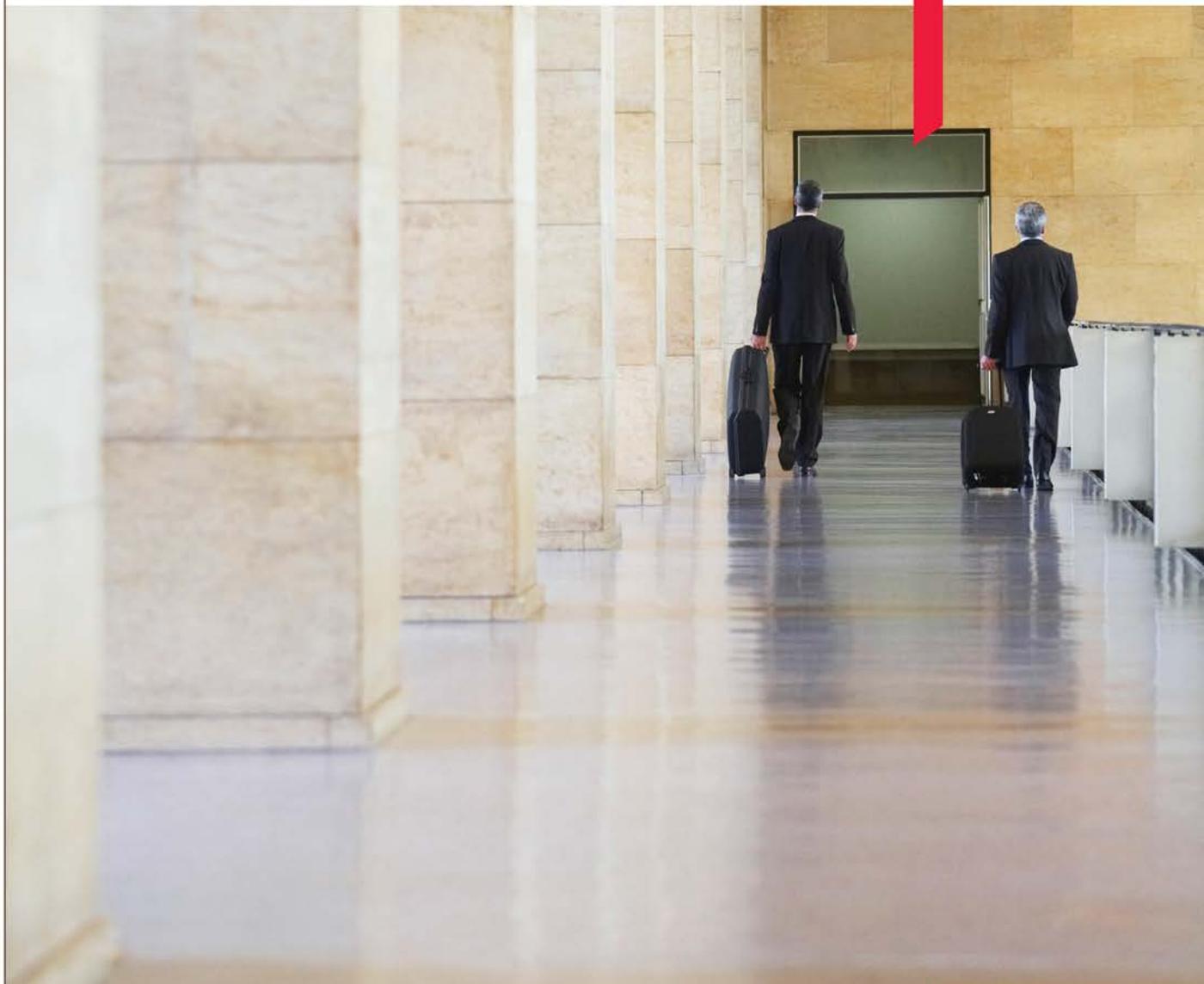


AN OFFERING FROM BDO'S NATIONAL ASSURANCE PRACTICE

SIGNIFICANT ACCOUNTING & REPORTING MATTERS



▶ TABLE OF CONTENTS

Financial Accounting Standards Board (FASB)	<u>3</u>
Final FASB Guidance	<u>3</u>
Proposed FASB Guidance	<u>6</u>
Other Activities	<u>7</u>
Public Company Accounting Oversight Board (PCAOB)	<u>9</u>
Final and Proposed PCAOB Guidance.....	<u>9</u>
Other Activities	<u>10</u>
Securities Exchange Commission (SEC)	<u>11</u>
Final SEC Guidance.....	<u>11</u>
Proposed SEC Guidance	<u>11</u>
Other Activities	<u>11</u>
International Accounting Standards Board (IASB)	<u>13</u>
Final IASB Guidance.....	<u>13</u>
Proposed IASB Guidance/Other Activities	<u>13</u>
Effective Dates of U.S. Accounting Pronouncements	<u>15</u>
BDO Resources for Clients and Contacts	<u>21</u>

BDO is the brand name for BDO USA, LLP, a U.S. professional services firm providing assurance, tax, financial advisory and consulting services to a wide range of publicly traded and privately held companies. For more than 100 years, BDO has provided quality service through the active involvement of experienced and committed professionals. The firm serves clients through 49 offices and over 400 independent alliance firm locations nationwide. As an independent Member Firm of BDO International Limited, BDO serves multinational clients through a global network of 1,264 offices in 144 countries.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms. For more information, please visit: www.bdo.com.

Material discussed in this publication is meant to provide general information and should not be acted on without professional advice tailored to the individual needs for you and/or your organization. The content provides information only and does not constitute legal or other advice.

▶ 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 2014-07, Consolidation (Topic 810): Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements (a consensus of the Private Company Council)

Issued: March 2014

Summary: The amendments in this Update allow private companies to opt out of applying the variable interest entity (VIE) consolidation guidance to certain common control leasing arrangements. Therefore, a private company lessee that meets the eligibility criteria and elects not to apply the VIE guidance would account for its lease under Topic 840 as either an operating or capital lease, as appropriate. Certain incremental disclosures would also be required.

For additional information on this topic, refer to [BDO's Flash Report](#).

Effective Date and Transition: 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.

Accounting Standards Update 2014-06, Technical Corrections and Improvements Related to Glossary Terms

Issued: March 2014

Summary: The amendments in this Update relate to glossary terms and cover a wide range of Topics in the Codification. These amendments are presented in four sections – Deletion of Master Glossary Terms (Section A), Addition of Master Glossary Term Links (Section B), Duplicate Master Glossary Terms (Section C), and Other Technical Corrections Related to Glossary Terms (Section D). The amendments in this Update represent changes to clarify the Master Glossary of the Codification, or make improvements to the Master Glossary that are not expected to result in substantive changes to the application of existing guidance or create a significant administrative cost to most entities. Additionally, the amendments will make the Master Glossary easier to understand, as well as reduce the number of terms that appear in the Master Glossary.

Effective Date: The amendments resulting from this Update do not have transition guidance and will be effective upon issuance for both public and private companies.

Accounting Standards Update 2014-05, Service Concession Arrangements (Topic 853) (a consensus of the FASB Emerging Issues Task Force)

Issued: January 2014

Summary: Service concession arrangements are contracts under which a public sector entity (grantor) grants a private entity (an operating entity) the right to operate and/or maintain the grantor's infrastructure assets (e.g., airports, roads, bridges, tunnels, prisons, and hospitals). The amendments in this Update clarify that infrastructure that is the subject of a service concession arrangement should not be recognized as property, plant, and equipment of the operating entity, nor should it be accounted for as a lease in accordance with Topic 840. Rather, an operating entity should refer to other applicable guidance (e.g., Topic 605) to account for various aspects of the arrangement.

Effective Date and Transition: The amendments are effective for a public business entity for annual periods and interim periods within those annual periods beginning after December 15, 2014. For an entity other than a public business entity, the amendments are 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.

Accounting Standards Update 2014-04, Receivables - Troubled Debt Restructurings by Creditors (Subtopic 310-40): Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans upon Foreclosure (a consensus of the FASB Emerging Issues Task Force)

Issued: January 2014

Summary: The Update clarifies that when an in substance repossession or foreclosure occurs, and a creditor is considered to have received physical possession of residential real estate property collateralizing a consumer mortgage loan, upon either (1) the creditor obtaining legal title to the residential real estate property upon completion of a foreclosure or (2) the borrower conveying all interest in the residential real estate property to the creditor to satisfy that loan through completion of a deed in lieu of foreclosure or through a similar legal agreement.

For additional information on this topic, refer to [BDO's Flash Report](#).

Effective Date and Transition: Amendments in this Update are effective for public business entities for annual periods and interim periods within those annual periods, beginning after December 15, 2014. For entities other than public business entities, the amendments in this Update are 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.

Accounting Standards Update 2014-03, Derivatives and Hedging (Topic 815): Accounting for Certain Receive-Variable, Pay-Fixed Interest Rate Swaps - Simplified Hedge Accounting Approach (a consensus of the Private Company Council)

Issued: January 2014

Summary: The amendments in this Update provide private companies a simpler hedge accounting alternative for certain "plain vanilla" interest rate swaps. If elected, private companies will be entitled to assume no ineffectiveness in a qualifying receive-variable, pay-fixed interest rate swap (swap) that is designated in a cash flow hedging relationship when certain specified criteria are met. That is, detailed hedge effectiveness testing would not be required. In addition, the hedge documentation may be prepared any time prior to issuing the annual financial statements, instead of contemporaneously at hedge inception. Private companies also may record the swap on the balance sheet at its settlement value, which excludes nonperformance risk, rather than fair value. The simplified hedge accounting results in presenting interest expense in the income statement as if the entity had directly entered into a fixed-rate borrowing, instead of a variable-rate borrowing and a swap.

For additional information on this topic, refer to [BDO's Financial Reporting Letter](#).

Effective Date and Transition: 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.

Accounting Standards Update 2014-02, *Intangibles - Goodwill and Other (Topic 350): Accounting for Goodwill (a consensus of the Private Company Council)*

Issued: January 2014

Summary: The amendments in this Update provide private companies a simpler alternative for the subsequent measurement of goodwill. A private entity that elects the accounting alternative would amortize goodwill on a straight-line basis over ten years, or a shorter period if that period is more appropriate. Entities making the election will test goodwill for impairment only when a triggering event occurs, instead of annually. In that situation, entities will elect to perform the test either at an entity-wide level or the reporting unit level. The amount of impairment, if any, would be determined by comparing the fair value of the entity (or reporting unit) to its carrying amount. A hypothetical purchase-price allocation (also commonly referred to as "Step 2") does not apply.

For additional information on this topic, refer to [BDO's Financial Reporting Letter](#).

Effective Date and Transition: 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.

Accounting Standards Update 2014-01, *Investments - Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Qualified Affordable Housing Projects (a consensus of the FASB Emerging Issues Task Force)*

Issued: January 2014

Summary: The Low Income Housing Tax Credit is a program designed to encourage investment of private capital for use in the construction and rehabilitation of low income housing, which provides certain tax benefits to investors in those projects. The amendments in this Update permit a reporting entity that invests in qualified affordable housing projects to account for the investments using a proportional amortization method if certain conditions are met. If an entity elects the proportional amortization method, it will amortize the initial cost of the investment in proportion to the tax credits and other tax benefits received and recognize the net investment performance in the income statement as a component of income tax expense. Otherwise, the entity would apply either the equity method or the cost method, as appropriate.

For additional information on this topic, refer to [BDO's Flash Report](#).

Effective Date and Transition: The amendments in this Update are effective for public business entities for annual periods and interim reporting periods within those annual periods, beginning after December 15, 2014. For all entities other than public business entities, the amendments are effective for annual periods beginning after December 15, 2014, and interim periods within annual reporting periods beginning after December 15, 2015. Early adoption is permitted. If adopted, the amendments 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.

Emerging Issues Task Force Issues - Final Consensuses

Status: The Task Force reached a final consensus on the following Issue on March 13, 2014, and FASB ratification occurred on March 26, 2014. A final ASU is expected to follow shortly.

Issue 13-D: *Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period*

Summary: The EITF concluded that a performance target that could be achieved after the requisite service period should be treated as a performance condition that affects the vesting of the award. A reporting entity would apply existing guidance in Topic 718 as it relates to the award with performance conditions that affect vesting. That is, compensation cost would be recognized if it is probable that the performance condition would be achieved. The total amount of compensation cost recognized during and after the requisite service period would reflect the number of awards that are expected to vest and would be adjusted to reflect those awards that ultimately vest.

Effective Date: The final amendments are expected to be effective for all entities for annual periods beginning after December 15, 2015 and interim periods within those years. Early adoption is expected to be permitted.

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

Issued: January 17, 2014

Comment Deadline: April 30, 2014

Summary: The amendments in this proposed Update would require that a residential mortgage loan be derecognized and that a separate other receivable be recognized upon foreclosure if the loan has both of the following characteristics: (a) the loan has a government guarantee that is not separable from the loan before foreclosure entitling the creditor to the full unpaid principal balance of the loan and (b) at the time of foreclosure, the creditor has the intent to make a claim on the guarantee and the ability to recover the full unpaid principal balance of the loan through the guarantee. Upon foreclosure, the separate other receivable would be measured based on the current amount of the loan balance expected to be recovered under the guarantee.

Effective Date and Transition: The effective date will be determined after the Task Force considers stakeholder feedback on the proposed Update. The amendments in this proposed Update would be applied using the same transition method selected by the reporting entity for application of FASB ASU No. 2014-04, *Receivables - Troubled Debt Restructurings by Creditors (Subtopic 310-40): Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans upon Foreclosure*.

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

Issued: March 4, 2014

Comment Deadline: July 14, 2014

Summary: In this Exposure Draft, the Board is considering conceptual matters relating to notes to financial statements. The Board intends to use the concepts developed as part of this project as a basis for establishing disclosure requirements in the future as well as evaluating existing disclosure requirements.

Emerging Issues Task Force Issues - Consensus-for-Exposure

Status: The Task Force reached a consensus-for-exposure on the following Issue on March 13, 2013, and FASB ratification occurred on March 26, 2014. A proposed ASU is expected to follow shortly.

Issue No. 12-F: Recognition of new Accounting Basis (Pushdown) in Certain Circumstances

Summary: The EITF reached a consensus that both public business entities and non-public entities would have the option to apply pushdown accounting in their separate financial statements upon occurrence of a change-in-control event in which an acquirer obtains control of the entity. If a change-in-control event occurs, the reporting entity would be required to disclose the event and whether it elected to apply pushdown accounting or to continue with its existing basis.

OTHER ACTIVITIES

The following section provides high level summaries of other relevant FASB publications and activities, with particular focus on the recent developments of the FASB and IASB's joint projects.

Update on International Convergence

The FASB and the IASB continue their efforts on a number of joint projects, including revenue recognition, financial instruments, and leases. First quarter developments are detailed below by topic.

Revenue - The FASB and the IASB are in the final drafting stages of the joint revenue recognition standard that they plan to issue in the second quarter of 2014. The standard is expected to take effect for public companies for annual periods beginning after December 15, 2016. Calendar year-end public companies will be required to apply the standard in the quarter ended March 31, 2017. Nonpublic companies will have an additional year to adopt.

Financial Instruments: Classification and Measurement - In the first quarter, the FASB continued redeliberations and decided to retain the separate models in existing U.S. GAAP for determining classification of loans versus securities. In February 2014 the IASB finalized its deliberations on the limited amendments to the classification and measurement requirements of IFRS 9 Financial Instruments. The staff will proceed to drafting and balloting the final requirements for impairment and the limited amendments to the classification and measurement requirements of IFRS 9 *Financial Instruments*, which are expected to be released during the second quarter of 2014 with tentative date of adoption on or after January 1, 2018.

Financial Instruments: Impairment - In the first quarter, the FASB tentatively decided that for financial assets measured at amortized cost, an entity should apply the Current Expected Credit Loss (CECL) model, which requires recognition of the full amount of cash flows the entity does not expect to collect over the instrument's life. The CECL approach would be modified slightly for instruments carried at fair value through other comprehensive income.

In contrast, the IASB has continued with the “solely payments of principal and interest (SPPI)” cash flow test and impairment model. The tentative decision of the FASB will eliminate convergence in measuring impairment losses for loans and debt securities, with the proposed IASB model requiring recognition of such losses on a significant deterioration in credit.

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 cost and complexity, and many questioned whether it would provide improved information to users of the financial statements.

During the first quarter of 2014, the Boards affirmed the basic right-of-use model that records leases on the balance sheet of a lessee. However, the Boards do not agree on how leases should be reflected in the income statement. The FASB continues to develop a dual model under which some leases result in a “front-loaded” expense effect due to amortization and interest, while other leases would result in an even straight-line expense over the lease term, similar to today’s operating lease treatment. The IASB supports a single approach in which all leases result in a “front-loaded” effect.

With respect to lessors, both Boards believe a dual model is appropriate to distinguish between leases that are a financing/sale versus those that are not. This distinction would be made using the principles in IAS 17, *Leases*. However, the FASB plans to add one additional requirement based on the transfer of control principle in the revenue recognition project. For lessors, this is intended to make the lease classification test comparable with a vendor’s approach to recognizing revenue for the sale of goods and services.

The Boards are also continuing to contemplate certain limited exceptions to the scope of the leasing project. Currently, the timing of a final leasing standard is unclear.

For more information, refer to:

- [BDO’s Flash Report](#)
- [Ac’sense 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

During the first quarter, the SEC approved two final standards of the PCAOB. A brief summary of each follows:

Auditing Standard No. 17, Auditing Supplemental Information Accompanying Audited Financial Statements (Docket No. 36)

Summary: The standard sets forth the auditor's responsibilities when the auditor of the financial statements is engaged to perform audit procedures and report on whether supplemental information accompanying the financial statements is fairly stated, in all material respects, in relation to the financial statements as a whole. The standard, which is expected to have the greatest impact on audits of brokers and dealers that file with the SEC, is intended to provide greater confidence in the quality and consistency of supplemental information accompanying audited financial statements. The standard is effective for audit procedures and reports on supplemental information that accompanies financial statements for fiscal years ending on or after June 1, 2014.

Attestation Standards for Engagements Related to Broker and Dealer Compliance or Exemption Reports Required by the U.S. Securities and Exchange Commission and Related Amendments to PCAOB Standards (Docket No. 35)

Summary: The two new attestation standards, Attestation Standard No. 1. *Examination Engagements Regarding Compliance Reports of Brokers and Dealers*, and Attestation Standard No. 2. *Review Engagements Regarding Exemption Reports of Brokers and Dealers*, establish requirements for auditors examining certain statements in broker-dealer compliance reports and reviewing statements in broker-dealer exemption reports and are aligned with the new requirements included in the SEC's recent amendments to Exchange Act Rule 17a-5. These standards are effective for examination and review engagements for fiscal years ending on or after June 1, 2014.

Final PCAOB Guidance, Pending SEC Approval

During the first quarter, the PCAOB adopted the following standard, which is subject to SEC approval:

Amendments to Conform PCAOB Rules and Forms to the Dodd-Frank Act and Make Certain Updates and Clarifications (Docket No. 39)

Summary: The Board adopted amendments to tailor certain of its rules to the audits and auditors of brokers and dealers. The amendments include references to audit and auditors of brokers and dealers in relevant Board rules, and call for relevant broker and dealer audit client information on the Board's registration, withdrawal, and reporting forms.

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 proposed any significant guidance during the quarter.

OTHER ACTIVITIES

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

PCAOB hosts a Public Meeting on April 2-3 on the Auditor's Reporting Model Proposal

The Public Company Accounting Oversight Board hosted a public meeting on Wednesday and Thursday, April 2-3, to obtain further input on a proposal to enhance the auditor's reporting model. The Board's [August 2013 proposal](#) includes a new auditing standard that is intended to make the audit report more relevant to investors by providing deeper insights from the audit based on information the auditor already knows from the audit. The proposal also includes a second auditing standard to enhance the auditor's responsibilities for other information in an annual report that contains audited financial statements and the auditor's report.

▶ 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.)

As of the date of this publication, the SEC had not proposed any significant guidance during the quarter.

OTHER ACTIVITIES

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

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

Summary: In February, the SEC approved PCAOB Auditing Standard No. 17, together with a PCAOB rule related to broker dealer activities. Refer to the PCAOB section above for the overview of these rules and their applicability to all of the audits of SEC-reporting companies (including emerging growth companies).

SEC Publishes Update to the Financial Reporting Manual - Update on Implementation Considerations

Summary: On February 6, the staff of the Securities and Exchange Commission's Division of Corporation Finance published an update to the Division's Financial Reporting Manual. The update amends the guidance on stock-based compensation disclosures in the management's discussion and analysis section of IPO registration statements.

For additional information refer to [BDO's Flash Report](#).

▶ 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*.

IFRS 14 Regulatory Deferral Accounts

Issued: January 2014

Summary: The aim of this interim Standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities and ease the adoption of IFRS for rate-regulated industries. The standard permits first-time adopters to continue to recognize amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. It is intended to encourage rate-regulated entities to adopt IFRS while bridging the gap with entities that already apply IFRS, but do not recognize regulatory deferral accounts. However, to enhance comparability with such entities that already apply IFRS and do not recognize such amounts, the standard requires that the effect of rate regulation be presented separately from other items in the statement of financial position and statement of comprehensive income.

For additional information on this topic, refer to [BDO's IFR Bulletin](#).

Effective Date: IFRS 14 has an effective date of January 1, 2016 with early application 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: Disclosure Initiative (Proposed Amendments to IAS 1)

Issued: March 25, 2014

Comment Deadline: July 23, 2014

Summary: The exposure draft addresses a number of the concerns raised by respondents to the IASB's Agenda Consultation in 2011, to which a number of short-term narrow scope projects were instigated. These proposals are designed to add additional clarity to an entity's financial reporting to ultimately improve the quality and understandability to the users of financial statements.

Areas addressed in this ED include clarification of materiality requirements, disaggregation of line items in the financial statements, requirements for presentation of subtotals in the statement of financial position and statement of comprehensive income, clarification on flexibility of note presentation in the financial statements, and removal of certain guidance on presentation of accounting policies. In addition, the ED also includes an amendment to the presentation of an entity's share of other comprehensive income (OCI) from its equity accounted interests in associate and joint ventures. The proposals would require an entity's share of other comprehensive income to be split between those items that will and will not be reclassified to profit or loss, and presented in aggregate as single line items within those classifications.

For additional information on this topic, refer to BDO's [IFRS News at a Glance](#) article.

▶ 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 Issue No. 13-D were not available before the first quarter Significant Accounting & Reporting Matters document was published. The effective date(s) indicated above (see “Final FASB Guidance”) are based on our observation of the FASB meeting minutes, which are available to the public.

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 2013-07, <i>Liquidation Basis of Accounting</i>	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.
ASC 220, Comprehensive Income		
ASU 2013-02, <i>Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income</i>	Effective prospectively for reporting periods beginning after 12/15/2012.	Effective prospectively for reporting periods beginning after 12/15/2013. Early adoption is permitted.
ASC 230, Statement of Cash Flows		
ASU 2012-05, <i>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)</i>	Not applicable to public entities.	Effective prospectively for fiscal years, and interim periods within those years, beginning after 6/15/2013. 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 10/22/2012, 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.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE - NON PUBLIC
ASC 310, Troubled Debt Restructuring by Creditors		
ASU 2014-04, <i>Reclassification of Residential Real Estate collateralized consumer Mortgage Loans upon Foreclosure (a consensus of the FASB Emerging Issues Task Force)</i>	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.
ASC 323, Investments - Equity Method and Joint Ventures		
ASU 2014-01, <i>Accounting for Investments in Qualified Affordable Housing Projects (a consensus of the FASB Emerging Issues Task Force)</i>	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, <i>Accounting for Goodwill (a consensus of the Private Company Council)</i>	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.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE - NON PUBLIC
ASC 405, Liabilities		
ASU 2013-04, <i>Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date (a consensus of the FASB Emerging Issues Task Force)</i>	Effective for fiscal years, and interim periods within those years, beginning after 12/31/2013. 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 12/31/2014 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 720, Other Expenses		
ASU 2011-06, <i>Fees Paid to the Federal Government by Health Insurers (a consensus of the FASB Emerging Issues Task Force)</i>	Effective for calendar years beginning after 12/31/2013, when the fee initially becomes effective.	Effective for calendar years beginning after 12/31/2013, when the fee initially becomes effective.
ASC 740, Income Taxes		
ASU 2013-11, <i>Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists (a consensus of the FASB Emerging Issues Task Force)</i>	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.
ASC 810, Consolidation		
ASU 2014-07 <i>Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements (a consensus of the Private Company Council)</i>	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.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE - NON PUBLIC
ASC 815, Derivatives and Hedging		
ASU 2014-03 <i>Accounting for Certain Receive-Variable, Pay-Fixed Interest Rate Swaps - Simplified Hedge Accounting Approach (a consensus of the Private Company Council)</i>	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, <i>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)</i>	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.
ASC 820, Fair Value Measurement		
ASU 2013-09, <i>Deferral of the Effective Date of Certain Disclosures for Nonpublic Employee Benefit Plans in Update No. 2011-04</i>	Not applicable to public entities.	Effective upon issuance for financial statements that have not been issued.
ASC 830, Foreign Currency Matters		
ASU 2013-05, <i>Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity (a consensus of the FASB Emerging Issues Task Force)</i>	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 12/31/2013. 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 12/31/2014 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.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE - NON PUBLIC
ASC 853, Service Concession Arrangements		
ASU 2014-05, <i>Service concession Arrangements (a consensus of the FASB Emerging Issues Task Force)</i>	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 926, Entertainment—Films		
ASU 2012-07, <i>Accounting for Fair Value Information That Arises after the Measurement Date and Its Inclusion in the Impairment Analysis of Unamortized Film Costs (a consensus of the FASB Emerging Issues Task Force)</i>	Effective for impairment assessments performed on or after 12/15/2012. 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 10/24/2012, 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 12/15/2013. 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 10/24/2012, if interim period financial statements have not yet been issued or, for all other entities, have not yet been made available for issuance.
ASC 946, Financial Services - Investment Companies		
ASU 2013-08, <i>Financial Services - Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements</i>	Effective for an entity's interim and annual reporting periods in fiscal years that begin after 12/15/2013. Earlier application is prohibited.	Effective for an entity's interim and annual reporting periods in fiscal years that begin after 12/15/2013. Earlier application is prohibited.
ASC 954, Health Care Entities		
ASU 2012-01, <i>Continuing Care Retirement Communities - Refundable Advance Fees</i>	Effective for fiscal years beginning after 12/15/2012. 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 12/15/2013. 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.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE - NON PUBLIC
ASC 958, Not-for-Profit Entities		
<i>ASU 2013-06, Services Received from Personnel of an Affiliate</i>	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		
<i>ASU 2014-06, Technical Corrections and Improvements Related to the Glossary Terms</i>	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.
<i>ASU 2013-12, Definition of a Public Business Entity (An Addition to the Master Glossary)</i>	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.
<i>ASU 2012-04, Technical Corrections and Improvements</i>	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 12/15/2012.	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 12/15/2013.

▶ BDO RESOURCES FOR CLIENTS AND CONTACTS

BDO USA, LLP is a national professional services firm providing assurance, tax, financial advisory, and consulting services to a wide range of publicly traded and privately held companies. We are guided by our core values: put people first; be exceptional: every day, every way; embrace change; empowerment through knowledge; and choose accountability.

For more than 100 years, we have provided quality service and leadership through the active involvement of our most experienced and committed professionals.

The firm serves clients through 49 offices and more than 400 independent alliance firm locations nationwide. As an independent Member Firm of BDO International Limited, BDO serves multinational clients through a global network of 1264+ offices in 144 countries. For further information, please refer to [BDO's website](#).

BDO commits significant resources to keep our professionals and our clients up-to-date on current and evolving technical, governance, industry, and reporting developments. Our thought leadership consists of quarterly email updates, publications, surveys, practice aids, and tools that span a broad spectrum of topics that impact financial reporting, as well as corporate governance. Our focus is not to simply announce changes in technical guidance, regulations or emerging business trends, but rather expound on how such changes may impact our clients' business. Through our various webinar series, we reach a broad audience and provide brief, engaging, just-in-time training that we make available in a variety of ways to meet the needs of your busy schedules. The following provides a sample of our offerings.

Ac'senseSM Webinar Series

An educational series designed to assist those charged with governance (e.g., Audit Committees) and financial executives in keeping up-to-date on the latest corporate governance, risk management and financial reporting developments. The program is multi-faceted and consists of complimentary CPE webinars, podcasts and archived self-study courses, covering both broad and specific topics of interest, publications and links to various BDO and external resources. Visit the [Ac'sense website](#).

BDO Knowledge Tax Webinar Series

A monthly series providing insights and perspectives on the tax issues most important to our clients and their business. Visit the [BDO Knowledge Tax Resource Center](#).

For additional information and links to various resources and tools, visit the [BDO Knows website](#).

To subscribe to BDO publications, please register at [BDO's Subscription Center](#) at or [RSS Feeds](#) to have our latest news and publications delivered directly to your desktop.

Board Reflections

The BDO Board Reflections resource center includes BDO's proprietary studies, publications, practice aids, and educational programs to keep board members of both public and private companies up-to-date on emerging issues and trends to assist in fulfilling their corporate oversight responsibilities. The resource center contains customized information for the various committees of the board. For example, refer to our Effective Audit Committees in the Ever Changing Marketplace practical guide and related tools. Visit the [Board Reflections website](#).

BDO Knows: Flash Reports

Briefs about select technical and regulatory developments and emerging issues are made immediately available to BDO professionals and to clients. Visit the [BDO Assurance Library](#).

BDO Knows: Financial Reporting Letters

Publications containing more in depth discussions and practical guidance on technical guidance affecting both public and private entities. Visit the [BDO Assurance Library](#).

Client Advisories

Concise documents that provide timely commentary, analysis and insights on events and trends of interest to management and boards of directors. Visit the [BDO Assurance Library](#).

Tax Newsletters and Alerts

Updates with respect to federal, state, local, expatriate, and international developments along with other specific tax planning and strategy considerations including specific practice areas such as compensation and benefits, private client and individual filer services, transfer pricing, Foreign Account Tax Compliance Act, etc. Visit the [BDO Tax Library](#).

Industry Newsletters, Alerts, Reports, Proprietary Studies, and Surveys

A variety of publications depicting specific industry issues, emerging trends and developments. Visit the [BDO Industry Library](#).

Industry Experience

Industry experience has emerged at the top of the list of what businesses need and expect from their accountants and advisors. The power of industry experience is perspective - perspective we bring to help you best leverage your own capabilities and resources.

BDO's industry focus is part of who we are and how we serve our clients and has been for over a century. We demonstrate our experience through knowledgeable professionals, relevant client work and participation in the industries we serve.

For further information on BDO industry services, please visit the following:

- [Construction](#)
- [Financial Institutions & Specialty Finance](#)
- [Financial Services](#)
- [Gaming, Hospitality & Leisure](#)
- [Government Contracting](#)
- [Healthcare](#)
- [Insurance](#)
- [Manufacturing & Distribution](#)
- [Natural Resources](#)
- [Nonprofit & Education](#)
- [Private Equity](#)
- [Public Sector](#)
- [Real Estate](#)
- [Retail & Consumer Products](#)
- [Technology & Life Sciences](#)