TKW

As a member of the RSM US Alliance, we would like to share the following with you:

2022 Effective Date Reminder

An independently owned member
RSM US Alliance

RSM

LOCALLY OWNED. NATIONALLY AFFILIATED. GLOBALLY CONNECTED.

Talbot, Korvola & Warwick is a proud member of the RSM US Alliance, a premier affiliation of independent accounting and consulting firms in the United States. RSM US Alliance provides our firm with access to resources of RSM US LLP, the leading provider of audit, tax and consulting services focused on the middle market. RSM US LLP is a licensed CPA firm and the U.S. member of RSM International, a global network of independent audit, tax and consulting firms with more than 43,000 people in over 120 countries.

Our membership in RSM US Alliance has elevated our capabilities in the marketplace, helping to differentiate our firm from the competition while allowing us to maintain our independence and entrepreneurial culture. We have access to a valuable peer network of like-sized firms as well as a broad range of tools, expertise and technical resources.

14945 SW Sequoia Parkway, Suite 150 Portland, OR 97224
(503) 274-2849

2022 EFFECTIVE DATE REMINDER

This Effective Date Reminder lists only those pronouncements issued as of November 1, 2022, which became effective on or after January 1, 2022 for most entities or have not yet become effective for all entities as of November 1, 2022.

FINANCIAL ACCOUNTING STANDARDS BOARD (FASB)

ASU 2016-02, *Leases (Topic 842)*

Among many other provisions, this ASU requires lessees to recognize right-of-use assets and lease liabilities for all leases not considered short-term leases. The ASU was effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, for (a) a public business entity; (b) a not-for-profit entity that has issued, or is a conduit bond obligor for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market (except as provided below); and (c) an employee benefit plan that files or furnishes financial statements with or to the SEC. (If an entity is a public business entity solely because its financial statements or financial information is included in another entity's filing with the SEC pursuant to certain SEC rules and regulations, see the alternative effective date provided by ASU 2017-13 as discussed below.) For all other entities, the ASU is effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Additionally, the ASU was effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years, for not-for-profit entities that have issued or are conduit obligors for securities that are traded, listed or quote on an exchange or an over-the-counter market that had not yet issued (or made available for issuance) financial statements as of June 3, 2020.

ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*

Among other provisions, this ASU requires the allowance for credit losses to reflect management's current estimate of credit losses that are expected to occur over the remaining life of a financial asset. For public business entities that are SEC filers, except for entities eligible to be smaller reporting companies (as defined by the SEC), the ASU was effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other entities, the ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. However, the Consolidated Appropriations Act, 2021 extends the end date for an insured depository institution, bank holding company or any affiliate thereof not being required to comply with ASU 2016-

13 to the earlier of the first day of the fiscal year beginning after the national COVID-19 emergency terminates or January 1, 2022.

ASU 2017-04, *Intangibles—Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*

This ASU simplifies how an entity is required to test goodwill for impairment by eliminating Step 2 from the goodwill impairment test. A public business entity that is an SEC filer, except for entities eligible to be smaller reporting companies (as defined by the SEC), should adopt the amendments in ASU 2017-04 for its annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2019. All other entities, including not-for-profit entities, that are adopting the amendments should do so for their annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2022.

ASU 2018-01, *Leases (Topic 842): Land Easement Practical Expedient for Transition to Topic 842*

This ASU clarifies that land easements should be evaluated under the new guidance in Topic 842 to determine whether the arrangements are or contain a lease. However, the ASU also permits an entity to elect an optional transition practical expedient to not apply Topic 842 to land easements that exist or expired before the effective date of Topic 842 and that were not previously assessed under Topic 840. For entities that early adopted Topic 842, the amendments are effective upon issuance of ASU 2018-01. For entities that have not adopted Topic 842, the effective date and transition requirements for ASU 2018-01 are the same as the effective date and transition requirements in Topic 842 (see the ASU 2016-02 effective date discussed earlier).

ASU 2018-10, *Codification Improvements to Topic 842, Leases*

This ASU clarifies and corrects unintended application of narrow aspects of the lease accounting guidance. For entities that early adopted Topic 842, the amendments are effective upon issuance of ASU 2018-10, and the transition requirements are the same as those in Topic 842. For entities that have not adopted Topic 842, the effective date and transition requirements for ASU 2018-10 are the same as the effective date and transition requirements in Topic 842 (see the ASU 2016-02 effective date discussed earlier).

ASU 2018-11, *Leases (Topic 842): Targeted Improvements*

This ASU (a) allows entities to initially apply ASC 842 at the adoption date and recognize a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption; and (b) provides a practical expedient under which lessors may elect, by class of underlying assets, to not separate nonlease components from the associated lease component. For entities that have not adopted Topic 842 before the issuance of ASU 2018-11, the effective date and transition requirements for the amendments related to separating components of a contract are the same as those in ASC 842 (see the ASU 2016-02 effective date discussed earlier). For entities that have adopted Topic 842 before the issuance of ASU 2018-11, the practical expedient for separating components may be elected either in the first reporting period following the issuance of ASU 2018-11 or at the otherwise applicable effective date of Topic 842 for that entity.

ASU 2018-12, *Financial Services—Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts*

This ASU addresses the accounting for long-duration insurance contracts, such as life insurance, disability income, long-term care and annuities. As amended by ASU 2020-11, for public business entities that meet the definition of an SEC filer, except for entities eligible to be smaller reporting companies (as defined by the SEC), ASU 2018-12 is effective for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. The one-time determination of whether an entity is an SRC should be based on an entity's most recent determination as of

November 15, 2019, in accordance with SEC regulations. For all other entities, the ASU is effective for fiscal years beginning after December 15, 2024, and interim periods within fiscal years beginning after December 15, 2025.

ASU 2018-14, *Compensation—Retirement Benefits—Defined Benefit Plans—General (Subtopic 715-20): Disclosure Framework—Changes to the Disclosure Requirements for Defined Benefit Plans*

This ASU removes, adds and clarifies certain disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. The ASU is effective for fiscal years ending after December 15, 2020 for public business entities, and for fiscal years ending after December 15, 2021 for all other organizations.

ASU 2018-19, *Codification Improvements to Topic 326, Financial Instruments – Credit Losses*

In addition to addressing other matters, ASU 2018-19 clarifies that receivables arising from operating leases are not within the scope of Subtopic 326-20. The effective date and transition requirements for ASU 2018-19 are the same as those in ASC 326 (see the ASU 2016-13 effective date discussed earlier).

ASU 2018-20, *Leases (Topic 842): Narrow-Scope Improvements for Lessors*

ASU 2018-20 addressed three issues lessors sometimes encounter in applying ASC 842. For an entity that has not adopted ASC 842, the effective date for ASU 2018-20 is the same as the effective date for ASU 2016-02. An entity that early adopted ASU 2016-02 should apply ASU 2018-20 at the otherwise applicable effective date of ASC 842 for the entity.

ASU 2019-01, *Leases (Topic 842): Codification Improvements*

ASU 2019-01 addressed two issues lessors sometimes encounter in applying ASC 842 and exempted both lessees and lessors from certain interim disclosures in the fiscal year in which a company adopts the new leases standard. Public business entities, certain not-for-profit entities and certain employee benefit plans that have already adopted ASC 842 (see the ASU 2016-02 effective date discussed earlier) should apply the ASU 2019-01 amendments addressing the two lessor accounting issues: (a) in financial statements issued for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years and (b) as of the date it first applied Topic 842, using the same transition methodology in accordance with paragraph 842-10-65-1(c). All other entities should apply the ASU 2019-01 amendments addressing the two lessor accounting issues as of the effective date in Topic 842, and for those that early adopted ASC 842, such amendments should be applied as of the date it first applied Topic 842 using the same transition methodology in accordance with paragraph 842-10-65-1(c).

ASU 2019-04, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments*

ASU 2019-04 makes clarifying amendments to certain financial instrument standards. For entities that have not yet adopted ASU 2016-13, the effective dates for the amendments related to ASU 2016-13 are the same as the effective dates in ASU 2016-13. For entities that have adopted ASU 2016-13, the amendments related to ASU 2016-13 were effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For entities that have not yet adopted ASU 2017-12 as of April 25, 2019, the effective dates for the amendments to Topic 815 are the same as the effective dates in ASU 2017-12. For entities that have adopted ASU 2017-12 as of April 25, 2019, the effective date was as of the beginning of the first annual period beginning after April 25, 2019. The amendments related to ASU 2016-01 were effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.

ASU 2019-05, *Financial Instruments – Credit Losses (Topic 326): Targeted Transition Relief*

ASU 2019-05 provides entities that have certain instruments within the scope of Subtopic 326-20, "Financial Instruments – Credit Losses – Measured at Amortized Cost," with an option to irrevocably elect the fair value option in Subtopic 825-10, "Financial Instruments – Overall," applied on an instrument-by-instrument basis for eligible instruments, upon adoption of Topic 326. For entities that have not yet adopted the credit losses standard, the ASU is effective when they implement the credit losses standard. For entities that already have adopted the credit losses standard, the ASU was effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.

ASU 2019-11, *Codification Improvements to Topic 326, Financial Instruments – Credit Losses*

This ASU provides narrow-scope improvements to Topic 326. For entities that have not yet adopted ASU 2016-13 as of November 26, 2019, the effective dates for ASU 2019-11 are the same as the effective dates and transition requirements in ASU 2016-13. For entities that have adopted ASU 2016-13, ASU 2019-11 was effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.

ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*

This ASU simplifies certain aspects of the accounting for income taxes. For public business entities, ASU 2019-12 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. For all other entities, the ASU is effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022.

ASU 2020-01, *Investments – Equity Securities (Topic 321), Investments – Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815) – Clarifying the Interactions between Topic 321, Topic 323, and Topic 815 (a consensus of the Emerging Issues Task Force)*

This ASU clarifies certain interactions between ASC 321, ASC 323 and ASC 815. For public business entities, ASU 2020-01 is effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. For all other entities, the ASU is effective for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years.

ASU 2020-03, *Codification Improvements to Financial Instruments*

This ASU addresses various financial instruments topics. For public business entities, the amendments related to Issues 1, 2, 4 and 5 within the ASU were effective March 9, 2020. For all other entities, such amendments were effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years beginning after December 15, 2020. The amendment related to Issue 3 within the ASU was effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For entities that have not yet adopted ASU 2016-13, the effective dates for the amendments related to Issues 6 and 7 within ASU 2020-03 are the same as the effective dates in ASU 2016-13. For entities that have adopted ASU 2016-13, the amendments related to Issues 6 and 7 within ASU 2020-03 were effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.

ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*

This ASU pprovides temporary optional guidance intended to ease the burden of accounting for changes to certain contracts, hedging relationships and other transactions affected by reference rate reform. The ASU is effective from March 12, 2020 through December 31, 2022.

ASU 2020-06, *Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*

This ASU addresses the complexity of certain guidance for convertible instruments and contracts in an entity's own equity. The ASU is effective for public business entities that meet the definition of an SEC filer, excluding entities eligible to be smaller reporting companies as defined by the SEC, for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. For all other entities, the ASU will be effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years.

ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*

This ASU addresses presentation and disclosure requirements for not-for-profit entities for contributed nonfinancial assets. The ASU is effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022.

ASU 2020-08, *Codification Improvements to Subtopic 310-20, Receivables – Nonrefundable Fees and Other Costs*

This ASU clarifies that, for each reporting period, an entity should reevaluate whether a callable debt security is within the scope of ASC 310-20-35-33. For public business entities, ASU 2020-08 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Early application is not permitted. For all other entities, ASU 2020-08 is effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022.

ASU 2020-10, *Codification Improvements*

This ASU makes minor technical corrections and clarifications to the ASC. The amendments in Sections B and C of the ASU are effective for annual periods beginning after December 15, 2020, for public business entities. For all other entities, the amendments are effective for annual periods beginning after December 15, 2021, and interim periods within annual periods beginning after December 15, 2022.

ASU 2020-11, *Financial Services – Insurance (Topic 944): Effective Date and Early Application*

This ASU deferred the effective dates of ASU 2018-12 by one year. Such deferrals are reflected as appropriate within this *Effective Date Reminder*.

ASU 2021-01, *Reference Rate Reform (Topic 848): Scope*

This ASU clarifies that certain optional expedients and exceptions in ASC 848 for contract modifications and hedge accounting apply to derivatives that are affected by the discounting transition. In addition, the ASU clarifies that a receive-variable-rate, pay-variable-rate cross-currency interest rate swap may be considered an eligible hedging instrument in a net investment hedge if both legs of the swap do not have the same repricing intervals and dates as a result of reference rate reform. ASU 2021-01 became effective January 7, 2021. The amendments in the ASU do not apply to contract modifications made after December 31, 2022, new hedging relationships entered into after December 31, 2022, and existing hedging relationships evaluated for effectiveness in periods after December 31, 2022, except for hedging relationships existing as of December 31, 2022, that apply certain optional expedients in which the accounting effects are recorded through the end of the hedging relationship (including periods after December 31, 2022).

ASU 2021-04, *Earnings Per Share (Topic 260), Debt – Modifications and Extinguishments (Subtopic 470-50), Compensation – Stock Compensation (Topic 718) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40): Issuer's Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options – a consensus of the Emerging issues Task Force*

This ASU clarifies an issuer's accounting for modifications or exchanges of freestanding equity-classified written call options (e.g., warrants) that remain equity classified after modification or exchange and are not within the scope of another ASC Topic. The ASU is effective for all entities for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years.

ASU 2021-05, *Leases (Topic 842): Lessors – Certain Leases with Variable Lease Payments*

This ASU requires a lessor to classify and account for a lease with variable lease payments that do not depend on a reference index or a rate as an operating lease if both (a) the lease would have been classified as a sales-type lease or a direct financing lease and (b) the lessor would have otherwise recognized a day-one loss. The ASU is effective for fiscal years beginning after December 15, 2021, for all entities, and interim periods within those fiscal years for public business entities and interim periods within fiscal years beginning after December 15, 2022, for all other entities.

ASU 2021-06, *Presentation of Financial Statements (Topic 205), Financial Services – Depository and Lending (Topic 942), and Financial Services – Investment Companies (Topic 946) – Amendments to SEC Paragraphs Pursuant to SEC Final Rule Releases No. 33-10786, Amendments to Financial Disclosures about Acquired and Disposed Businesses, and No. 33-10835, Update of Statistical Disclosures for Bank and Savings and Loan Registrants*

This ASU updated the FASB Accounting Standards Codification pursuant to SEC Release No. 33-10786, which was effective January 1, 2021, and SEC Release No. 33-10835, which applies to fiscal years ending on or after December 15, 2021.

ASU 2021-07, *Compensation – Stock Compensation (Topic 718): Determining the Current Price of an Underlying Share for Equity-Classified Share-Based Awards (a consensus of the Private Company Council)*

This ASU provides a practical expedient whereby a nonpublic entity is allowed to determine the current price input of equity-classified share-based awards issued to both employees and nonemployees using the reasonable application of a reasonable valuation method. The ASU is effective prospectively for all qualifying awards granted or modified during fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022.

ASU 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*

This ASU addresses how an acquirer should recognize and measure revenue contracts acquired in a business combination. For public business entities, the ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. For all other entities, the ASU is effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years.

ASU 2021-09, *Leases (Topic 842): Discount Rate for Lessees That Are Not Public Business Entities*

This ASU allows Lessees that are not public business entities (PBEs) to make the ASC 842 risk-free discount rate accounting policy election by class of underlying asset, rather than at the entity-wide level. For a lessee that is not a PBE and has not yet adopted ASC 842 as of November 11, 2021, the effective date provisions in ASC 842-10-65-1 apply. For a lessee that is not a PBE and has adopted ASC 842 as of November 11, 2021, the amendments are effective for annual reporting periods

beginning after December 15, 2021, and interim reporting periods beginning after December 15, 2022.

ASU 2021-10, *Government Assistance (Topic 832): Disclosures by Business Entities about Government Assistance*

This ASU requires business entities to disclose information about certain types of government assistance (e.g., forgivable loans, cash grants and grants of other assets) they receive. ASU 2021-10 is effective for financial statements issued for annual periods beginning after December 15, 2021.

ASU 2022-01, *Derivatives and Hedging (Topic 815): Fair Value Hedging – Portfolio Layer Method*

This ASU allows multiple hedged layers to be designated for a single closed portfolio of financial assets or one or more beneficial interests secured by a portfolio of financial instruments. For public business entities, the ASU is effective for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. For all other entities, the ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within those fiscal years.

ASU 2022-02, *Financial instruments – Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures*

This ASU removes the existing troubled debt restructuring recognition and measurement guidance from U.S. generally accepted accounting principles for entities that have adopted ASU 2016-13, and also enhances disclosures for loan refinancing and restructurings by creditors when a borrower is experiencing financial difficulty. Additionally, ASU 2022-02 clarifies the disclosure requirement for presenting financing receivable information by year of origination, or vintage, for public business entities. For entities that have adopted ASU 2016-13, the amendments in ASU 2022-02 are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. For entities that have not yet adopted ASU 2016-13, the effective dates for the amendments in ASU 2022-02 are the same as the effective dates in ASU 2016-13.

ASU 2022-03, *Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions*

This ASU clarifies the guidance when measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of the security; however, the broad principles of fair value measurement have not been changed. For public business entities, the amendments in ASU 2022-03 are effective for fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. For all other entities, the ASU is effective for fiscal years beginning after December 15, 2024, and interim periods within those fiscal years.

ASU 2022-04, *Liabilities – Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations*

ASU 2022-04 introduces new disclosure requirements for a buyer in a supplier finance program that are intended to provide users of the financial statements with sufficient information to understand the program's nature, activity during the period, changes from period to period, and potential magnitude. ASU 2022-04 is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, except for the amendment on roll forward information, which is effective for fiscal years beginning after December 15, 2023 (i.e., information is to be retrospectively disclosed for each period for which a balance sheet is presented, except for the roll forward information which is applied prospectively). Early adoption is permitted. During the fiscal year of adoption, the information on the key terms of the programs and the balance sheet presentation of the program obligations, which are annual disclosure requirements, should be disclosed in each interim period.

PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD

2022-002, *Planning and Supervision of Audits Involving Other Auditors* and *Dividing Responsibility for the Audit with Another Accounting Firm*

The Public Company Accounting Oversight Board (PCAOB) has strengthened the requirements for planning and supervising audits involving other accounting firms or individual accountants outside the accounting firm that issues the audit report. The amendments are effective for audits of financial statements for fiscal years ending on or after December 15, 2024.

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Statement on Auditing Standards (SAS) 142, *Audit Evidence*

SAS 142 supersedes and expands the focus of AU-C section 500, *Audit Evidence*. SAS 142 is effective for audits of financial statements for periods ending on or after December 15, 2022.

SAS 143, *Auditing Accounting Estimates and Related Disclosures*

SAS 143 is intended to (a) enable auditors to appropriately address the increasingly complex scenarios resulting from new accounting standards that include estimates and related disclosures and (b) enhance the auditor's focus on factors driving estimation uncertainty and potential management bias. SAS 143 is effective for audits of financial statements for periods ending on or after December 15, 2023.

SAS 144, *Amendments to AU-C Sections 501, 540, and 620 Related to the Use of Specialists and the Use of Pricing Information Obtained From External Information Sources*

SAS 144 addresses the auditor's use of specialists and the auditor's use of pricing information obtained from external information sources. SAS 144 is effective for audits of financial statements for periods ending on or after December 15, 2023.

SAS 145, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*

SAS 145 was issued to further clarify the auditor's risk identification and assessment process. SAS 145 is effective for audits of financial statements for periods ending on or after December 15, 2023.

Statement on Standards for Attestation Engagements (SSAE) 21, *Direct Examination Engagements*

SSAE 21 adds new AT-C Section 206, which enables practitioners to perform an examination engagement in which the practitioner obtains reasonable assurance by measuring or evaluating underlying subject matter against criteria and expressing an opinion that conveys the results of that measurement or evaluation. SSAE 21 is effective for reports dated on or after June 15, 2022.

SSAE 22, *Review Engagements*

SSAE 22 more clearly describes the types of procedures a practitioner may perform in a review engagement; revises the reporting requirements for an attestation review for additional transparency; and permits the expression of an adverse conclusion. SSAE No. 22 is effective for reports dated on or after June 15, 2022.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB)

GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

Statement 94 provides guidance for the financial reporting of public-private and public-public partnerships and availability payment arrangements. Statement 94 is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

GASB Statement 96, *Subscription-Based Information Technology Arrangements*

Statement 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement 96 is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

GASB Statement 99, *Omnibus 2022*

Statement 99 addresses various accounting and financial reporting issues. The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement 100, *Accounting Changes and Error Corrections–an amendment of GASB Statement No. 62*

Statement 100 enhances the accounting and financial reporting requirements for accounting changes and error corrections. The standard is effective for fiscal years beginning after June 15, 2023.

GASB Statement 101, *Compensated Absences*

Statement 101 updates the recognition and measurement guidance for compensated absences through aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The standard is effective for fiscal years beginning after December 15, 2023.

INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

Revised International Accounting Standard (IAS) 1, *Presentation of Financial Statements*

Amendments regarding (a) disclosure of material accounting policy information, rather than significant accounting policies, and (b) the classification of liabilities as current or non-current are effective for annual periods beginning on or after January 1, 2023.

Amendments to IAS 1 to clarify that only covenants with which an entity must comply on or before the reporting date affects the classification of a liability as current or non-current, and to disclose information that enables users of the financial statements to understand the risk that non-current

liabilities with covenants could become repayable within twelve months. The amendments are effective or periods beginning on or after January 1, 2024.

Revised IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*

Amendments to introduce a definition of “accounting estimates” and to clarify how companies should distinguish changes in accounting policies from changes in accounting estimates are effective for annual reporting periods beginning on or after January 1, 2023.

Revised IAS 12, *Income Taxes*

Amendments to the accounting for deferred tax related to assets and liabilities arising from a single transaction are effective for annual periods beginning on or after January 1, 2023.

Revised IAS 28, *Investments in Associates and Joint Ventures*

Amendments addressing an inconsistency between the requirements in International Financial Reporting Standard (IFRS) 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture will be effective on a date to be determined by the IASB.

Revised IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) address costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendments are effective for annual reporting periods beginning on or after January 1, 2022.

Revised IFRS 3, *Business Combinations*

Reference to the Conceptual Framework (Amendments to IFRS 3) updated an outdated reference in IFRS 3 without significantly changing its requirements. The amendments are effective for annual reporting periods beginning on or after January 1, 2022.

Revised IFRS 4, *Insurance Contracts*

Extension of the Temporary Exemption from Applying IFRS 9 extends the expiry date to annual periods beginning on or after January 1, 2023 for the temporary exemption in IFRS 4, which, for insurers that meet certain criteria, permits, but does not require, the insurer to apply IAS 39 rather than IFRS 9, *Financial Instruments*.

Revised IFRS 10, *Consolidated Financial Statements*

Amendments addressing an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture will be effective on a date to be determined by the IASB.

Revised IFRS 16, *Leases*

Amendments to IFRS 16 clarify how a seller-lessee subsequently measures sales and leaseback transactions that satisfy the requirements I IFRS 15 to be accounted for as a sale. The amendments are effective for annual periods beginning on or after January 1, 2024.

IFRS 17, *Insurance Contracts*

IFRS 17 replaces IFRS 4 with a single approach that requires all insurance contracts to be accounted for in a consistent manner. The standard applies to an entity's first annual IFRS financial statements for a period beginning on or after January 1, 2023.

+1 800 274 3978
rsmus.com