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD (PCAOB)

FINAL PCAOB GUIDANCE

All final PCAOB guidance can be accessed on the PCAOB website located under the *Rules of the Board* tab.

Auditing Standard 3101, *The Auditor's Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion*

Issued: June 2017

Summary: The PCAOB has adopted a new auditor reporting standard, *The Auditor's Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion*, and related amendments to certain other PCAOB standards, to enhance the auditor's report by requiring communication of additional information about the audit, including communication of critical audit matters.

The new standard and related amendments retain the pass/fail opinion in the existing auditor's report, but significantly change the existing auditor's report. The changes in the report include:

- Communication of any critical audit matters (CAMs) arising from the audit, or a statement that the auditor determined that there were no CAMs;
- Disclosure of auditor tenure; and
- Other improvements to the auditor's report, to clarify the auditor's role and responsibilities and make the auditor's report easier to read.

CAMs are matters that were communicated or required to be communicated to the audit committee, and that (1) relate to accounts or disclosures that are material to the financial statements, and (2) involve especially challenging, subjective, or complex auditor judgment. The adopted standard generally applies to audits conducted under PCAOB standards; however, communication of CAMs is not required for audits of emerging growth companies; brokers and dealers; investment companies other than business development companies; and employee stock purchase, savings, and similar plans. Auditors of these entities may choose to voluntarily include CAMs in the audit report.

Effective Date: Subject to approval by the SEC, the PCAOB's phased approach to the effective date for the new standard and amendments, will take effect as follows:

- Report format, tenure, and other information – effective for audits for fiscal years ending on or after December 15, 2017;
- Communication of CAMs for audits of large accelerated filers – effective for audits for fiscal years ending on or after June 30, 2019; and
- Communication of CAMs for audits of all other companies – effective for audits for fiscal years ending on or after December 15, 2020.

PROPOSED PCAOB GUIDANCE

All proposed PCAOB guidance can be accessed on the **PCAOB website** located under the *Rules of the Board* tab.

Proposed Auditing Standard 2501, *Auditing Accounting Estimates, Including Fair Value Measurements, and Related Amendments*

Issued: June 2017

Commend Deadline: August 30, 2017

Summary: The proposed standard would replace three existing auditing standards: AS 2501, *Auditing Accounting Estimates*, AS 2502, *Auditing Fair Value Measurements and Disclosures*, and AS 2503, *Auditing Derivative Instruments, Hedging Activities, and Investments in Securities*. The proposed single standard also would include a special topics appendix that addresses auditing the fair value of financial instruments, including the use of information from pricing services. The proposal strengthens and enhances the requirements for auditing accounting estimates by establishing a single standard that sets forth a uniform, risk-based approach. The proposed auditing standard and proposed amendments would be applicable to all audits conducted in accordance with PCAOB standards.

Proposed Amendments to Auditing Standards for Auditor's Use of the Work of Specialists

Issued: June 2017

Commend Deadline: August 30, 2017

Summary: The proposed amendments would apply a risk-based supervisory approach to both auditor-employed and auditor-engaged specialists, as well as strengthen requirements for evaluating the work of a company's specialist. Under this proposal, the PCAOB would amend two extant standards: AS 1105, *Audit Evidence*, and AS 1201, *Supervision of the Audit Engagement*. AS 1105 would be amended to add a new appendix that addresses using the work of a company's specialist as audit evidence, based on the risk-based approach of the risk assessment standards. AS 1201 would be amended to add a new appendix on supervising the work of auditor-employed specialists. The proposal also would replace extant AS 1210, *Using the Work of a Specialist*, and retitle it to *Using the Work of an Auditor-Engaged Specialist*, to set forth requirements for using the work of auditor-engaged specialists.

INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

FINAL IASB GUIDANCE

All final IASB guidance can be accessed on the IASB website located under the *IFRS* tab, *Standards and Interpretations*.

IFRIC Interpretation 23, *Uncertainty over Income Tax Treatments*

Issued: June 2017

Summary: The Interpretation clarifies how to apply the recognition and measurement requirements in IAS 12, *Income Taxes* when there is uncertainty over income tax treatments, addressing four specific issues:

- Whether an entity considers uncertain tax treatments separately;
- The assumptions an entity should make about the examination of tax treatments by taxation authorities;
- How an entity determines taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates; and
- How an entity considers changes in facts and circumstances.

Effective Date: IFRIC 23 is effective for periods beginning on or after January 1, 2019, with early adoption permitted.

IFRS 17, *Insurance Contracts*

Issued: May 2017

Summary: IFRS 17 replaces IFRS 4, and requires all insurance contracts to be accounted for in a consistent manner. It requires Insurance obligations to be accounted for using current values instead of historical cost, and updated regularly. IFRS 17 includes an optional simplified measurement approach, or premium allocation approach, for simpler insurance contracts. The key principles in IFRS 17 are that an entity:

- Identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.
- Separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts.
- Divides the contracts into groups that it will recognize and measure.
- Recognizes and measures groups of insurance contracts at:
    i. a risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all of the available information about the fulfilment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset)

ii. an amount representing the unearned profit in the group of contracts (the contractual service margin).

- Recognizes the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognizes the loss immediately.
- Presents separately insurance revenue (that excludes the receipt of any investment component), insurance service expenses (that excludes the repayment of any investment components) and insurance finance income or expenses.
- Discloses information to enable users of financial statements to assess the effect that that contracts within the scope of IFRS 17 have on the financial position, financial performance and cash flows of an entity.

Effective Date: IFRS 17 is effective for periods beginning on or after January 1, 2021, with early adoption permitted.

PROPOSED IASB GUIDANCE

The following is a summary of all significant proposed guidance that was issued or was open for comment during the quarter. All proposed IASB guidance can be accessed on the IASB website located under the *Get Involved* tab, *Comment on a Proposal*.

Exposure Draft, *Property, Plant and Equipment—Proceeds before Intended Use (Proposed Amendment to IAS 16)*

Issued: June 2017

Comment Deadline: October 19, 2017

Summary: The Exposure Draft proposes narrow-scope amendments to IAS 16 *Property, Plant and Equipment*. The proposed amendments would prohibit deducting sales proceeds from the cost of an item of property, plant and equipment while that asset is being made available for use. Instead, the company would recognise those sales proceeds and related costs in profit or loss. The amendments are intended to reduce diversity in practice in this area.

Proposed IFRS Taxonomy Update 2017—IFRS 17, *Insurance Contracts*

Issued: May 2017

Comment Deadline: September 18, 2017

Summary: IFRS Taxonomy Updates reflect new IFRS Standards and amendments to Standards issued by the Board, allowing entities that report electronically using the latest Standards to do so without creating their own taxonomy concepts. The updates may also include technical updates, new common practice elements or general taxonomy improvements.

This proposed *IFRS Taxonomy Update* sets out proposed amendments to the IFRS Taxonomy for IFRS 17, *Insurance Contracts*.

EFFECTIVE DATES OF U.S. ACCOUNTING PRONOUNCEMENTS

This appendix was prepared with a calendar year-end company in mind. Therefore standards with an initial effective date in 2016 have been included since many companies applied them for the first time in 2017, e.g., the first interim or annual period beginning on or after December 15, 2016. Standards that do not require adoption before 2018 are highlighted in gray.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE - NON PUBLIC
ASC 230, Statement of Cash Flows		
ASU 2016-18, *Restricted Cash*	Effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period.	Effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period.
ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments*	Effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. Early adoption is permitted.	Effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted.
ASC 310-20, Receivables—Nonrefundable Fees and Other Costs		
ASU 2017-08, *Premium Amortization on Purchased Callable Debt Securities*	Effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period.	Effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period.
ASC 323, Investments—Equity Method and Joint Ventures		
ASU 2016-07, *Simplifying the Transition to the Equity Method of Accounting*	The amendments are effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016. The amendments should be applied	The amendments are effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016. The amendments should be applied

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
	prospectively upon their effective date to increases in the level of ownership interest or degree of influence that result in the application of the equity method. Early adoption is permitted.	prospectively upon their effective date to increases in the level of ownership interest or degree of influence that result in the application of the equity method. Early adoption is permitted.
ASC 326, Credit Losses		
ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*	For public business entities that are SEC filers, the amendments are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other public business entities, the amendments are effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years.	For all other entities, including not-for-profit entities and employee benefit plans within the scope of Topics 960 through 965 on plan accounting, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021.
ASC 330, Inventory		
ASU 2015-11, *Simplifying the Measurement of Inventory*	Effective prospectively for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2016. Early adoption is permitted as of the beginning of an interim or annual reporting period. If an entity has previously written down inventory (within the scope of the ASU) below its cost, that reduced amount is considered the cost upon adoption. Upon adoption, the change from the lower of cost or market to the lower of cost and net realizable value for inventory within the scope of the ASU will be accounted for as a change in accounting principle	Effective for fiscal years beginning after December 15, 2016, and for interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted as of the beginning of an interim or annual reporting period. If an entity has previously written down inventory (within the scope of the ASU) below its cost, that reduced amount is considered the cost upon adoption. Upon adoption, the change from the lower of cost or market to the lower of cost and net realizable value for inventory within the scope of the ASU will be accounted for as a change in accounting principle
ASC 350, Intangibles – Goodwill and Other		
ASU 2017-04, *Simplifying the Test for Goodwill Impairment*	A public business entity that is a U.S. Securities and Exchange Commission (SEC) filer should adopt the amendments for its annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2019. A public business entity that is not an SEC filer should adopt the amendments for its annual or any interim goodwill impairment tests in fiscal	All other entities, including not-for-profit entities, should adopt the amendments for their annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2021. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE - NON PUBLIC
	years beginning after December 15, 2020. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017.	
ASC 405, Liabilities		
ASU 2016-04, *Liabilities—Extinguishments of Liabilities (Subtopic 405-20): Recognition of Breakage for Certain Prepaid Stored-Value Products*	Effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted.	Effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted.
ASC 606, Revenue; and ASC 610-20, Other Income—Gains and Losses from the Derecognition of Nonfinancial Assets		
ASU 2014-09, *Revenue from Contracts with Customers* **ASU 2015-14,** *Revenue from Contracts with Customers: Deferral of the Effective Date* **ASU 2016-08,** *Principal versus Agent Considerations (Reporting Revenue Gross versus Net)* **ASU 2016-10**, *Identifying Performance Obligations and Licensing* **ASU 2016-12,** *Narrow-Scope Improvements and Practical Expedients* **ASU 2016-20,** *Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers* **ASU 2017-05,** *Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets*	Effective for annual periods beginning after December 15, 2017, including interim periods therein. Entities may adopt using a retrospective approach (with certain optional practical expedients) or a cumulative effect approach. Under the this alternative, an entity would apply the new revenue standard only to contracts that are incomplete under legacy U.S. GAAP at the date of initial application (e.g. January 1, 2018) and recognize the cumulative effect of the new standard as an adjustment to the opening balance of retained earnings. That is, prior years would not be restated and additional disclosures would be required to enable users of the financial statements to understand the impact of adopting the new standard in the current year compared to prior years that are presented under legacy U.S. GAAP. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim periods within that year.	Effective for annual periods beginning after December 15, 2018. In addition, the new standard is effective for interim periods within annual periods that begin after December 15, 2019. The same transition alternatives apply. Early adoption is permitted as of either: ▶ An annual reporting period beginning after December 15, 2016, including interim periods within that year, or ▶ An annual reporting period beginning after December 15, 2016 and interim periods within annual reporting periods beginning one year after the annual period in which the entity first applies the new standard.
ASC 715, Compensation—Retirement Benefits		

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE - NON PUBLIC
ASU 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*	Effective for public business entities for fiscal years beginning after December 15, 2017, including interim periods within those years. Early adoption is permitted as of the beginning of an annual period.	Effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early adoption is permitted as of the beginning of an annual period.
ASU 2015-04, *Practical Expedient for the Measurement Date of an Employer's Defined Benefit Obligation and Plan Assets*	Effective prospectively for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption is permitted.	Effective prospectively for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted.
ASC 718, Compensation—Stock Compensation		
ASU 2017-09, *Scope of Modification Accounting*	Effective for fiscal years beginning after December 15, 2017, including interim periods within those years. Early adoption is permitted, including adoption in an interim period.	Effective for fiscal years beginning after December 15, 2017, including interim periods within those years. Early adoption is permitted, including adoption in an interim period.
ASU 2016-09, *Improvements to Employee Share-Based Payment Accounting*	Effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted.	Effective for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted.
ASC 740, Income Taxes		
ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*	Effective for annual reporting periods beginning after December 15, 2017 and interim reporting periods within those fiscal years. An entity may elect early adoption, but it must do so for the first interim period of an annual period if it issues interim financial statements.	Effective for annual reporting periods beginning after December 15, 2018 and interim periods within annual periods beginning after December 15, 2019. An entity may elect early adoption, but it must do so for the first interim period of an annual period if it issues interim financial statements.
ASU 2015-17, *Balance Sheet Classification of Deferred Taxes*	Effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2016. Early adoption is permitted as of the beginning of any interim or annual reporting period.	Effective for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted as of the beginning of any interim or annual reporting period.
ASC 805, Business Combinations		

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASU 2017-01, *Clarifying the Definition of a Business*	Effective for annual periods beginning after December 15, 2017, including interim periods within those periods. Early adoption is permitted if certain criteria are met.	Effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early adoption is permitted if certain criteria are met.
ASU 2015-16, *Simplifying the Accounting for Measurement-Period Adjustments*	Effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted.	Effective for fiscal years beginning after December 15, 2016, and for interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted.
ASC 810, Consolidation		
ASU 2016-17, *Interests Held through Related Parties That Are under Common Control*	Effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. Early adoption is permitted. However, if an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of that fiscal year.	Effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted. However, if an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of that fiscal year.
ASU 2015-02, *Amendments to the Consolidation Analysis*	Effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015.	Effective for fiscal years beginning after December 15, 2016, and for interim periods within fiscal years beginning after December 15, 2017.
ASU 2014-13, *Measuring the Financial Assets and the Financial Liabilities of a Consolidated Collateralized Financing Entity*	Effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. Early adoption is permitted as of the beginning of an annual period. Entities may adopt using either a full or modified retrospective approach. The modified approach only impacts the annual period of adoption by recording a cumulative-effect adjustment to equity.	Effective for annual periods beginning after December 15, 2016, and interim and annual periods thereafter. Early adoption is permitted as of the beginning of an annual period. Entities may adopt using either a full or modified retrospective approach. The modified approach only impacts the annual period of adoption by recording a cumulative-effect adjustment to equity.
ASC 815, Derivatives and Hedging		

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASU 2016-06, *Contingent Put and Call Options in Debt Instruments*	Effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted. However, if an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of that fiscal year.	Effective for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted. However, if an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of that fiscal year.
ASU 2016-05, *Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships*	Effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted.	Effective for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted.
ASC 820, Fair Value Measurement		
ASU 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent) (a consensus of the Emerging Issues Task Force)*	Effective retrospectively for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption is permitted.	Effective retrospectively for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted.
ASC 825, Financial Instruments		
ASU 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*	Effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. Certain provisions of the ASU are eligible for early adoption.	Effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019 with early adoption permitted for fiscal years beginning after December 15, 2017 including interim periods within those years. Certain provisions of the ASU are eligible for early adoption prior to December 15, 2017.
ASC 842, Leases		

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASU 2016-02, *Leases*	Effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. Specific transition requirements apply.	Effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. Specific transition requirements apply.
ASC 853, Service Concession Arrangements		
ASU 2017-10, *Determining the Customer of the Operation Services*	For an entity that has not adopted Topic 606 before the issuance of this ASU, the effective date and transition requirements for the amendments generally are the same as the effective date and transition requirements for Topic 606. An entity may apply this ASU earlier, including within an interim period, even though the entity has not yet adopted Topic 606, but specific transition requirements apply. For a public business entity that has adopted Topic 606 before the issuance of this ASU, the ASU is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years.	For an entity that has not adopted Topic 606 before the issuance of this ASU, the effective date and transition requirements for the amendments generally are the same as the effective date and transition requirements for Topic 606. An entity may apply this ASU earlier, including within an interim period, even though the entity has not yet adopted Topic 606, but specific transition requirements apply. For a nonpublic entity that has adopted Topic 606 before the issuance of this ASU, the ASU is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.
ASC 915, Development Stage Entities		
ASU 2014-10, *Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation*	**DSE requirements** – Effective for annual reporting periods beginning after December 15, 2014 and interim periods therein. While the elimination of the DSE financial reporting requirements applies retrospectively, the new disclosures about related risks and uncertainties are required prospectively. Early adoption is permitted for financial statements that have not yet been issued or made available for issuance. **Consolidation update -** Effective for annual reporting periods beginning after December 15, 2015 and interim periods therein. The amendments apply retrospectively and also generally incorporate the transition provisions of Statement 167 to address situations in which it may not be practicable to obtain the necessary information for prior	**DSE requirements** – Effective for annual reporting periods beginning after December 15, 2014, and interim periods beginning after December 15, 2015. While the elimination of the DSE financial reporting requirements applies retrospectively, the new disclosures about related risks and uncertainties are required prospectively. Early adoption is permitted for financial statements that have not yet been issued or made available for issuance. **Consolidation update -** Effective for annual reporting periods beginning after December 15, 2016 and interim reporting periods beginning after December 15, 2017. The amendments apply retrospectively and also generally incorporate the transition provisions of Statement 167 to address

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	years. Early adoption is permitted for financial statements that have not yet been issued or made available for issuance.	situations in which it may not be practicable to obtain the necessary information for prior years. Early adoption is permitted for financial statements that have not yet been issued or made available for issuance.
ASC 944, Financial Services—Insurance		
ASU 2015-09, *Disclosures about Short-Duration Contracts*	Effective for annual reporting periods beginning after December 15, 2015 and interim reporting periods within annual periods beginning after December 15, 2016. Early adoption is permitted.	Effective for annual reporting periods beginning after December 15, 2016 and interim reporting periods within annual periods beginning after December 15, 2017. Early adoption is permitted.
ASC 958, Not-for-Profit Entities and Topic 954, Health Care Entities		
ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*	Not applicable.	Effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Application to interim financial statements is permitted but not required in the initial year of application. Early adoption is permitted.
ASC 958-810, Not-for-Profit Entities—Consolidation		
ASU 2017-02, *Clarifying When a Not-for-Profit Entity That Is a General Partner or a Limited Partner Should Consolidate a For-Profit Limited Partnership or Similar Entity*	Not applicable.	Effective for annual financial statements issued for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted, including adoption in an interim period. If an NFP early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE - NON PUBLIC
ASC 960, Defined Benefit Pension Plans; ASC 962, Defined Contribution Pension Plans; and ASC 965, Health and Welfare Benefit Plans		
ASU 2017-06, *Employee Benefit Plan Master Trust Reporting (a consensus of the Emerging Issues Task Force)*	Not applicable.	Effective for fiscal years beginning after December 15, 2018, and should be applied retrospectively. Early adoption is permitted.
Other		
ASU 2017-03, *Accounting Changes and Error Corrections (Topic 250) and Investments—Equity Method and Joint Ventures (Topic 323): Amendments to SEC Paragraphs Pursuant to Staff Announcements at the September 22, 2016 and November 17, 2016 EITF Meetings*	Effective immediately upon issuance.	Not applicable.
ASU 2016-19, *Technical Corrections and Improvements*	Most of the amendments do not require transition guidance and are effective upon issuance. Several amendments have specific transition requirements, and early adoption is permitted for those items.	Most of the amendments do not require transition guidance and are effective upon issuance. Several amendments have specific transition requirements, and early adoption is permitted for those items.
ASU 2016-11, *Revenue Recognition (Topic 605) and Derivatives and Hedging (Topic 815): 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*	The amendments within Topics 605 and 932 are effective upon adoption of Topic 606. Paragraph 815-10-S99-3 is rescinded to coincide with the effective date of ASU 2014-16.	The amendments within Topics 605 and 932 are effective upon adoption of Topic 606. Paragraph 815-10-S99-3 is rescinded to coincide with the effective date of ASU 2014-16.