

# Accounting pronouncements effective for 2019

**In this issue:**

Pronouncements and resources.....1

ASUs for Securities and Exchange Commission (SEC) updates .....6

Appendix: Effective date matrix as of 31 December 2019 .....7

Several new accounting pronouncements are effective for 2019 interim or annual periods for calendar-year entities.<sup>1</sup> We list them below, along with related EY publications. All entities should carefully evaluate which accounting requirements apply to them for the first time in 2019.

The referenced publications are produced by our US Professional Practice Group and are available free of charge on [EY AccountingLink](#).

## Pronouncements and resources

- ▶ Accounting Standards Update (ASU) 2019-06, *Intangibles – Goodwill and Other (Topic 350), Business Combinations (Topic 805), and Not-for-Profit Entities (Topic 958), Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities*
  - ▶ [To the Point, FASB allows NFPs to simplify their accounting for goodwill and intangible assets \(SCORE No. 06328-191US\)](#)
  - ▶ [Financial reporting developments, Business combinations \(SCORE No. BB1616\)](#)
- ▶ ASU 2019-01, *Leases (Topic 842), Codification Improvements (amendments to clarify transition disclosure requirements for public entities)*
  - ▶ [To the Point, FASB issues more amendments to help lessors apply the new leases standard \(SCORE No. 05751-191US\)](#)
  - ▶ [Financial reporting developments, Lease accounting: Accounting Standards Codification 842, Leases \(SCORE No. 00195-171US\)](#)

- ▶ ASU 2018-20, *Leases (Topic 842), Narrow-Scope Improvements for Lessors (for public entities)*
  - ▶ To the Point, FASB makes narrow-scope amendments to help lessors apply the new leases standard (SCORE No. 05219-181US)
  - ▶ Financial reporting developments, Lease accounting: Accounting Standards Codification 842, Leases (SCORE No. 00195-171US)
- ▶ ASU 2018-16, *Derivatives and Hedging (Topic 815), Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes (for public entities)*
  - ▶ To the Point, FASB adds new benchmark interest rate for hedge accounting (SCORE No. 04808-181US)
  - ▶ Financial reporting developments, Derivatives and hedging (after the adoption of ASU 2017-12, Targeted Improvements to Accounting for Hedging Activities) (SCORE No. 05712-191US)
- ▶ ASU 2018-11, *Leases (Topic 842), Targeted Improvements (for public entities)*
  - ▶ To the Point, FASB adds transition option and practical expedient for lessors to new leases standard (SCORE No. 04097-181US)
  - ▶ Financial reporting developments, Lease accounting: Accounting Standards Codification 842, Leases (SCORE No. 00195-171US)
- ▶ ASU 2018-10, *Codification Improvements to Topic 842, Leases (for public entities)*
  - ▶ To the Point, FASB issues narrow amendments to the new leases standard (SCORE No. 03969-181US)
  - ▶ Financial reporting developments, Lease accounting: Accounting Standards Codification 842, Leases (SCORE No. 00195-171US)
- ▶ ASU 2018-09, *Codification Improvements (certain amendments)*
- ▶ ASU 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (for nonpublic entities who are resource recipients and for public entities)*
  - ▶ To the Point, FASB clarifies the guidance for contributions received and contributions made (SCORE No. 03769-181US)
- ▶ ASU 2018-07, *Compensation – Stock Compensation (Topic 718), Improvements to Nonemployee Share-Based Payment Accounting (for public entities)*
  - ▶ To the Point, FASB requires the ASC 718 measurement approach for all share-based payments to customers (SCORE No. 07737-191US)
  - ▶ To the Point, FASB simplifies the accounting for share-based payments to nonemployees (SCORE No. 03768-181US)
  - ▶ Technical Line, A closer look at the guidance on accounting for share-based payments to nonemployees (SCORE No. 03947-181US)
  - ▶ Financial reporting developments, Share-based payment (after the adoption of ASU 2018-07, Improvements to Nonemployee Share-Based Payment Accounting) (SCORE No. 06440-191US)

- ▶ ASU 2018-03, *Technical Corrections and Improvements to Financial Instruments – Overall (Subtopic 825-10), Recognition and Measurement of Financial Assets and Financial Liabilities* (for nonpublic entities)
  - ▶ **Financial reporting developments, *Certain investments in debt and equity securities (after the adoption of ASU 2016-01, Recognition and Measurement of Financial Assets and Financial Liabilities)* (SCORE No. 03623-181US)**
- ▶ ASU 2018-02, *Income Statement – Reporting Comprehensive Income (Topic 220), Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*
  - ▶ **Financial reporting developments, *Income taxes* (SCORE No. BB1150)**
- ▶ ASU 2018-01, *Leases (Topic 842), Land Easement Practical Expedient for Transition to Topic 842* (for public entities)
  - ▶ **To the Point, *FASB issues transition practical expedient for land easements and clarification on applying ASC 842* (SCORE No. 00516-181US)**
  - ▶ **Financial reporting developments, *Lease accounting: Accounting Standards Codification 842, Leases* (SCORE No. 00195-171US)**
- ▶ ASU 2017-15, *Codification Improvements to Topic 995, U.S. Steamship Entities, Elimination of Topic 995*
- ▶ ASU 2017-12, *Derivatives and Hedging (Topic 815), Targeted Improvements to Accounting for Hedging Activities* (for public entities)
  - ▶ **To the Point, *FASB proposes amendments to clarify and improve its hedge accounting guidance* (SCORE No. 07790-191US)**
  - ▶ **To the Point, *FASB proposes relief for the transition away from LIBOR and certain other reference rates* (SCORE No. 06882-191US)**
  - ▶ **To the Point, *FASB issues amendments to the three new standards on financial instruments* (SCORE No. 06107-191US)**
  - ▶ **To the Point, *FASB amends hedge accounting guidance to better reflect entities' risk management activities* (SCORE No. 04887-171US)**
  - ▶ **Financial reporting developments, *Derivatives and hedging (after the adoption of ASU 2017-12, Targeted Improvements to Accounting for Hedging Activities)* (SCORE No. 05712-191US)**
- ▶ ASU 2017-11, *Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815), (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception* (amendments in Part I for public entities)
  - ▶ **To the Point, *FASB simplifies the accounting for financial instruments with 'down round' features* (SCORE No. 04343-171US)**
  - ▶ **Financial reporting developments, *Issuer's accounting for debt and equity financings* (SCORE No. BB2438)**

- ▶ ASU 2017-10, *Service Concession Arrangements (Topic 853), Determining the Customer of the Operation Services (for nonpublic entities)*
  - ▶ Financial reporting developments, Lease accounting: Accounting Standards Codification 840, Leases (SCORE No. BB1793)
  - ▶ Financial reporting developments, Lease accounting: Accounting Standards Codification 842, Leases (SCORE No. 00195-171US)
- ▶ ASU 2017-08, *Receivables – Nonrefundable Fees and Other Costs (Subtopic 310-20), Premium Amortization on Purchased Callable Debt Securities (for public entities)*
  - ▶ To the Point, FASB shortens the amortization period for certain purchased callable debt securities held at a premium (SCORE No. 01543-171US)
  - ▶ Financial reporting developments, Certain investments in debt and equity securities (after the adoption of ASU 2016-01, Recognition and Measurement of Financial Assets and Financial Liabilities) (SCORE No. 03623-181US)
- ▶ ASU 2017-07, *Compensation – Retirement Benefits (Topic 715), Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost (for nonpublic entities)*
  - ▶ To the Point, Employers' presentation of defined benefit retirement plan costs will change (SCORE No. 01039-171US)
- ▶ ASU 2017-06, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965), Employee Benefit Plan Master Trust Reporting*
  - ▶ To the Point, FASB amends employee benefit plan master trust reporting (SCORE No. 00914-171US)
- ▶ ASU 2017-05, *Other Income – Gains and Losses from the Derecognition of Nonfinancial Assets (Subtopic 610-20), Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets (for nonpublic entities)*
  - ▶ Financial reporting developments, Gains and losses from the derecognition of nonfinancial assets (ASC 610-20) (SCORE No. 07831-191US)
- ▶ ASU 2017-01, *Business Combinations (Topic 805), Clarifying the Definition of a Business (for nonpublic entities)*
  - ▶ To the Point, FASB narrows the definition of a business (SCORE No. 00058-171US)
  - ▶ Financial reporting developments, Business combinations (SCORE No. BB1616)
- ▶ ASU 2016-20, *Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers (for nonpublic entities)*
  - ▶ Financial reporting developments, Revenue from contracts with customers (ASC 606) (SCORE No. BB3043)
- ▶ ASU 2016-18, *Statement of Cash Flows (Topic 230), Restricted Cash (for nonpublic entities)*
  - ▶ To the Point, FASB addresses the presentation of restricted cash in the statement of cash flows (SCORE No. 03938-161US)
  - ▶ Financial reporting developments, Statement of cash flows: Accounting Standards Codification 230 (SCORE No. 42856)

- ▶ ASU 2016-16, *Income Taxes (Topic 740), Intra-Entity Transfers of Assets Other Than Inventory (for nonpublic entities)*
  - ▶ Financial reporting developments, *Income taxes (SCORE No. BB1150)*
- ▶ ASU 2016-15, *Statement of Cash Flows (Topic 230), Classification of Certain Cash Receipts and Cash Payments (for nonpublic entities)*
  - ▶ To the Point, *FASB clarifies the classification of certain cash receipts and cash payments (SCORE No. 02677-161US)*
  - ▶ Financial reporting developments, *Statement of cash flows: Accounting Standards Codification 230 (SCORE No. 42856)*
- ▶ ASU 2016-12, *Revenue from Contracts with Customers (Topic 606), Narrow-Scope Improvements and Practical Expedients (for nonpublic entities)*
  - ▶ Financial reporting developments, *Revenue from contracts with customers (ASC 606) (SCORE No. BB3043)*
- ▶ ASU 2016-10, *Revenue from Contracts with Customers (Topic 606), Identifying Performance Obligations and Licensing (for nonpublic entities)*
  - ▶ Financial reporting developments, *Revenue from contracts with customers (ASC 606) (SCORE No. BB3043)*
- ▶ ASU 2016-08, *Revenue from Contracts with Customers (Topic 606), Principal versus Agent Considerations (Reporting Revenue Gross versus Net) (for nonpublic entities)*
  - ▶ Financial reporting developments, *Revenue from contracts with customers (ASC 606) (SCORE No. BB3043)*
- ▶ ASU 2016-04, *Liabilities – Extinguishments of Liabilities (Subtopic 405-20), Recognition of Breakage for Certain Prepaid Stored-Value Products (for nonpublic entities)*
  - ▶ Financial reporting developments, *Issuer's accounting for debt and equity financings (SCORE No. BB2438)*
- ▶ ASU 2016-02, *Leases (Topic 842) (for public entities)*
  - ▶ Technical Line, *Year-end accounting and disclosure reminders for reporting under the new leases standard (SCORE No. 07829-191US)*
  - ▶ To the Point, *FASB staff clarifies lessor accounting for uncollectible operating lease receivables (SCORE No. 06578-191US)*
  - ▶ Financial reporting developments, *Lease accounting: Accounting Standards Codification 842, Leases (SCORE No. 00195-171US)*<sup>2</sup>
- ▶ ASU 2016-01, *Financial Instruments – Overall (Subtopic 825-10), Recognition and Measurement of Financial Assets and Financial Liabilities (for nonpublic entities)*
  - ▶ To the Point, *FASB issues amendments to the three new standards on financial instruments (SCORE No. 06107-191US)*
  - ▶ Financial reporting developments, *Certain investments in debt and equity securities (after the adoption of ASU 2016-01, Recognition and Measurement of Financial Assets and Financial Liabilities) (SCORE No. 03623-181US)*

- ▶ ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* (for nonpublic entities)
  - ▶ [Private Company Reporting Update, Focus areas for implementing the new revenue recognition standard \(SCORE No. 05688-191US\)](#)
  - ▶ [Private Company Reporting Update, How the new revenue standard will affect private companies \(SCORE No. 04090-181US\)](#)
  - ▶ [Technical Line, Year-end accounting and disclosure reminders for reporting under ASC 606 \(SCORE No. 05326-181US\)](#)
  - ▶ [Financial reporting developments, Revenue from contracts with customers \(ASC 606\) \(SCORE No. BB3043\)<sup>2</sup>](#)

### ASUs for Securities and Exchange Commission (SEC) updates<sup>3</sup>

- ▶ ASU 2019-07, *Codification Updates to SEC Sections – Amendments to SEC Paragraphs Pursuant to SEC Final Rule Releases No. 33-10532, Disclosure Update and Simplification, and Nos. 33-10231 and 33-10442, Investment Company Reporting Modernization, and Miscellaneous Updates (SEC Update)* (for public entities)
- ▶ ASU 2017-13, *Revenue Recognition (Topic 605), Revenue from Contracts with Customers (Topic 606), Leases (Topic 840), and Leases (Topic 842), Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Rescission of Prior SEC Staff Announcements and Observer Comments (SEC Update)* (amendments to ASC 840 for public entities)

#### Endnotes:

- 
- <sup>1</sup> Our upcoming 2019 Standard Setter Update publication will discuss recent ASUs and effective dates that may be relevant to non-calendar-year entities.
  - <sup>2</sup> Industry-specific Technical Line publications are available on AccountingLink.
  - <sup>3</sup> These ASUs add, amend or remove SEC paragraphs in the Accounting Standards Codification (ASC or Codification) that describe SEC guidance or SEC staff views that the Financial Accounting Standards Board (FASB) includes as a convenience to Codification users.

## Appendix: Effective date matrix as of 31 December 2019

**Note:** Early adoption generally is permitted unless otherwise noted.

Effective in 2019 for public <sup>1</sup> calendar year-end entities <sup>2</sup>		
ASU 2019-07	Codification Updates to SEC Sections – Amendments to SEC Paragraphs Pursuant to SEC Final Rule Releases No. 33-10532, <i>Disclosure Update and Simplification</i> , and Nos. 33-10231 and 33-10442, <i>Investment Company Reporting Modernization</i> , and Miscellaneous Updates (SEC Update) <sup>3</sup>	Effective upon issuance (26 July 2019). See SEC releases for effective date information.
ASU 2019-06	Intangibles – Goodwill and Other (Topic 350), Business Combinations (Topic 805), and Not-for-Profit Entities (Topic 958), Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities	Effective upon issuance (30 May 2019).
ASU 2019-01	Leases (Topic 842), Codification Improvements	Amendments to clarify transition disclosure requirements: Effective upon adoption of the amendments in ASU 2016-02. Other amendments: Effective for fiscal years beginning after 15 December 2019, and interim periods within those fiscal years.
ASU 2018-20	Leases (Topic 842), Narrow-Scope Improvements for Lessors	Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: May apply the amendments either in the first reporting period ending or beginning after the issuance of the ASU (10 December 2018) or on the date they would have been required to adopt ASC 842.
ASU 2018-16	Derivatives and Hedging (Topic 815), Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes	Entities that have not yet adopted ASU 2017-12: Effective upon adoption of the amendments in ASU 2017-12. Early adoption is not permitted before an entity's adoption of ASU 2017-12. Entities that have adopted ASU 2017-12: Effective for fiscal years beginning after 15 December 2018, and interim periods within those fiscal years.
ASU 2018-11	Leases (Topic 842), Targeted Improvements	Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: May apply the lessor expedient either in the first reporting period following the issuance of the ASU (30 July 2018) or on the date they would have been required to adopt ASC 842.
ASU 2018-10	Codification Improvements to Topic 842, Leases	Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: Effective upon issuance (18 July 2018).
ASU 2018-09	Codification Improvements	Amendments that do not have transition guidance: Effective upon issuance (16 July 2018). Amendments to ASC 740: Effective upon adoption of the amendments in ASU 2016-16. Certain amendments to ASC 820 and ASC 944: Effective upon adoption of the amendments in ASU 2016-01. Other amendments that are subject to transition guidance: Effective for annual periods beginning after 15 December 2018, including interim periods within those annual periods.

<sup>1</sup> Refer to each ASU to determine which types of entities (e.g., public business entities, not-for-profits, employee benefit plans) are subject to these effective dates.

<sup>2</sup> The Jumpstart Our Business Startups Act allows emerging growth companies to follow private company effective dates for new or revised accounting standards issued after 5 April 2012. However, an emerging growth company must follow public company effective dates for all such standards if it has disclosed an election to do so.

<sup>3</sup> This ASU adds or amends SEC paragraphs in the Codification that describe SEC guidance or SEC staff views that the FASB includes as a convenience to Codification users.

Effective in 2019 for public <sup>1</sup> calendar year-end entities <sup>2</sup>		
ASU 2018-08	Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made	Resource recipients: Effective for annual periods beginning after 15 June 2018, including interim periods within those annual periods. Resource providers: Effective for annual periods beginning after 15 December 2018, including interim periods within those annual periods.
ASU 2018-07	Compensation – Stock Compensation (Topic 718), Improvements to Nonemployee Share-Based Payment Accounting	Effective for fiscal years beginning after 15 December 2018, including interim periods within those fiscal years. Early adoption is not permitted before an entity's adoption of ASC 606.
ASU 2018-02	Income Statement – Reporting Comprehensive Income (Topic 220), Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income	Effective for fiscal years, and interim periods within those fiscal years, beginning after 15 December 2018.
ASU 2018-01	Leases (Topic 842), Land Easement Practical Expedient for Transition to Topic 842	Effective upon adoption of the amendments in ASU 2016-02.
ASU 2017-15	Codification Improvements to Topic 995, U.S. Steamship Entities, Elimination of Topic 995	Effective for fiscal years and first interim periods beginning after 15 December 2018.
ASU 2017-13	Revenue Recognition (Topic 605), Revenue from Contracts with Customers (Topic 606), Leases (Topic 840), and Leases (Topic 842), Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Rescission of Prior SEC Staff Announcements and Observer Comments (SEC Update) <sup>3</sup>	Amendments to ASC 606 and ASC 842: Effective upon announcement. Amendments to ASC 605: Effective upon adoption of the amendments in ASU 2014-09. Amendments to ASC 840: Effective upon adoption of the amendments in ASU 2016-02.
ASU 2017-12	Derivatives and Hedging (Topic 815), Targeted Improvements to Accounting for Hedging Activities	Effective for fiscal years beginning after 15 December 2018, and interim periods within those fiscal years.
ASU 2017-11	Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815), (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception	Amendments in Part I: Effective for fiscal years beginning after 15 December 2018, including interim periods within those fiscal years. Amendments in Part II: Transition is not required.
ASU 2017-08	Receivables – Nonrefundable Fees and Other Costs (Subtopic 310-20), Premium Amortization on Purchased Callable Debt Securities	Effective for fiscal years, and interim periods within those fiscal years, beginning after 15 December 2018.
ASU 2017-06	Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965), Employee Benefit Plan Master Trust Reporting	Effective for fiscal years beginning after 15 December 2018.
ASU 2016-02	Leases (Topic 842)	Effective for fiscal years beginning after 15 December 2018, and interim periods within those fiscal years.



Effective after 2019 for public <sup>1</sup> calendar year-end entities <sup>2</sup>		
ASU 2019-12	Income Taxes (Topic 740), Simplifying the Accounting for Income Taxes	Effective for fiscal years beginning after 15 December 2020, and interim periods within those fiscal years.
ASU 2019-11	Codification Improvements to Topic 326, Financial Instruments – Credit Losses	Entities that have not yet adopted ASU 2016-13: Effective upon adoption of the amendments in ASU 2016-13. Early adoption is not permitted before an entity's adoption of ASU 2016-13. Entities that have adopted ASU 2016-13: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years.
ASU 2019-08	Compensation – Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606), Codification Improvements – Share-Based Consideration Payable to a Customer	Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Early adoption is not permitted before an entity's adoption of ASU 2018-07.
ASU 2019-05	Financial Instruments – Credit Losses (Topic 326), Targeted Transition Relief	Entities that have not yet adopted ASU 2016-13: Effective upon adoption of the amendments in ASU 2016-13. Early adoption is not permitted before an entity's adoption of ASU 2016-13. Entities that have adopted ASU 2016-13: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years.
ASU 2019-04	Codification Improvements to Topic 326, Financial Instruments – Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments	Amendments related to ASU 2016-13, for entities that have not yet adopted that guidance: Effective upon adoption of the amendments in ASU 2016-13. Early adoption is not permitted before an entity's adoption of ASU 2016-13. Amendments related to ASU 2016-13, for entities that have adopted that guidance: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Amendments related to ASU 2017-12, for entities that have not yet adopted that guidance: Effective upon adoption of the amendments in ASU 2017-12. Early adoption is not permitted before an entity's adoption of ASU 2017-12. Amendments related to ASU 2017-12, for entities that have adopted that guidance: Effective as of the beginning of the first annual reporting period beginning after issuance of this ASU (25 April 2019). Amendments related to ASU 2016-01: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Early adoption is not permitted before an entity's adoption of ASU 2016-01.
ASU 2019-03	Not-for-Profit Entities (Topic 958), Updating the Definition of <i>Collections</i>	Effective for annual periods beginning after 15 December 2019, and interim periods within annual periods beginning after 15 December 2020.
ASU 2019-02	Entertainment – Films – Other Assets – Film Costs (Subtopic 926-20) and Entertainment – Broadcasters – Intangibles – Goodwill and Other (Subtopic 920-350), Improvements to Accounting for Costs of Films and License Agreements for Program Materials	Effective for fiscal years, and interim periods within those fiscal years, beginning after 15 December 2019.
ASU 2018-19	Codification Improvements to Topic 326, Financial Instruments – Credit Losses	Effective upon adoption of the amendments in ASU 2016-13.
ASU 2018-18	Collaborative Arrangements (Topic 808), Clarifying the Interaction between Topic 808 and Topic 606	Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Early adoption is not permitted before an entity's adoption of ASC 606.
ASU 2018-17	Consolidation (Topic 810), Targeted Improvements to Related Party Guidance for Variable Interest Entities	Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years.
ASU 2018-15	Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40), Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract	Effective for annual periods, including interim periods within those annual periods, beginning after 15 December 2019.
ASU 2018-14	Compensation – Retirement Benefits – Defined Benefit Plans – General (Subtopic 715-20), Disclosure Framework – Changes to the Disclosure Requirements for Defined Benefit Plans	Effective for financial statements issued for fiscal years ending after 15 December 2020.

<b>Effective after 2019 for public<sup>1</sup> calendar year-end entities<sup>2</sup></b>		
ASU 2018-13	Fair Value Measurement (Topic 820), Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement	Effective for fiscal years, and interim periods within those years, beginning after 15 December 2019.
ASU 2018-12	Financial Services – Insurance (Topic 944), Targeted Improvements to the Accounting for Long-Duration Contracts	SEC filers, excluding smaller reporting companies (SRCs): Effective for fiscal years beginning after 15 December 2021, and interim periods within those fiscal years. <sup>4</sup> Other SEC filers: Effective for fiscal years beginning after 15 December 2023, and interim periods within fiscal years beginning after 15 December 2024. <sup>4</sup>
ASU 2017-04	Intangibles – Goodwill and Other (Topic 350), Simplifying the Test for Goodwill Impairment	SEC filers, excluding SRCs: Effective for annual and any interim impairment tests performed for periods beginning after 15 December 2019. <sup>5</sup> Other SEC filers: Effective for annual and any interim impairment tests performed for periods beginning after 15 December 2022. <sup>5</sup>
ASU 2016-13	Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments	SEC filers, excluding SRCs: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. <sup>6</sup> Other SEC filers: Effective for fiscal years beginning after 15 December 2022, including interim periods within those fiscal years. <sup>6</sup> Earlier application is permitted only for fiscal years beginning after 15 December 2018, including interim periods within those fiscal years.
<b>Effective in 2019 for nonpublic<sup>7</sup> calendar year-end entities</b>		
ASU 2019-06	Intangibles – Goodwill and Other (Topic 350), Business Combinations (Topic 805), and Not-for-Profit Entities (Topic 958), Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities	Effective upon issuance (30 May 2019).
ASU 2018-09	Codification Improvements	Amendments that do not have transition guidance: Effective upon issuance (16 July 2018). Amendments to ASC 740: Effective upon adoption of the amendments in ASU 2016-16. Certain amendments to ASC 820 and ASC 944: Effective upon adoption of the amendments in ASU 2016-01. Other amendments that are subject to transition guidance: Effective for annual periods beginning after 15 December 2019, and interim periods within annual periods beginning after 15 December 2020.
ASU 2018-08	Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made	Resource recipients: Effective for annual periods beginning after 15 December 2018, and interim periods within annual periods beginning after 15 December 2019. Resource providers: Effective for annual periods beginning after 15 December 2019, and interim periods within annual periods beginning after 15 December 2020.
ASU 2018-03	Technical Corrections and Improvements to Financial Instruments – Overall (Subtopic 825-10), Recognition and Measurement of Financial Assets and Financial Liabilities	Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019. Early adoption is not permitted unless the entity has early adopted the amendments in ASU 2016-01.
ASU 2018-02	Income Statement – Reporting Comprehensive Income (Topic 220), Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income	Effective for fiscal years, and interim periods within those fiscal years, beginning after 15 December 2018.
ASU 2017-15	Codification Improvements to Topic 995, U.S. Steamship Entities, Elimination of Topic 995	Effective for fiscal years and first interim periods beginning after 15 December 2018.

<sup>4</sup> ASU 2019-09 deferred the effective dates of the new standard on long-duration insurance contracts for all entities.

<sup>5</sup> ASU 2019-10 deferred these effective dates to align them with the new effective dates of the new credit losses standard.

<sup>6</sup> ASU 2019-10 deferred the effective date of the new credit losses standard for all entities except SEC filers that are not SRCs.

<sup>7</sup> Refer to each ASU to determine which types of entities (e.g., private companies, not-for-profits, employee benefit plans) are subject to these effective dates.

Effective in 2019 for nonpublic <sup>7</sup> calendar year-end entities		
ASU 2017-10	Service Concession Arrangements (Topic 853), Determining the Customer of the Operation Services	Entities that have not yet adopted ASC 606: Effective upon adoption of the amendments in ASU 2014-09. Entities that have adopted ASC 606: Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019.
ASU 2017-07	Compensation – Retirement Benefits (Topic 715), Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost	Effective for annual periods beginning after 15 December 2018, and interim periods within annual periods beginning after 15 December 2019.
ASU 2017-06	Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965), Employee Benefit Plan Master Trust Reporting	Effective for fiscal years beginning after 15 December 2018.
ASU 2017-05	Other Income – Gains and Losses from the Derecognition of Nonfinancial Assets (Subtopic 610-20), Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets	Effective upon adoption of the amendments in ASU 2014-09.
ASU 2017-01	Business Combinations (Topic 805), Clarifying the Definition of a Business	Effective for annual periods beginning after 15 December 2018, and interim periods within annual periods beginning after 15 December 2019.
ASU 2016-20	Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers	Effective upon adoption of the amendments in ASU 2014-09.
ASU 2016-18	Statement of Cash Flows (Topic 230), Restricted Cash	Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019.
ASU 2016-16	Income Taxes (Topic 740), Intra-Entity Transfers of Assets Other Than Inventory	Effective for annual reporting periods beginning after 15 December 2018, and interim reporting periods within annual reporting periods beginning after 15 December 2019.
ASU 2016-15	Statement of Cash Flows (Topic 230), Classification of Certain Cash Receipts and Cash Payments	Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019.
ASU 2016-12	Revenue from Contracts with Customers (Topic 606), Narrow-Scope Improvements and Practical Expedients	Effective upon adoption of the amendments in ASU 2014-09.
ASU 2016-10	Revenue from Contracts with Customers (Topic 606), Identifying Performance Obligations and Licensing	Effective upon adoption of the amendments in ASU 2014-09.
ASU 2016-08	Revenue from Contracts with Customers (Topic 606), Principal versus Agent Considerations (Reporting Revenue Gross versus Net)	Effective upon adoption of the amendments in ASU 2014-09.
ASU 2016-04	Liabilities – Extinguishments of Liabilities (Subtopic 405-20), Recognition of Breakage for Certain Prepaid Stored-Value Products	Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019.
ASU 2016-01	Financial Instruments – Overall (Subtopic 825-10), Recognition and Measurement of Financial Assets and Financial Liabilities	Effective for fiscal years beginning after 15 December 2018, and interim periods within fiscal years beginning after 15 December 2019. Application prior to the effective date for public business entities is prohibited, except for the presentation guidance in ASC 825-10-45-5 through 45-7 and the provision in ASC 825-10-65-2 that eliminates the fair value disclosures for financial instruments required by the General Subsection of ASC 825-10-50.
ASU 2014-09	Revenue from Contracts with Customers (Topic 606)	Effective for annual reporting periods beginning after 15 December 2018, and interim reporting periods within annual reporting periods beginning after 15 December 2019. Application prior to the original effective date for public entities is prohibited. <sup>8</sup>

<sup>8</sup> ASU 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, deferred the effective date for the new revenue standard for public and nonpublic entities reporting under US GAAP.

Effective after 2019 for nonpublic <sup>7</sup> calendar year-end entities		
ASU 2019-12	Income Taxes (Topic 740), Simplifying the Accounting for Income Taxes	Effective for fiscal years beginning after 15 December 2021, and interim periods within fiscal years beginning after 15 December 2022.
ASU 2019-11	Codification Improvements to Topic 326, Financial Instruments – Credit Losses	Entities that have not yet adopted ASU 2016-13: Effective upon adoption of the amendments in ASU 2016-13. Early adoption is not permitted before an entity's adoption of ASU 2016-13. Entities that have adopted ASU 2016-13: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years.
ASU 2019-08	Compensation – Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606), Codification Improvements – Share-Based Consideration Payable to a Customer	Entities that have adopted ASU 2018-07: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Entities that have not yet adopted ASU 2018-07: Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020. Early adoption is not permitted before an entity's adoption of ASU 2018-07.
ASU 2019-05	Financial Instruments – Credit Losses (Topic 326), Targeted Transition Relief	Entities that have not yet adopted ASU 2016-13: Effective upon adoption of the amendments in ASU 2016-13. Early adoption is not permitted before an entity's adoption of ASU 2016-13. Entities that have adopted ASU 2016-13: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years.
ASU 2019-04	Codification Improvements to Topic 326, Financial Instruments – Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments	Amendments related to ASU 2016-13, for entities that have not yet adopted that guidance: Effective upon adoption of the amendments in ASU 2016-13. Early adoption is not permitted before an entity's adoption of ASU 2016-13. Amendments related to ASU 2016-13, for entities that have adopted that guidance: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Amendments related to ASU 2017-12, for entities that have not yet adopted that guidance: Effective upon adoption of the amendments in ASU 2017-12. Early adoption is not permitted before an entity's adoption of ASU 2017-12. Amendments related to ASU 2017-12, for entities that have adopted that guidance: Effective as of the beginning of the first annual reporting period beginning after issuance of this ASU (25 April 2019). Amendments related to ASU 2016-01: Effective for fiscal years beginning after 15 December 2019, including interim periods within those fiscal years. Early adoption is not permitted before an entity's adoption of ASU 2016-01.
ASU 2019-03	Not-for-Profit Entities (Topic 958), Updating the Definition of <i>Collections</i>	Effective for annual periods beginning after 15 December 2019, and interim periods within annual periods beginning after 15 December 2020.
ASU 2019-02	Entertainment – Films – Other Assets – Film Costs (Subtopic 926-20) and Entertainment – Broadcasters – Intangibles – Goodwill and Other (Subtopic 920-350), Improvements to Accounting for Costs of Films and License Agreements for Program Materials	Effective for fiscal years, and interim periods within those fiscal years, beginning after 15 December 2020.
ASU 2019-01	Leases (Topic 842), Codification Improvements	Amendments to clarify transition disclosure requirements: Effective upon adoption of the amendments in ASU 2016-02. Other amendments: Effective for fiscal years beginning after 15 December 2020, and interim periods within fiscal years beginning after 15 December 2021. <sup>9</sup>
ASU 2018-20	Leases (Topic 842), Narrow-Scope Improvements for Lessors	Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: May apply the amendments either in the first reporting period ending or beginning after the issuance of the ASU (10 December 2018) or on the date they would have been required to adopt ASC 842.

<sup>9</sup> ASU 2019-10 deferred the effective date for its new standard on leases for entities that are not public business entities; not not-for-profit entities that have issued, or are conduit bond obligors for, certain securities; and not employee benefit plans that file or furnish financial statements with or to the SEC.

Effective after 2019 for nonpublic <sup>7</sup> calendar year-end entities		
ASU 2018-19	Codification Improvements to Topic 326, Financial Instruments – Credit Losses	Effective upon adoption of the amendments in ASU 2016-13.
ASU 2018-18	Collaborative Arrangements (Topic 808), Clarifying the Interaction between Topic 808 and Topic 606	Effective for fiscal years beginning after 15 December 2020, and interim periods within fiscal years beginning after 15 December 2021. Early adoption is not permitted before an entity's adoption of ASC 606.
ASU 2018-17	Consolidation (Topic 810), Targeted Improvements to Related Party Guidance for Variable Interest Entities	Effective for fiscal years beginning after 15 December 2020, and interim periods within fiscal years beginning after 15 December 2021.
ASU 2018-16	Derivatives and Hedging (Topic 815), Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes	Entities that have not yet adopted ASU 2017-12: Effective upon adoption of the amendments in ASU 2017-12. Early adoption is not permitted before an entity's adoption of ASU 2017-12. Entities that have adopted ASU 2017-12: Effective for fiscal years beginning after 15 December 2019, and interim periods within those fiscal years.
ASU 2018-15	Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40), Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract	Effective for annual periods beginning after 15 December 2020, and interim periods in annual periods beginning after 15 December 2021.
ASU 2018-14	Compensation – Retirement Benefits – Defined Benefit Plans – General (Subtopic 715-20), Disclosure Framework – Changes to the Disclosure Requirements for Defined Benefit Plans	Effective for financial statements issued for fiscal years ending after 15 December 2021.
ASU 2018-13	Fair Value Measurement (Topic 820), Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement	Effective for fiscal years, and interim periods within those years, beginning after 15 December 2019.
ASU 2018-12	Financial Services – Insurance (Topic 944), Targeted Improvements to the Accounting for Long-Duration Contracts	Effective for fiscal years beginning after 15 December 2023, and interim periods within fiscal years beginning after 15 December 2024. <sup>4</sup>
ASU 2018-11	Leases (Topic 842), Targeted Improvements	Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: May apply the lessor expedient either in the first reporting period following the issuance of the ASU (30 July 2018) or on the date they would have been required to adopt ASC 842.
ASU 2018-10	Codification Improvements to Topic 842, Leases	Entities that have not yet adopted ASC 842: Effective upon adoption of the amendments in ASU 2016-02. Entities that have adopted ASC 842: Effective upon issuance (18 July 2018).
ASU 2018-07	Compensation – Stock Compensation (Topic 718), Improvements to Nonemployee Share-Based Payment Accounting	Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020. Early adoption is not permitted before an entity's adoption of ASC 606.
ASU 2018-01	Leases (Topic 842), Land Easement Practical Expedient for Transition to Topic 842	Effective upon adoption of the amendments in ASU 2016-02.
ASU 2017-12	Derivatives and Hedging (Topic 815), Targeted Improvements to Accounting for Hedging Activities	Effective for fiscal years beginning after 15 December 2020, and interim periods within fiscal years beginning after 15 December 2021. <sup>10</sup>
ASU 2017-11	Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815), (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception	Amendments in Part I: Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020. Amendments in Part II: Transition is not required.

<sup>10</sup> ASU 2019-10 deferred the effective date for its new standard on hedging for entities that are not public business entities.

**Effective after 2019 for nonpublic<sup>7</sup> calendar year-end entities**

ASU 2017-08	Receivables – Nonrefundable Fees and Other Costs (Subtopic 310-20), Premium Amortization on Purchased Callable Debt Securities	Effective for fiscal years beginning after 15 December 2019, and interim periods within fiscal years beginning after 15 December 2020.
ASU 2017-04	Intangibles – Goodwill and Other (Topic 350), Simplifying the Test for Goodwill Impairment	Effective for annual and any interim impairment tests performed for periods beginning after 15 December 2022. <sup>5</sup>
ASU 2016-13	Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments	Effective for fiscal years beginning after 15 December 2022, including interim periods within those fiscal years. <sup>6</sup> Earlier application is permitted only for fiscal years beginning after 15 December 2018, including interim periods within those fiscal years.
ASU 2016-02	Leases (Topic 842)	Effective for fiscal years beginning after 15 December 2020, and interim periods within fiscal years beginning after 15 December 2021. <sup>9</sup>

EY | Assurance | Tax | Transactions | Advisory

**About EY**

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

© 2020 Ernst & Young LLP.  
All Rights Reserved.

SCORE No. 08104-201US

ED None

[ey.com/us/accountinglink](https://ey.com/us/accountinglink)

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). For more information about our organization, please visit [ey.com](https://ey.com).

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.