

AN ALERT FROM THE BDO NATIONAL ASSURANCE PRACTICE

BDO FLASH REPORT

FASB



SUBJECT

AICPA PANEL DEVELOPS TECHNICAL Q&AS FOR INVESTMENT COMPANIES

SUMMARY

The AICPA Investment Companies Expert Panel recently developed eight technical questions and answers in TIS 6910, *Investment Companies*. These questions and answers (“Q&As”) are not sources of authoritative U.S. GAAP. However, such Q&As are often considered a relevant source of interpretive guidance in practice. The guidance in these Q&As addresses practice matters related to the indicated accounting standards update (“ASU”) below. These matters were identified by the staff of the AICPA’s Technical Hotline and various other bodies within the AICPA.

DETAILS

Background

ASU 2013-08, *Financial Services—Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements*

- ▶ TIS 6910.36 “Determining Whether Loan Origination Is a Substantive Activity When Assessing Whether an Entity Is an Investment Company”

ASU 2013-07, *Presentation of Financial Statements (Topic 205): Liquidation Basis of Accounting*

- ▶ TIS 6910.37 “Considering the Length of Time It Will Take an Investment Company to Liquidate Its Assets and Satisfy Its Liabilities When Determining If Liquidation Is Imminent”
- ▶ TIS 6910.38 “Determining If Liquidation Is Imminent When the Only Investor in an Investment Company Redeems Its Interest, and the Investment Company Anticipates Selling All of Its Investments and Settling All of Its Assets and Liabilities”

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- ▶ TIS 6910.39 “Presentation of Stub Period Information by an Investment Company”
- ▶ TIS 6910.40 “Applying the Financial Statement Reporting Requirements in FASB ASC 946-205-45-1 When an Investment Company Presents a Stub Period”
- ▶ TIS 6910.41 “Separation of Final-Period Financial Statements Between Going Concern and Liquidation Periods for Certain Investment Companies That Liquidate Over a Short Period of Time”
- ▶ TIS 6910.42 “Presenting Financial Highlights Under the Liquidation Basis of Accounting for an Investment Company”
- ▶ TIS 6910.43 “Accrued Income When Using the Liquidation Basis of Accounting”

Full details and additional AICPA resources are available [here](#).

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