Introduction

As the COVID-19 pandemic continues to evolve, other events also added to first quarter challenges, including Brexit, economic uncertainty, and market volatility. This edition of The quarter close includes links to our latest thought leadership where you can find information about the accounting for the direct and indirect impacts of the novel coronavirus (COVID-19) outbreak and other global risk developments.

You’ll notice that The quarter close is delivering content in a new style. We will continue to deliver timely accounting and reporting information to help you prepare for your financial reporting requirements and stay ahead of emerging topics. But starting this quarter we offer a new look and format designed to enhance your experience - easy to read and easy to listen to on your phone, tablet, or computer.

In addition to the COVID-19 outbreak, topics for the first quarter of 2020 include the adoption of the new credit losses standard and the FASB’s guidance to mitigate the impact of reference rate reform. We are also introducing two new sections of The quarter close: “Inside scoop” will provide a behind-the-scenes look at a recent technical accounting consultation trend and “Ask the National Office” will dive deeper into a technical topic in a Q&A-style interview with a PwC National Office professional.

We hope you enjoy our new format and welcome your feedback.
Stay current on the most significant accounting, financial reporting, and business developments, along with highlights from regulators and standard setters, with these headlines from the first quarter of 2020:

Global risk developments - accounting and reporting considerations

2020 kicked off with global instability as the outbreak of COVID-19, the UK’s exit from the European Union, and continued trade tensions and economic uncertainty resulted in a dynamic and challenging environment for many companies. In the wake of these global events is significant market volatility, including large swings in global stock prices, currency exchange rates, and oil prices. Many companies have modified or withdrawn their 2020 earnings expectations and expressed continued uncertainty regarding the impact of these macroeconomic events. More broadly, some companies are revisiting their supply chains or considering whether to diversify—or in some cases completely relocate—the sources of critical components.

In February, SEC Chairman Jay Clayton, members of the SEC staff, and the PCAOB released a statement which, among other topics, urged companies to work with their audit committees and auditors to ensure that their financial reporting, auditing, and review processes are as robust as practicable in light of the circumstances. The statement also emphasized the importance of considering whether these developments should be reflected or disclosed in issuers’ financial statements.

In an effort to provide relief to impacted companies, the SEC recently issued an order providing companies that are unable to meet filing deadlines due to COVID-19-related circumstances with an additional 45 days to submit certain disclosure reports (e.g., Forms 10-K, 10-Q, 20-F) that would otherwise have been due between March 1 and April 30, 2020. The relief is conditioned on a number of factors set out in the SEC’s order.

Many companies are asking whether the SEC will extend the filing deadline relief to filings due after April 30 (e.g., March 31, 2020 Form 10-Qs). The SEC has indicated that it is closely monitoring the situation and may, if necessary, extend the time period during which this relief applies. The SEC has urged companies that need additional or different assistance to contact the SEC staff.

As the uncertain global risk environment continues to evolve, companies should assess the impact of these risks and developments on their accounting and reporting. Significant areas for consideration include:

- Impairment considerations (e.g., inventories, long-lived assets, intangibles, goodwill);
- Credit risk for customers impacted by coronavirus outbreaks;
- Business interruption and other insurance recoveries;
- Impact of foreign currency volatility on earnings;
- Income tax matters, particularly related to the UK’s exit from the European Union;
- Disclosure requirements, including in the risk factors and MD&A sections of filings; and
- Other matters, such as impacts to hedge accounting, restructuring, and debt covenant compliance.

For further details on the accounting and reporting considerations relating to the Coronavirus outbreak, listen to our Coronavirus: Accounting considerations for your business podcast and read our FAQ on accounting for COVID-19 and market volatility and Are you ready for your stakeholders to ask about the coronavirus? publications. Also, stay tuned to our COVID-19: What US business leaders should know microsite for the latest updates and publications.

For more on Brexit, including real-time developments and financial reporting insights, see our Beyond Brexit page. Finally, for considerations on assessing and disclosing the impact of these and other subsequent events, see Chapter 28 of our Financial statement presentation guide.
FASB takes steps to mitigate the impact of LIBOR transition

LIBOR, the world’s most widely-used reference rate for pricing financial products, is scheduled to be discontinued on December 31, 2021. The discontinuation of LIBOR has the potential to create significant challenges for companies due to the need to modify contracts and certain hedging relationships that use the reference rate. In an effort to address these challenges, the FASB issued ASU 2020-04, Reference Rate Reform on March 12. The guidance is designed to provide relief from the accounting analysis and impacts that may otherwise be required for modifications to agreements (e.g., loans, debt securities, derivatives, borrowings) necessitated by reference rate reform. It also provides optional expedients to enable companies to continue to apply hedge accounting to certain hedging relationships impacted by reference rate reform. Application of the guidance is optional, is only available in certain situations, and is only available for companies to apply until December 31, 2022.

Stay tuned to our In depth page on CFOdirect and our accounting podcast series page, as well as future editions of The quarter close, for upcoming publications featuring deeper insights and perspectives on reference rate reform.

FASB simplifies accounting for income taxes

In December 2019, the FASB issued guidance that simplifies the accounting for income taxes as part of the Board’s overall initiative to reduce complexity in accounting standards. Amendments include removal of certain exceptions to the general principles of ASC 740, Income taxes, and simplification in several other areas, such as accounting for a franchise tax (or similar tax) that is partially based on income and intraperiod tax allocation. While not required to be adopted until 2021 for most calendar year public business entities (and 2022 for other entities), early adoption is permitted for any financial statements not yet issued. Companies should consider early adoption to take advantage of the simplifications.

For more information, refer to our In depth US2019-19: FASB simplifies accounting for income taxes.

Davos World Economic Forum 2020: A focus on environmental, social, and governance strategies

In January 2020, the World Economic Forum Annual Meeting was held in Davos, Switzerland, bringing together the world’s foremost business and geopolitical leaders to discuss and share policy agendas that impact businesses worldwide. At the forefront of this year’s meeting were the topics of “stakeholder capitalism” and environmental, social, and governance (ESG) strategies, including whether such strategies create long-term value for shareholders. The focus on these topics at Davos continues to show the interest that many business leaders have in whether such strategies create intrinsic value and, when coupled with transparent communication to shareholders about efforts to address these stakeholder priorities, can lead to increased market value for companies over time.

For ESG reporting considerations, including recent comments released by the SEC, check out the On the horizon section of this publication.

For our perspectives on stakeholder capitalism and ESG read our Point of View: Could focusing on stakeholders increase your company’s value? and listen to our Beyond the financial statements: Hear Wes Bricker on stakeholder reporting podcast.
Stay ahead of developing technical accounting trends, including consultation “hot topics,” with the Inside Scoop. Here is one of the significant technical accounting trends we’re seeing during the first quarter of 2020:

**Accounting for cloud-based offerings from vendors: does the new guidance always apply?**

As companies increasingly enter into contracts that provide cloud-based functionality and hosting, many are asking a recurring question - are the costs incurred to implement these arrangements for (1) the implementation of a software license or (2) the implementation of a service contract? Distinguishing whether these contracts are for a software license or a service contract can be complex and is often nuanced. However, an accurate assessment is critical to determining the accounting model to apply to the related implementation costs.

The most significant factor in determining whether an arrangement is for a software license or a service contract relates to the concept of “possession.” Specifically, if an arrangement provides a company with possession of the software, or the right to take possession of that software from the vendor without significant penalty and use it without the vendor, the arrangement includes a software license. On the other hand, if such possession rights do not exist, the contract does not include a software license and is accounted for as a service contract.

Prior to the issuance of the new cloud computing cost guidance, which is effective now for calendar year-end public companies, US GAAP did not specifically address the accounting for implementation costs of a hosting arrangement that is a service contract. While the new guidance for implementation costs in a service contract refers to the pre-existing internal-use software guidance for capitalization criteria, the presentation of such costs will differ based on the determination of whether they relate to a software license or a service contract. The following are the most significant presentation differences.

<table>
<thead>
<tr>
<th></th>
<th>Software license costs</th>
<th>Service contract costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance sheet</strong></td>
<td>Fixed or intangible asset</td>
<td>Prepaid or other asset</td>
</tr>
<tr>
<td><strong>Income statement</strong></td>
<td>Depreciation or amortization</td>
<td>Operating expense</td>
</tr>
<tr>
<td><strong>Statement of cash flows</strong></td>
<td>Investing activity</td>
<td>Operating activity</td>
</tr>
</tbody>
</table>

For further insights on distinguishing between a software license and a service contract, as well as a refresher on internal-use software guidance, see Chapter 7 of our *Property, plant, equipment and other assets* guide and listen to our Accounting for cloud computing costs: 5 things you need to know podcast. For broader business insights and perspectives on the new cloud computing standard, refer to our Moving to the cloud? Business considerations for the new cloud computing accounting standard.
Implementing a newly-effective accounting standard or preparing to implement a new standard in an upcoming period? These are our practical insights and reminders to help you prepare for, or finalize, your implementation and ease the challenges of transition:

Interim lease disclosures in reporting periods after the year of initial adoption

For public companies entering "year two" post-implementation of the new leasing standard, now is the time to consider interim lease disclosures. In "year one," full annual disclosures were required in each interim period. But the standard does not specify any required disclosures for lessees in interim periods after the year of initial adoption. For lessors, disclosing lease income recognized in a tabular format is the only required interim disclosure specified by the standard.

However, interim lease disclosures may still be required under other guidance. Specifically, lessees and lessors should consider the need to include additional interim disclosures under ASC 270, Interim Reporting. This guidance requires companies to report significant changes in financial position, accounting principles, and estimates, along with other information to help users understand how interim results compare to those of the most recent annual period. When significant events or changes in leasing activities occur during the interim period, a lessee may determine it is necessary to include annual-like lease disclosures, updated for these interim events and transactions. Examples of such events may include entering into significant or material leasing arrangements, significant modifications to existing lease arrangements, or significant changes in the way that a leased asset is used.

For more on lease disclosures, including considerations for interim disclosures, check out our Lease disclosures: 5 things you still need to know podcast and read Chapter 9 of our Leases guide.

The new credit losses standard: disclosure reminders in the period of adoption

With ASU 2016-13 (the “new credit losses standard”) now effective for calendar year-end SEC filers (excluding smaller reporting companies), first quarter 2020 financial statements will need to reflect the impact of adoption and include the disclosures required by the standard. Specifically, ASU 2016-13 includes disclosure requirements that are both quantitative and qualitative in nature. The main purpose of these disclosures is to (1) enable financial statement users to understand the credit risk inherent in a reporting entity’s portfolio, (2) understand how management monitors credit risk, (3) provide insight as to how management develops estimates of expected credit losses, and (4) disclose the changes in these estimates during the reporting period. Here are some key reminders for the period of adoption:

- ASU 2016-13 is not an industry-specific standard. The standard applies to a broad range of financial assets measured at amortized cost (e.g., loans, trade receivables, financing receivables, held-to-maturity debt securities), net investments in sales-type and direct financing leases, reinsurance recoverables, and certain off-balance sheet exposures (e.g., loan commitments, financial guarantees). There are also important changes to the available-for-sale debt securities impairment model. Given the scope of the guidance, ASU 2016-13 will affect both financial services and non-financial services companies.

- Companies are required to include the following disclosures within their quarterly and annual financial statements in the year of adoption in accordance with ASC 205, Presentation of Financial Statements, and ASC 250, Accounting Changes and Error Corrections:
  - Quarterly financial statements: both annual and interim period disclosures prescribed by the new standard during the year of adoption and interim disclosures prescribed by legacy GAAP for prior periods.
Annual financial statements: annual disclosures prescribed by the new standard for the year of adoption and prior-year disclosures prescribed by legacy GAAP.

- ASC 250 outlines disclosure requirements in the period of adoption of a new accounting standard. These disclosure requirements include the nature of and reason for the change in accounting principle, the method of applying the change, and the quantitative day one impact of adoption. Companies must apply these disclosure requirements when adopting the new credit losses standard.

- The adoption of the current expected credit losses (CECL) standard will create a cumulative effect transition adjustment to opening retained earnings. This "transition adjustment" is primarily the result of the difference between the pre-CECL and post-CECL allowance for credit losses and should be disclosed in the financial statements.

Prospective adoption of elements of the standard is required for purchased financial assets with credit deterioration and debt securities with previous impairments.

- There are extensive qualitative and quantitative disclosure requirements for items such as the allowance for credit losses, purchased financial assets with credit deterioration, collateral-dependent financial assets, off-balance sheet exposures, available-for-sale debt securities, among others. For a detailed listing of these disclosures and our interpretive responses to certain questions, see Chapter 12 of our Loans and Investments guide.

For further insights on CECL, listen to our Implementing the CECL standard: 5 things you need to know podcast. For COVID-19 CECL considerations, see our FAQ on accounting for COVID-19 and market volatility.

Considerations when applying the simplified goodwill impairment model

The simplified goodwill impairment standard is effective in the first quarter of 2020 for calendar year-end SEC filers (excluding smaller reporting companies). Many companies elected to early adopt the standard to take advantage of the reduced cost and complexity.

Under prior guidance, companies first evaluated whether the carrying amount of a reporting unit exceeded its fair value. If it did, a second step was required in which companies performed a hypothetical purchase price allocation to determine the implied fair value of goodwill to measure impairment.

Under the simplified approach, the second step is eliminated. If the carrying amount of the reporting unit exceeds its fair value, a goodwill impairment charge is recognized for the difference, up to the carrying amount of goodwill. Although many companies will find the new single-step model easier and less costly to apply, there are still a few complexities to consider:

- Previously, companies could delay the measurement and recognition of goodwill impairment, and only disclose that impairment may exist, when the determination of the implied fair value of goodwill in step two was not completed by period end. The simplified approach does not provide this accommodation since step two has been eliminated. Instead, any impairment charge must be measured and recognized in the period the carrying amount of a reporting unit exceeds its fair value.

- As with the prior guidance, companies must consider whether a reporting unit would be sold in a taxable or a nontaxable transaction. Under the prior guidance, a largely comparable goodwill impairment charge would result even though a taxable transaction assumption generally leads to a higher fair value. However, under the simplified approach, the impairment amount under an assumed taxable transaction will generally be lower. Determining whether a sale would be taxable or nontaxable requires judgment. Companies should consider (1) whether the assumption is consistent with those that market participants would incorporate into their estimates of fair value, (2) the feasibility of the assumed structure, and (3) whether the assumed structure results in the highest economic value to the seller, including consideration of the related tax implications.

- Under the simplified guidance an impairment of tax deductible goodwill will often generate a deferred tax asset that increases the carrying amount of the reporting unit. A valuation allowance and foreign currency translation effects also complicate any impairment measurement. Companies should follow the simultaneous equation guidance illustrated in ASC 805-740-55-9 through ASC 805-740-55-13 in calculating the amount of goodwill impairment.

For further insights on applying the simplified goodwill impairment model, see Chapter 9 of our Business Combinations and Noncontrolling Interests guide.
With liquidity concerns increasing daily due to COVID-19, we are anticipating an uptick in questions related to asset sales. We discuss certain judgments and considerations when determining whether a long-lived asset (or disposal group) qualifies for held-for-sale classification with Andreas Ohl.

**Ask the National Office: Considerations when assessing held-for-sale classification under ASC 360**

**Andreas Ohl**
Partner, National Professional Services Group, PwC US

**Question: How is “held-for-sale” different from “held-and-used” classification?**

**Andreas:** Long-lived assets are classified as either (1) held and used or (2) held for sale and the classification is critical for measuring their carrying value. Long-lived assets that are held and used are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset group may not be recoverable. This is commonly referred to as a “trigger-based” impairment model. If a triggering event occurs, the two-step impairment model of ASC 360 should be followed in measuring the impairment loss, if any.

On the other hand, a long-lived asset (or disposal group) that is classified as held for sale is reported at the lower of its carrying amount or its fair value less cost to sell. As a result, a writedown is necessary when the carrying amount of the long-lived asset exceeds that value. Once a long-lived asset is classified as held for sale, depreciation and amortization are no longer recognized, and the asset is presented separately on the balance sheet.

**Question: What’s a frequent question we receive regarding the held-for-sale criteria?**

**Andreas:** A frequent question we receive is whether management has committed to a plan to sell, especially when approval of the board of directors is required or otherwise sought by management. In some cases this criterion can be met before the “final” board approval when the board has been significantly involved in the sale process, has approved the sale parameters, and management expects to locate a buyer that meets the parameters.

**Question: What if the held-for-sale criteria are met after the balance sheet date, but before the financial statements are issued? Should the assets be classified as held for sale at the balance sheet date?**

**Andreas:** No. The guidance specifically states that meeting the held-for-sale criteria after the balance sheet date, but before the financial statements are issued, does not result in reclassification as of the balance sheet date. Instead, this is considered a nonrecognized subsequent event under ASC 855, Subsequent Events. As a result, the assets should be classified as held and used as of the balance sheet date. Moreover, when management expects to sell the assets after period-end at a loss, it’s usually a triggering event to test the assets for impairment and a charge may be necessary, even though the assets continue to be classified as held and used. Additionally, management should consider whether meeting the held-for-sale criteria after the balance sheet date requires disclosure as a subsequent event.

**Question: Thanks for the insights, Andreas. Where can we learn more about the held-for-sale model?**

**Andreas:** My pleasure. For additional information and insights relating to the application of the held-for-sale model under ASC 360, refer to Chapter 5 of our Property, Plant, Equipment and Other Assets guide and check out our Held-for-sale video.
Here are some significant standard-setting developments that you need to know as we head into the second quarter of 2020:

### Richard Jones to succeed Russell Golden as FASB Chair

In December 2019, the Financial Accounting Foundation announced that Richard Jones would be the next Chair of the FASB. Effective July 1, 2020, Mr. Jones will succeed Russell Golden, who has been FASB Chair since July 2013 and has overseen a number of significant projects during his tenure, including revenue recognition, leases, and CECL. Mr. Jones joins the FASB from Ernst & Young LLP, where he was their US Chief Accountant. As FASB Chair, Mr. Jones will have the ability to influence the FASB’s standard-setting priorities and objectives. With many of the FASB’s larger projects finalized in recent years, the Chair will have a fair amount of discretion in deciding where to focus the FASB’s resources and priorities during his term.

### SEC issues interpretive guidance on KPIs, statement on environmental and climate-related disclosures

In January 2020, the SEC issued guidance on disclosures relating to key performance indicators (KPIs) and metrics in MD&A. The disclosures largely mirror similar disclosures required for non-GAAP measures, such as how the metric is calculated, how management uses it, and why it provides useful information to investors. Further, if there are estimates or assumptions underlying the metric, registrants should evaluate whether the disclosure of these judgments is necessary to keep the presentation from being misleading.

In the public statement announcing the KPI interpretive guidance, SEC Chairman Jay Clayton also summarized the SEC’s ongoing work related to environmental and climate-related securities law disclosures. He did so to provide market participants with efficient access to information about what he characterized as “this evolving and complex area.” Clayton also noted the SEC’s “ongoing commitment to ensure that our disclosure regime provides investors with a mix of information that facilitates well-informed capital allocation decisions.” In his statement, Clayton referenced the SEC’s 2010 guidance on climate change disclosures, which should be applied by SEC issuers when determining the extent to which ESG disclosures are included within their filings. As investors, customers, employees, and others throughout the financial ecosystem continue to call for increased ESG reporting transparency, companies should remain mindful of these disclosure requirements within their regulatory filings.

### SEC streamlines debt securities disclosure framework

In March 2020, the SEC made significant changes to its disclosure requirements relating to certain debt securities. The new rules impact disclosures related to registered securities that are guaranteed and those that are collateralized by the securities of an affiliate. The rules become effective January 4, 2021, with voluntary compliance permitted immediately.

The changes include:

- permitting the disclosures to be made outside of the financial statements.
- simplifying and focusing the disclosure models; and
- expanding the population of subsidiary issuers and guarantors that can use the SEC’s guarantee-related disclosure framework;
- the changes are intended to make the disclosures easier to understand, allow the disclosures to be tailored based on materiality and specific facts and circumstances, and reduce the costs and burdens of compliance. The SEC indicated that the new rules may result in more registered offerings of guaranteed or collateralized securities, which could lower the cost of capital and increase investor protections.

For more on these changes, read In depth US2020-01: SEC streamlines debt securities disclosure.
PwC’s accounting podcasts

Accounting for debt in uncertain times: 5 things to know
Coronavirus: Accounting considerations for your business
Revenue, leases and CECL: Lessons learned from implementation
Cybersecurity: Understanding and managing the risks
The IASB: Addressing reporting issues from around the globe
Behind the curtain: The road to solving your complex accounting
Lease disclosures: 5 things you still need to know
What companies need to know about the role audit committees play
Statement of cash flows: back-to-basics
2019 SEC comment letter trends
2019 year-end reminders: insights from PwC’s National office

In depth

FAQ on accounting for COVID-19 and market volatility
SEC streamlines debt securities disclosure framework
How to apply the FASB’s deferral of effective dates
FASB issues amendments to CECL
FASB simplifies accounting for income taxes

In the loop

Are you ready for your stakeholders to ask about the coronavirus?
You're saying it. Are investors hearing it?
Operating government infrastructure? Is it a service concession?
LIBOR: act now on replacement

Observations from the frontlines

Considering an IPO? Here’s why an Up-C might be advantageous
Why legal entity restructuring transactions require careful planning

Governance insights

Sustainability/ESG reporting - Why audit committees need to pay attention
Audit committee oversight checklist
Initial public offerings: When governance becomes a red flag
Deals 2020 outlook: what boards should know
Approaching the 2019 year-end financial reporting season
The 2020 landscape: what boards should expect
PwC’s 2019 Annual Corporate Directors Survey

Accounting and reporting webcasts

Register for our Quarterly accounting and reporting webinar to earn CPEs while staying up to date on accounting, reporting, and governance trends every quarter.

Subscribe to our weekly accounting newsletter

Interested in staying current on newly released PwC accounting, financial reporting, and business content, in addition to highlights from regulators and standard setters? Subscribe to PwC’s weekly accounting newsletter and have our newsletter delivered to your inbox every Friday.
### Effective dates

<table>
<thead>
<tr>
<th>Calendar year-end</th>
<th>PBEs</th>
<th>Nonpublic companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>Cloud computing</td>
<td>Definition of collections</td>
</tr>
<tr>
<td></td>
<td>Collaborative arrangements</td>
<td>Down round features</td>
</tr>
<tr>
<td></td>
<td>Consolidation: VIE related party</td>
<td>Fair value measurement disclosure requirements</td>
</tr>
<tr>
<td></td>
<td>Credit losses (a)</td>
<td>Nonemployee share-based payments</td>
</tr>
<tr>
<td></td>
<td>Defined benefit plan disclosure requirements</td>
<td>Not-for-profit entities: accounting for contributions</td>
</tr>
<tr>
<td></td>
<td>Definition of collections</td>
<td>Premium amortization on callable debt securities</td>
</tr>
<tr>
<td></td>
<td>Episodic television series</td>
<td>Reference rate reform</td>
</tr>
<tr>
<td></td>
<td>Fair value measurement disclosure requirements</td>
<td>Share-based consideration to a customer</td>
</tr>
<tr>
<td></td>
<td>Goodwill impairment (a)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reference rate reform</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Share-based consideration to a customer</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>Equity securities, equity method, and derivatives</td>
<td>Cloud computing</td>
</tr>
<tr>
<td></td>
<td>Simplifying accounting for income taxes</td>
<td>Collaborative arrangements</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Consolidation: VIE related party guidance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Defined benefit plan disclosure requirements</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Episodic television series</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hedging</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Leases</td>
</tr>
<tr>
<td>2022</td>
<td>Insurance: long-duration contracts (b)</td>
<td>Equity securities, equity method, and derivatives</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Simplifying accounting for income taxes</td>
</tr>
<tr>
<td>2023</td>
<td></td>
<td>Credit losses (a)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Goodwill impairment (a)</td>
</tr>
<tr>
<td>2024</td>
<td></td>
<td>Insurance: long-duration contracts (b)</td>
</tr>
</tbody>
</table>

a) Effective in 2020 for SEC filers other than SRCs; effective in 2023 for all other companies, including SRCs.
b) Effective in 2022 for SEC filers other than SRCs; effective in 2024 for all other companies, including SRCs.

For further information on the new accounting guidance for public and nonpublic companies, including available PwC resources, refer to the [Effective dates for new FASB guidance](https://www.cfodirect.com) page on CFOdirect.