THIRD QUARTER 2014

AN OFFERING FROM BDO'S NATIONAL ASSURANCE PRACTICE

SIGNIFICANT ACCOUNTING & REPORTING MATTERS

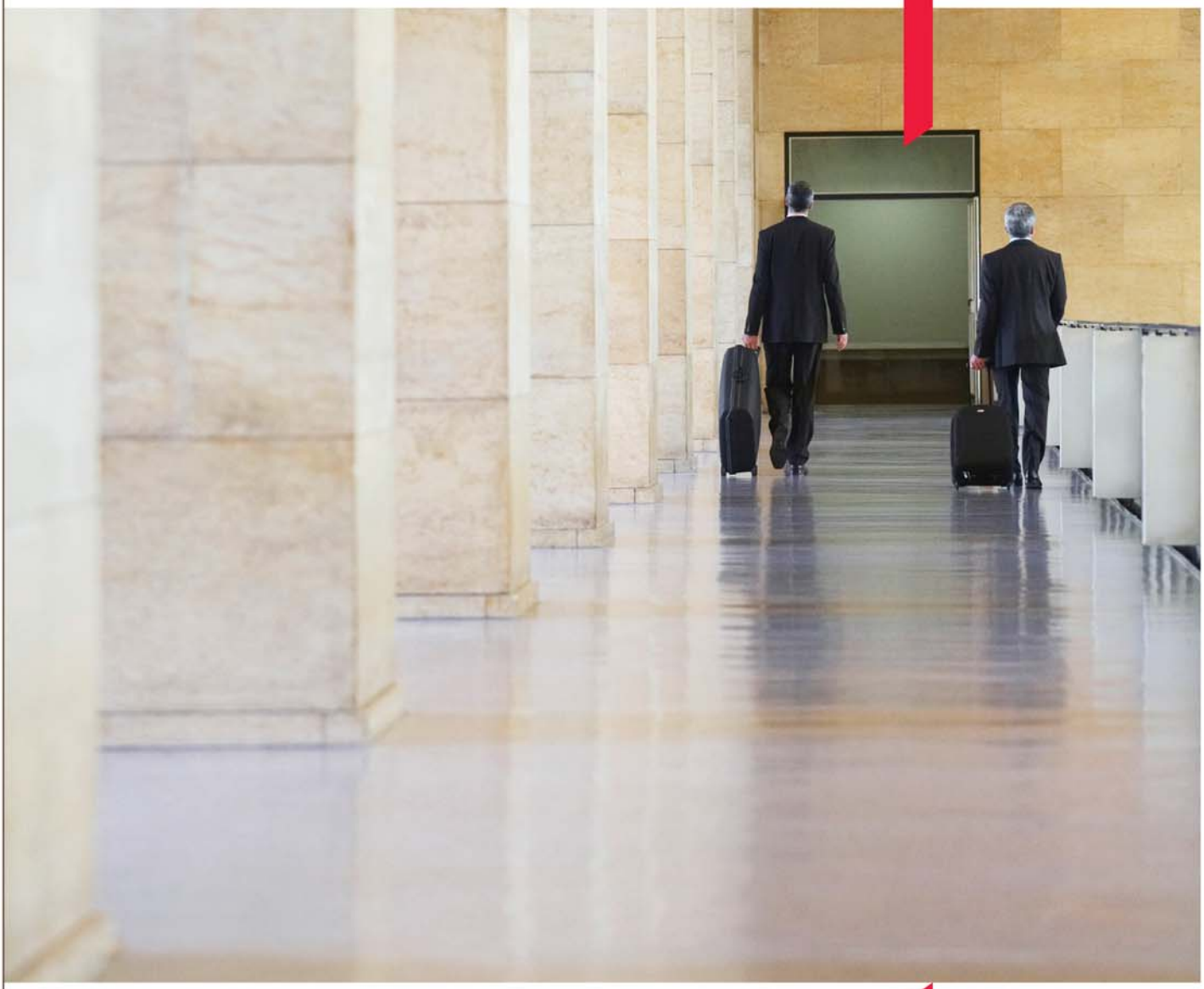

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TABLE OF CONTENTS

▶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 2014-15, *Presentation of Financial Statements – Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*

Issued: September 2014

Summary: The amendments in this Update define *when* and *how* companies are required to disclose going concern uncertainties, which must be evaluated each interim and annual period. Specifically, the ASU requires management to determine whether substantial doubt exists regarding the entity's going concern presumption. Substantial doubt about an entity's ability to continue as a going concern exists when relevant conditions and events, considered in the aggregate, indicate that it is probable that the entity will be unable to meet its obligations as they become due within one year after the date that the financial statements are issued (or available to be issued). If substantial doubt exists, certain disclosures are required; the extent of those disclosures depends on an evaluation of management's plans (if any) to mitigate the going concern uncertainty.

For additional information on this topic, refer to BDO's Flash Report.

Effective Date and Transition: The new standard applies prospectively, for both public and private entities, to annual periods ending after December 15, 2016, and to annual and interim periods thereafter. Early adoption is permitted.

Accounting Standards Update 2014-14, *Receivables – Troubled Debt Restructurings by Creditors (Subtopic 310-40): Classification of Certain Government-Guaranteed Mortgage Loans upon Foreclosure (a consensus of the FASB Emerging Issues Task Force)*

Issued: August 2014

Summary: The amendments in this Update address a practice issue related to the classification of certain foreclosed residential and nonresidential mortgage loans that are either fully or partially guaranteed under government programs. Specifically, creditors should reclassify loans that meet certain conditions to "other receivables" upon foreclosure, rather than reclassifying them to other real estate owned (OREO). The separate other receivable recorded upon foreclosure is to be measured based on the amount of the loan balance (principal and interest) the creditor expects to recover from the guarantor.

For additional information on this topic, refer to BDO's Flash Report.

Effective Date and Transition: The ASU is effective for public business entities for annual periods, and interim periods within those annual periods, beginning after December 15, 2014. For all other entities, the amendments are effective for annual periods ending after December 15, 2015, and interim periods beginning after December 15, 2015. Early adoption is permitted, if the entity has already adopted ASU 2014-04, *Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans*

upon Foreclosure. Transition methods include a prospective method and a modified retrospective method; however, entities must apply the same transition method as elected under ASU 2014-04.

Accounting Standards Update 2014-13, *Consolidation (Topic 810): Measuring the Financial Assets and the Financial Liabilities of a Consolidated Collateralized Financing Entity (a consensus of the FASB Emerging Issues Task Force)*

Issued: August 2014

Summary: The amendments in this Update address the measurement mismatch that often results from the difference between the fair value of the financial assets and financial liabilities of a consolidated collateralized financing entity (CFE). The ASU provides an option for measuring the financial assets and financial liabilities of a CFE to eliminate that difference under certain conditions. Under that optional alternative, a reporting entity should use the more observable of the fair value of the financial assets and the fair value of the financial liabilities of a CFE to measure both. If an entity does not elect the measurement alternative, it should continue applying the measurement guidance in Topic 820 to assets and liabilities that are carried at fair value in the financial statements.

For additional information on this topic, refer to BDO's Flash Report.

Effective Date: The ASU is effective for public business entities for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. For entities other than public business entities, the amendments are 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.

Emerging Issues Task Force Issues – Final Consensuses

Status: The Task Force reached final consensus on the following Issues in September 2014 and has submitted them to the FASB for review. FASB ratification is expected in early October, with final ASUs to be issued shortly thereafter.

Issue 12-F: Pushdown Accounting

Summary: The EITF concluded that a reporting entity would have the option to apply pushdown accounting in its standalone financial statements when an acquirer obtains control of the reporting entity. The option would also be available to a subsidiary of an acquired entity, regardless of whether the acquired entity, or other intermediate parent entity, applies pushdown accounting. If elected, the reporting entity would adjust its standalone financial statements to reflect the acquirer's new basis in the acquired entity's assets and liabilities, and would provide relevant disclosures required by Topic 805.

Effective Date: The final amendments are expected to be applied prospectively to all pushdown accounting elections made following the issuance of the ASU. The Final ASU is also expected to permit an entity to elect pushdown accounting for its most recent change-in-control event, if not previously elected. However, prior decisions to apply pushdown accounting may not be reversed.

Issue 13-G: Determining Whether the Host Contract in a Hybrid Financial Instrument Issued in the Form of a Share is More Akin to Debt or Equity

Summary: The EITF concluded that, when determining whether the host contract is more akin to debt or equity in order to determine if an embedded derivative must be bifurcated from the host contract in a hybrid instrument issued in the form of shares, an entity would consider all stated and implied substantive terms and features of the hybrid financial instrument. This approach is known as the "whole instrument approach." The final ASU will include additional implementation guidance on whether terms and features more closely resemble those of debt or equity, as well as a framework for evaluating those terms and features.

Effective Date: The final amendments are expected to be effective for public business entities for annual periods beginning after December 15, 2015, and interim periods within those years. They are expected to be effective for entities other than public business entities for annual periods beginning after December 15, 2015, and interim periods thereafter. The final amendments can be applied on a full retrospective basis or using a modified retrospective approach in the annual period of adoption.

PROPOSED FASB GUIDANCE

The following is a summary of significant proposed guidance that was issued or was open for comment during the quarter. All proposed FASB guidance can be accessed on the **FASB website** located under the *Exposure Documents* tab. In addition, refer to **BDO comment letters** on all proposals.

Proposed Accounting Standards Update, *Technical Corrections and Improvements*

Issued: September 15, 2014

Comment Deadline: December 1, 2014

Summary: The proposed Update contains amendments that would affect a wide variety of Topics in the Codification as part of the FASB's ongoing project to address feedback from stakeholders and make other incremental improvements to U.S. GAAP. The amendments would introduce changes to clarify the Codification, and make minor improvements that are not expected to have a significant effect on current accounting practice.

Effective Date and Transition: The effective date will be determined after the Board considers the feedback on the amendments in this proposed Update.

Proposed Accounting Standards Update, *Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement*

Issued: August 20, 2014

Comment Deadline: November 18, 2014

Summary: The amendments in this proposed Update would help entities evaluate the accounting for fees paid by a customer in a cloud computing arrangement (e.g., software as a service, platform as a service, infrastructure as a service, and other similar hosting arrangements). The proposed guidance would not change U.S. GAAP for a customer's accounting for software licenses or service contracts, rather it would help customers determine if a cloud computing arrangement includes a software license, and thus, whether to account for the arrangement as an acquisition of a software license or as a service contract.

Effective Date and Transition: The proposed Update would be effective for annual periods, including interim periods within those annual periods, beginning after December 15, 2015. For all other entities, the proposed amendments would be effective for annual periods beginning after December 15, 2015, and interim periods in annual periods beginning after December 15, 2016. Early adoption would be permitted for all entities.

Proposed Accounting Standards Update, *Income Statement – Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items*

Issued: July 15, 2014

Comment Deadline: September 30, 2014

Summary: The amendments in this proposed Update would eliminate from GAAP the concept of extraordinary items. Currently, an entity is required to separately classify, present, and disclose extraordinary events and transactions. While the amendments would eliminate the requirements in Subtopic 225-20 for reporting entities to consider whether an underlying event or

transaction is extraordinary, the presentation and disclosure guidance for items that are unusual in nature or infrequently occurring would be retained.

For more information, refer to BDO's comment letter.

Effective Date and Transition: The proposed Update would be applied prospectively for extraordinary items in annual periods, and interim periods within those annual periods, beginning after December 15, 2015. Early adoption would be permitted.

Proposed Accounting Standards Update, *Inventory (Topic 330): Simplifying the Measurement of Inventory*

Issued: July 15, 2014

Comment Deadline: September 30, 2014

Summary: The amendments in this proposed Update would require inventory to be measured at the lower of cost and net realizable value. *Net realizable value* is defined in the Master Glossary as the "estimated selling process in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation." The amendments would eliminate the guidance in Topic 330 that requires a reporting entity also to consider the replacement cost of inventory and the net realizable value of inventory, less an approximately normal profit margin. The amendments would also revise Topic 330 to more clearly articulate the requirements for the measurement and disclosure of inventory.

For more information, refer to BDO's comment letter.

Effective Date and Transition: The proposed Update would be applied prospectively for the measurement of inventory in annual periods, and interim periods within the annual periods, beginning after December 15, 2015. Early adoption would be permitted.

Emerging Issues Task Force Issues – Consensuses-for-Exposure

Status: The Task Force reached consensus-for-exposure on the following Issues in September 2014 and has submitted them to the FASB for review. FASB ratification is expected in early October, with exposure drafts to be issued shortly thereafter.

Issue 14-A: Effects on Historical Earnings per Unit of Master Limited Partnership Dropdown Transactions

Summary: The EITF is proposing that a master limited partnership (MLP) would allocate the net income (loss) of a transferred business entirely to the general partner when calculating historical earnings per unit for periods prior to a dropdown transaction that occurs after the formation of the MLP and that is accounted for as a common control transaction. That is, no income or loss would be allocated to the limited partner units in periods prior to the drop down transaction.

Effective Date: The Task Force will determine the effective date of the final amendments after considering feedback on the exposure draft.

Issue 14-B: Fair Value Hierarchy Levels for Certain Investments Measured at Net Asset Value

Summary: The EITF is proposing that investments measured using the net asset value (NAV) practical expedient in Topic 820 would no longer be required to be categorized within the fair value hierarchy nor included in the fair value table disclosed in the footnotes. Rather, such investments would be disclosed as reconciling items between the balance sheet amounts and amounts reported in the fair value table.

Effective Date: The Task Force will determine the effective date of the final amendments after considering feedback on the exposure draft.

OTHER ACTIVITIES

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

PCC – Accounting for Identifiable Intangible Assets in a Business Combination

The Private Company Council (PCC) voted in September to finalize an accounting alternative that would exempt private companies from separately recognizing and measuring non-competition agreements and customer-related intangible assets that are not capable of being sold or licensed independently in a business combination. The alternative is subject to ratification by the FASB.

FASB and IASB Joint Transition Resource Group for Revenue Recognition

The FASB and IASB Joint Transition Resource Group (TRG) for Revenue Recognition met for the first time in July 2014. The purpose of the group is 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.

BDO plans to host a webinar discussing the issues being examined by the TRG in November 2014. For more information on this program, or for resources on the new standard, refer to BDO's Revenue Recognition Resource Center.

More information may also be found on the FASB website.

Update on International Convergence

The FASB and the IASB continue their efforts on their remaining joint projects: financial instruments and leases. Third quarter developments are detailed below by topic.

Financial Instruments: Classification and Measurement – In the third quarter, the FASB continued redeliberations. The Board affirmed the impairment guidance in the February 2013 proposed Update for an investment in an equity security without a readily determinable fair value that does not qualify for the practical expedient to estimate fair value in accordance with the net asset value (NAV) and for which the entity has elected to apply the practicability exception to carry the investment at cost minus impairment, adjusted for observable price changes. The Board also discussed impairment for investments in equity securities accounted for under the equity method of accounting. All other investments in equity securities will be carried at fair value through net income.

The Board also decided to enhance the disclosures about bifurcated embedded derivatives, and to expose these disclosures for public comment.

Financial Instruments: Impairment - The FASB also continued redeliberations on impairment of financial instruments. The Board decided that available-for-sale debt securities should be excluded from the scope of the Current Expected Credit Losses (CECL) model, and should continue to be within the scope of the impairment guidance in Topic 320, with certain modifications to that guidance. The Board affirmed its previous decision that the CECL model should apply to debt securities classified as held-to-maturity including a change to allow an entity to reverse credit losses. The Board also made certain decisions regarding clarifications to the measurement principle in the CECL model.

The Board discussed feedback received on the hedge accounting portion of the May 2010 financial instruments exposure draft and a related February 2011 discussion paper. The Board also discussed possible next steps for the project, but did not make any technical decisions.

In July 2014, the IASB completed its reform of accounting for financial instruments with the issuance of IFRS 9 *Financial Instruments (2014)*. IFRS 9 has an effective date of January 1, 2018. Refer to the "IASB" section below for details.

Leases – The revised exposure draft was issued in May 2013, and the comment period closed in September 2013. The exposure draft was criticized by most constituents for its expected cost to implement and its complexity, and many questioned whether it would provide improved information to users of the financial statements.

During the third quarter of 2014, the Boards continued redeliberating the proposals in the May 2013 Exposure Draft. The topics discussed included nonpublic business entity discount rate considerations, related party leasing transactions, accounting for sale and leaseback transactions, and leveraged leases. The FASB and the IASB reached different tentative decisions for some of these topics.

For more information, refer to:

- BDO's Flash Report
- BDO self-study course: *Reproposed Lease Exposure Draft Update*
- BDO's comment letter

For current status of joint FASB/IASB projects, refer to the FASB's Current Technical Plan and Project Updates and IASB's Work Plan for IFRSs.

PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD (PCAOB)

FINAL PCAOB GUIDANCE

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

SEC Approval of Final PCAOB Guidance

As of the date of this publication, the SEC had not approved any Final PCAOB guidance during the quarter.

Final PCAOB Guidance, Pending SEC Approval

As of the date of this publication, the PCAOB had not adopted any final guidance during the quarter.

PROPOSED PCAOB GUIDANCE

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

As of the date of this publication, the PCAOB had not issued any proposed guidance during the quarter.

OTHER ACTIVITIES

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

Staff Audit Practice Alert on Going Concern

Summary: In September, the PCAOB issued Staff Audit Practice Alert No. 13 to remind auditors to continue to follow existing PCAOB standards when considering a company's ability to continue as a going concern. The alert was issued in light of recent changes to U.S. generally accepted accounting principles introduced with ASU 2014-15 (see "FASB Final Guidance" above). The Alert states that auditors should continue to apply the existing requirements of AU sec. 341 when evaluating whether the auditor's report requires an explanatory paragraph disclosing the auditor's substantial doubt about a company's ability to continue as a going concern. The PCAOB has added to its standard-setting agenda a project to consider potential revisions to AU sec. 341.

Staff Audit Practice Alert on Auditing Revenue

Summary: In September, the PCAOB issued Staff Audit Practice Alert No. 12 to highlight for auditors the requirements for auditing revenue under PCAOB standards, in light of significant audit deficiencies in this area that have been frequently observed during PCAOB inspections. The Alert discusses certain requirements in PCAOB standards concerning auditing revenue that are relevant to the significant audit deficiencies frequently found during inspections.

Since revenue is often significant to a company's operating results, audit committees may find the matters discussed in the Alert of interest and might consider discussing with their auditors their approach to auditing revenue.

For more information, refer to BDO's Flash Report.

Staff Consultation Paper: Auditing Accounting Estimates and Fair Value Measurements

Summary: In August, the PCAOB staff published a consultation paper which discusses and solicits comments on certain issues related to auditing accounting estimates and fair value measurements. It describes the staff's preliminary views concerning the potential need for change and presents potential revisions to PCAOB standards. The paper requests comment on these issues and on a possible approach to changing existing standards, as well as possible alternatives. Feedback is requested no later than November 3, 2014.

▶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.)

As of the date of this publication, the SEC had not adopted any significant final rules 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.)

Selected Financial Data and the New Revenue Recognition Accounting Standard

At the September 11, 2014 Financial Accounting Standards Advisory Council meeting, the SEC staff provided its view on how registrants would reflect their adoption of the new revenue standard in Selected Financial Data required by Item 301 of SEC Regulation S-K. The staff commented that the Division of Corporation Finance will not object if registrants that retrospectively adopt the new standard apply it to Selected Financial Data for the same years as presented in the company's primary financial statements. For example, a registrant presenting three years of income statements in its primary financial statements would reflect the adoption of the standard to three years in the Selected Financial Data. The two earliest years in the Selected Financial Data could be presented without reflecting the retrospective application of the new standard, and the registrant would disclose in a note to the Data table the lack of comparability of the earlier years.

▶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*.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

Issued: September 2014

Summary: The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

For more information, refer to BDO's IFRS News at a Glance.

Effective Date: The amendments have an effective date of January 1, 2016.

Equity Method in Separate Financial Statements (Amendments to IAS 27)

Issued: August 2014

Summary: The amendments restore an option that was removed as part of a broad range of amendments made to IFRSs in 2003, for an entity to account for its investments in subsidiaries, joint ventures and associates using the equity method in its separate financial statements. The accounting approach that is selected is required to be followed for each category of investment.

For more information, refer to BDO's IFRS News at a Glance.

Effective Date: The amendments have an effective date of January 1, 2016.

IFRS 9 Financial Instruments (2014)

Issued: July 2014

Summary: The final version of IFRS 9 brings together the classification and measurement, impairment and hedge accounting requirements for financial instruments and replaces IAS 39 Financial Instruments: Recognition and Measurement. Major changes to the existing requirements are:

- Classification and measurement – A single approach for the classification and measurement of financial assets which is based on the business model and the cash flow characteristics

- Impairment – Forward looking model resulting in a more timely recognition of losses (expected credit losses), applicable to all financial instruments
- Own credit risk – Changes in own credit risk for liabilities that are measured at fair value (fair value option) are recognized in OCI rather than in profit or loss
- Hedge accounting – The requirements now better reflect the risk management of an entity.

For more information, refer to BDO's IFRS News at a Glance.

Effective Date: The amendments have an effective date of January 1, 2018.

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—Measuring Quoted Investments in Subsidiaries, Joint Ventures and Associates at Fair Value (Proposed amendments to IFRS 10, IFRS 12, IAS 27, IAS 28 and IAS 36 and Illustrative Examples for IFRS 13)

Issued: September 2014

Comment Deadline: January 16, 2015

Summary: The proposed amendments would address the unit of account and the fair value measurement of investments in subsidiaries, joint ventures, and associates quoted in an active market.

The proposed amendments also would revise IAS 36 Impairment of Assets to address the measurement of the recoverable amount of cash-generating units on the basis of the fair value less costs of disposal when they refer to cash generating units (CGUs) quoted in an active market, clarifying that the measurement of the fair value of quoted investments and quoted CGUs is measured as the product of the quoted price for the individual financial instrument and the quantity of financial instruments.

The amendments also propose to add an example to IFRS 13 Fair Value Measurement that illustrates the fair value measurement of an entity's net exposure to market risks arising from a group of financial assets and liabilities whose market risks are substantially the same and whose fair value measurement is categorized within level 1 of the fair value hierarchy (portfolio exemption).

Exposure Draft—Recognition of Deferred Tax Assets for Unrealised Losses (Proposed amendments to IAS 12)

Issued: August 2014

Comment Deadline: December 18, 2014

Summary: The draft amendments propose guidance that clarifies how to account for deferred tax assets related to debt instruments measured at fair value.

The draft amendments are proposed in response to diversity in practice and are relevant in circumstances in which the entity reports tax losses.

OTHER ACTIVITIES

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

Discussion Paper— Reporting the Financial Effects of Rate Regulation

Summary: Many governments regulate the supply and pricing of particular types of activity by entities. These activities usually involve providing goods or services that are considered in that jurisdiction to be essential to customers, including transport services, some types of insurance policies, and utilities such as gas, electricity and water. Some forms of rate regulation can significantly affect not only the amount of revenue and profit that a rate rate-regulated entity can earn, but also the timing of the related cash flows. The Discussion Paper does not include any specific accounting proposals. Instead, it explores what information about rate-regulated activities is most useful to users of financial statements and outlines possible approaches (and the accompanying advantages and disadvantages) that the IASB could consider in deciding how best to report the financial effects of rate regulation.

The Discussion Paper also seeks comments on whether the presentation and disclosure requirements of IFRS 14 *Regulatory Deferral Accounts* should form the basis of any future proposals that the IASB may develop as a result of feedback from this consultation. Comments are requested no later than January 15, 2015.

▶EFFECTIVE DATES OF U.S. ACCOUNTING PRONOUNCEMENTS

This appendix was prepared with a calendar year-end company in mind. Therefore standards with an effective date in 2013 have been included since many companies applied them for the first time in 2014, e.g., the first interim or annual period beginning on or after December 15, 2013. Standards that do not require adoption before 2015 are highlighted in gray. The final amendments to the FASB Codification resulting from EITF Issues No. 12-F and 13-G were not available before the quarterly Significant Accounting & Reporting Matters document was published. The effective date(s) indicated above (see "Final FASB Guidance") are based on our observation of the public meeting.

Also, refer to BDO's practice aid on the effective dates of new IFRS pronouncements.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE - NON PUBLIC
ASC 205, Presentation of Financial Statements		
ASU 2014-15, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*	Effective for all entities, unless they have adopted the liquidation basis of accounting under Subtopic 205-30. The new standard applies prospectively to annual periods ending after December 15, 2016, and to annual and interim periods thereafter. Early adoption is permitted.	Effective for all entities, unless they have adopted the liquidation basis of accounting under Subtopic 205-30. The new standard applies prospectively to annual periods ending after December 15, 2016, and to annual and interim periods thereafter. Early adoption is permitted.
ASU 2014-08, *Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*	Effective for annual periods beginning on or after December 15, 2014, and interim periods within those years. Entities should not apply the amendments to a component of an entity (or a business or nonprofit activity) that is classified as held for sale before the effective date even if it is disposed of after the effective date. That is, the ASU must be adopted prospectively. Early adoption is permitted, but only for disposals (or classifications as held for sale) that have not been previously reported in the financial statements.	Effective for annual periods beginning on or after December 15, 2014, and interim periods within annual periods beginning on or after December 15, 2015. Entities should not apply the amendments to a component of an entity (or a business or nonprofit activity) that is classified as held for sale before the effective date even if it is disposed of after the effective date. That is, the ASU must be adopted prospectively. Early adoption is permitted, but only for disposals (or classifications as held for sale) that have not been previously reported in the financial statements.
ASU 2013-07, *Liquidation Basis of Accounting*	Effective for entities that determine liquidation is imminent during annual reporting periods beginning after December 15, 2013. Early adoption is permitted.	Effective for entities that determine liquidation is imminent during annual reporting periods beginning after December 15, 2013. Early adoption is permitted.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASC 220, Comprehensive Income		
ASU 2013-02, *Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income*	Effective prospectively for reporting periods beginning after December 15, 2012.	Effective prospectively for reporting periods beginning after December 15, 2013. Early adoption is permitted.
ASC 230, Statement of Cash Flows		
ASU 2012-05, *Not-for-Profit Entities: Classification of the Sale Proceeds of Donated Financial Assets in the Statement of Cash Flows (a consensus of the FASB Emerging Issues Task Force)*	Not applicable to public entities.	Effective prospectively for fiscal years, and interim periods within those years, beginning after June 15, 2013. Retrospective application to all prior periods presented upon the date of adoption is permitted. Early adoption from the beginning of the fiscal year of adoption is permitted. For fiscal years beginning before October 22, 2012, early adoption is permitted only if an NFP's financial statements for those fiscal years and interim periods within those years have not yet been made available for issuance.
ASC 310, Troubled Debt Restructuring by Creditors		
ASU 2014-14, *Classification of Certain Government-Guaranteed Mortgage Loans upon Foreclosure*	Effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2014. Early adoption is permitted, if the entity has already adopted ASU 2014-04.	Effective for annual periods ending after December 15, 2015, and interim periods beginning after December 15, 2015. Early adoption is permitted, if the entity has already adopted ASU 2014-04.
ASU 2014-04, *Reclassification of Residential Real Estate collateralized consumer Mortgage Loans upon Foreclosure (a consensus of the FASB Emerging Issues Task Force)*	Effective for annual periods and interim periods within those annual periods, beginning after December 15, 2014. Early adoption is permitted. An entity can elect to adopt the amendments in this update using either a modified retrospective transition method or a prospective transition method.	Effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early adoption is permitted. An entity can elect to adopt the amendments in this update using either a modified retrospective transition method or a prospective transition method.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASC 323, Investments - Equity Method and Joint Ventures		
ASU 2014-01, *Accounting for Investments in Qualified Affordable Housing Projects (a consensus of the FASB Emerging Issues Task Force)*	Effective for annual periods and interim reporting periods within those annual periods, beginning after December 15, 2014. Early adoption is permitted. If adopted, the amendments in this Update should be applied retrospectively to all periods presented. A reporting entity that uses the effective yield method to account for its investments in qualified affordable housing projects before the date of adoption may continue to apply the effective yield method for those preexisting investments.	Effective for annual periods beginning after December 15, 2014, and interim periods within annual reporting periods beginning after December 15, 2015. Early adoption is permitted. If adopted, the amendments in this Update should be applied retrospectively to all periods presented. A reporting entity that uses the effective yield method to account for its investments in qualified affordable housing projects before the date of adoption may continue to apply the effective yield method for those preexisting investments.
ASC 350, Intangibles—Goodwill and Other		
ASU 2014-02, *Accounting for Goodwill (a consensus of the Private Company Council)*	Not applicable to public entities.	The accounting alternative, if elected, should be applied prospectively to goodwill existing as of the beginning of the period of adoption and new goodwill recognized in annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early application is permitted, including application to any period for which the entity's annual or interim financial statements have not yet been made available for issuance.
ASC 360, Property, Plant, and Equipment		
ASU 2014-08, *Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*	Effective for annual periods beginning on or after December 15, 2014, and interim periods within those years. Entities should not apply the amendments to a component of an entity (or a business or nonprofit activity) that is classified as held for sale before the effective date even if it is disposed of after the effective date. That is, the ASU must be adopted prospectively. Early adoption is permitted, but only for disposals (or classifications as held for sale) that have not been previously reported in the financial statements.	Effective for annual periods beginning on or after December 15, 2014, and interim periods within annual periods beginning on or after December 15, 2015. Entities should not apply the amendments to a component of an entity (or a business or nonprofit activity) that is classified as held for sale before the effective date even if it is disposed of after the effective date. That is, the ASU must be adopted prospectively. Early adoption is permitted, but only for disposals (or classifications as held for sale) that have not been previously reported in the financial statements.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASC 405, Liabilities		
ASU 2013-04, *Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date (a consensus of the FASB Emerging Issues Task Force)*	Effective for fiscal years, and interim periods within those years, beginning after December 31, 2013. Early adoption is permitted. Retrospective application is required for all periods presented. Entities are permitted to use hindsight when determining the appropriate amount to be recorded in prior periods.	Effective for fiscal years ending after December 31, 2014 and interim and annual periods thereafter. Early adoption is permitted. Retrospective application is required for all periods presented. Entities are permitted to use hindsight when determining the appropriate amount to be recorded in prior periods.
ASC 606, Revenue		
ASU 2014-09 *Revenue from Contracts with Customers*	Effective for annual periods beginning after December 15, 2016, including interim periods therein. Three basic transition methods are available – full retrospective, retrospective with certain practical expedients, and 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, 2017) 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 prohibited.	Effective for annual periods beginning after December 15, 2017. In addition, the new standard is effective for interim periods within annual periods that begin after December 15, 2018. The same three transition alternatives apply. There are certain provisions that allow for nonpublic entities to early adopt.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASC 718, Compensation—Stock Compensation		
ASU 2014-12, *Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period (a consensus of the FASB Emerging Issues Task Force)*	Effective for annual periods and interim periods within those annual periods beginning after December 15, 2015. Earlier adoption is permitted. Entities may apply the amendments in this Update either (a) prospectively to all awards granted or modified after the effective date or (b) retrospectively to all awards with performance targets that are outstanding as of the beginning of the earliest annual period presented in the financial statements and to all new or modified awards thereafter. If retrospective transition is adopted, the cumulative effect of applying this Update as of the beginning of the earliest annual period presented in the financial statements should be recognized as an adjustment to the opening retained earnings balance at that date. Additionally, if retrospective transition is adopted, an entity may use hindsight in measuring and recognizing the compensation cost.	Effective for annual periods and interim periods within those annual periods beginning after December 15, 2015. Earlier adoption is permitted. Entities may apply the amendments in this Update either (a) prospectively to all awards granted or modified after the effective date or (b) retrospectively to all awards with performance targets that are outstanding as of the beginning of the earliest annual period presented in the financial statements and to all new or modified awards thereafter. If retrospective transition is adopted, the cumulative effect of applying this Update as of the beginning of the earliest annual period presented in the financial statements should be recognized as an adjustment to the opening retained earnings balance at that date. Additionally, if retrospective transition is adopted, an entity may use hindsight in measuring and recognizing the compensation cost.
ASC 720, Other Expenses		
ASU 2011-06, *Fees Paid to the Federal Government by Health Insurers (a consensus of the FASB Emerging Issues Task Force)*	Effective for calendar years beginning after December 31, 2013, when the fee initially becomes effective.	Effective for calendar years beginning after December 31, 2013, when the fee initially becomes effective.
ASC 740, Income Taxes		
ASU 2013-11, *Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists (a consensus of the FASB Emerging Issues Task Force)*	Effective for fiscal years, and interim periods within those years, beginning after December 15, 2013. Early adoption is permitted.	Effective for fiscal years and interim periods within those years, beginning after December 15, 2014. Early adoption is permitted.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASC 810, Consolidation		
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.
ASU 2014-07 *Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements (a consensus of the Private Company Council)*	Not applicable to public entities.	If elected, the accounting alternative is effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early application is permitted, including application to any period for which the entity's annual or interim financial statements have not yet been made available for issuance. The accounting alternative should be applied retrospectively to all periods presented. Prospective adoption is not permitted.
ASC 815, Derivatives and Hedging		
ASU 2014-03 *Accounting for Certain Receive-Variable, Pay-Fixed Interest Rate Swaps – Simplified Hedge Accounting Approach (a consensus of the Private Company Council)*	Not applicable to public entities.	If elected, the simplified hedge accounting approach will be effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early adoption is permitted, and private companies are able (but not required) to adopt the new standards for December 31, 2013 year-end financial statements that are not yet available for issuance. Private companies have the option to apply the amendments in this Update using either a modified or full retrospective approach.
ASU 2013-10, *Inclusion of the Fed Funds Effective Swap Rate (or Overnight Index Swap Rate) as a Benchmark Interest Rate for Hedge Accounting Purposes (a consensus of the FASB Emerging Issues Task Force)*	Effective prospectively for qualifying new or redesignated hedging relationships entered into on or after July 17, 2013.	Effective prospectively for qualifying new or redesignated hedging relationships entered into on or after July 17, 2013.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASC 820, Fair Value Measurement		
ASU 2013-09, *Deferral of the Effective Date of Certain Disclosures for Nonpublic Employee Benefit Plans in Update No. 2011-04*	Not applicable to public entities.	Effective upon issuance for financial statements that have not been issued.
ASC 830, Foreign Currency Matters		
ASU 2013-05, *Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity (a consensus of the FASB Emerging Issues Task Force)*	Effective prospectively for all entities with derecognition events after the effective date. The guidance is effective for fiscal years, and interim periods within those years, beginning after December 31, 2013. Early adoption is permitted. If early adoption is elected, the guidance should be applied as of the beginning of the entity's fiscal year of adoption.	Effective prospectively for all entities with derecognition events after the effective date. The guidance is effective for fiscal years beginning after December 31, 2014 and interim and annual periods thereafter. Early adoption is permitted. If early adoption is elected, the guidance should be applied as of the beginning of the entity's fiscal year of adoption.
ASC 853, Service Concession Arrangements		
ASU 2014-05, *Service concession Arrangements (a consensus of the FASB Emerging Issues Task Force)*	Effective for annual periods and interim periods within those annual periods beginning after December 15, 2014. Early adoption is permitted. The amendments should be applied on a modified retrospective basis, to all arrangements existing at the beginning of the fiscal year of adoption and to all arrangements entered into after that date.	Effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early adoption is permitted. The amendments should be applied on a modified retrospective basis, to all arrangements existing at the beginning of the fiscal year of adoption and to all arrangements entered into after that date.
ASC 860, Transfers and Servicing		
ASU 2014-11, *Repurchase-to-Maturity Transactions, Repurchase Financings, and Disclosures*	The accounting changes and disclosure for certain transactions accounted for as a sale are effective for the first period (interim or annual) beginning after December 15, 2014. Earlier application for a public business entity is prohibited. The disclosure for transactions accounted for as secured borrowings is required for annual periods beginning after December 15, 2014, and for interim periods after March 15, 2015.	The accounting changes and both new disclosures are effective for annual periods beginning after December 15, 2014 and interim periods after December 15, 2015. These entities may elect early application and apply the requirements for interim periods beginning after December 15, 2014.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
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 years. Early adoption is permitted for financial statements that have not yet been issued or made available for issuance.	**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 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 926, Entertainment—Films		
ASU 2012-07, *Accounting for Fair Value Information That Arises after the Measurement Date and Its Inclusion in the Impairment Analysis of Unamortized Film Costs (a consensus of the FASB Emerging Issues Task Force)*	Effective for impairment assessments performed on or after December 15, 2012. The amendments resulting from this Issue should be applied prospectively. In addition, earlier application is permitted, including for impairment assessments performed as of a date before October 24, 2012, if, for SEC filers, the entity's financial statements for the most recent annual or interim period have not yet been issued.	Effective for impairment assessments performed on or after December 15, 2013. The amendments resulting from this Issue should be applied prospectively. In addition, earlier application is permitted, including for impairment assessments performed as of a date before October 24, 2012, if interim period financial statements have not yet been issued or, for all other entities, have not yet been made available for issuance.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASC 946, Financial Services - Investment Companies		
ASU 2013-08, *Financial Services – Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements*	Effective for an entity's interim and annual reporting periods in fiscal years that begin after December 15, 2013. Earlier application is prohibited.	Effective for an entity's interim and annual reporting periods in fiscal years that begin after December 15, 2013. Earlier application is prohibited.
ASC 954, Health Care Entities		
ASU 2012-01, *Continuing Care Retirement Communities – Refundable Advance Fees*	Effective for fiscal years beginning after December 15, 2012. Early adoption is permitted. Entities must apply the requirements retrospectively by recording a cumulative-effect adjustment to opening retained earnings (or unrestricted assets) as of the beginning of the earliest period presented.	Effective for fiscal years ending after December 15, 2013. Early adoption is permitted. Entities must apply the requirements retrospectively by recording a cumulative-effect adjustment to opening retained earnings (or unrestricted assets) as of the beginning of the earliest period presented.
ASC 958, Not-for-Profit Entities		
ASU 2013-06, *Services Received from Personnel of an Affiliate*	Not applicable to public entities.	Effective prospectively for fiscal years beginning after June 15, 2014, and interim and annual periods thereafter. A recipient not-for-profit entity may apply the amendments using a modified retrospective approach under which all prior periods presented upon the date of adoption should be adjusted, but no adjustment should be made to the beginning balance of net assets of the earliest period presented. Early adoption is permitted.
Other		
ASU 2014-06, *Technical Corrections and Improvements Related to the Glossary Terms*	The amendments resulting from this Update do not have transition guidance and will be effective upon issuance.	The amendments resulting from this Update do not have transition guidance and will be effective upon issuance.
ASU 2013-12, *Definition of a Public Business Entity (An Addition to the Master Glossary)*	There is no actual effective date for the amendment in this Update. However, the term public business entity will be used in Accounting Standards Updates No. 2014-01 and 2014-02, which are the first Updates that will use the term public business entity.	There is no actual effective date for the amendment in this Update. However, the term public business entity will be used in Accounting Standards Updates No. 2014-01 and 2014-02, which are the first Updates that will use the term public business entity.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASU 2012-04, *Technical Corrections and Improvements*	The amendments in this Update that do not have transition guidance are effective upon issuance for both public entities and nonpublic entities. The amendments that are subject to the transition guidance will be effective for fiscal periods beginning after December 15, 2012.	The amendments in this Update that do not have transition guidance are effective upon issuance for both public entities and nonpublic entities. The amendments that are subject to the transition guidance will be effective for fiscal periods beginning after December 15, 2013.

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