

2017 PUBLIC ENTITIES OVERVIEW FOR KNOWLEDGE COACH USERS

PURPOSE

This document is published for the purpose of communicating, to users of the toolset, updates and enhancements included in the current version. This document is not, and should not be used as an audit program to update the audit documentation of an engagement started in a previous version of this product.

WORKPAPER UPDATES AND ROLL FORWARD NOTES

General Roll Forward Note:

You must be the current editor of all Knowledge Coach workpapers to update to the latest content, and you must be the current editor upon opening the updated workpaper for the first time to ensure you see the updated workpaper.

The **2017 Knowledge-Based Audits of Public Entities** reflects current authoritative literature, including PCAOB auditing standards, and is current through Auditing Standard (AS) No. 18, *Related Parties, Amendments to Certain PCAOB Auditing Standards Regarding Significant Unusual Transactions and Other Amendments to PCAOB Auditing Standards*.

The 2017 tools include links to specific guidance that provides instant access to detailed analysis related to the steps and processes discussed in the workpapers. Many new tips and examples have been incorporated. Also included is a revised financial statement disclosures checklist that provides a centralized resource of the current required and recommended U. S GAAP and SEC disclosures and key presentation items, using the style referencing under the FASB Accounting Standards Codification™.

The 2017 edition of *Knowledge-Based Audits of Public Entities* includes the following updates:

Knowledge-Based Audit Documents (KBAs)

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
KBA-101 Overall Audit Strategy					
Modify	Minor wording modifications and additional references added throughout; updated practice point regarding group audit; added verbiage about component materiality.				
Modify	Section I, Characteristics of the Audit Engagement, Reporting Requirements: Factors to Consider, modified step 1, which now reads as follows: Financial reporting framework on which the financial information to be audited has been prepared, including the need for any reconciliations to another financial reporting framework. Also consider the impact of any new accounting standards expected to be adopted by the entity and their impact on the planned audit procedures.	Text	N		Step will retain on roll forward by using the default settings in KBA-200.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	Modified step 5, which now reads as follows: Reporting currency to be used (functional currency), including any need for currency translation.				
Modify	Under “Audit Coverage,” modified: The auditor may use <i>AID-603 Component Identification and Analysis</i> to document the component identification, level of aggregation, and analysis required for audits of group financial statements. The auditor may use <i>KBA-301 Determination of Materiality and Thresholds for Trivial Amounts</i> to determine component materiality	Text	N		
KBA-102 Engagement Completion Document					
Modify	Updated PCAOB AS references. Modified 5 th paragraph of instructions: The table below should be used to summarize significant findings or issues, including significant risks and fraud risks, as discussed above. The description should include sufficient detail for a reviewer, including the engagement quality reviewer, to obtain an understanding of the nature and extent of the testing work performed and the conclusions reached by the engagement team. The significant risks and fraud risks should also be assessed and classified as either financial statement risks or assertion level risks at <i>KBA-502 Summary of Risk Assessments</i> . The auditor should review this document to ensure proper resolution of all significant matters noted.	Text	N		
KBA-103 Evaluating and Communicating Internal Control Deficiencies					
Modify	Updated, modified, and reorganized throughout; added instructions and column as to whether prudent official would reach same conclusion (based on peer review checklist considerations); revised flow Table for accumulating and evaluating internal control deficiencies has been reorganized as two tables: Evaluation of Internal Control Deficiencies (15 columns) and Communication of Internal Control Deficiencies (10 columns); instructions modified accordingly. If the deficiency is noted in Column 12, 14, or 15 to be a Material Weakness, Significant Deficiency, or a Deficiency in Internal Control, respectively, the	Purpose; text; tables	Y	Peer review checklist	The following columns will be retained on roll forward as long as the setting from the associated workpaper where the deficiency is flowing from is set to keep: 1. Defic. No.; 2. Wkp. Ref.; 3. Description of Control Deficiency; 4. Description of the Potential Effect; 5. Significant Acct(s) or Disclosure Affected; 6. New Deficiency or Previously Communicated Deficiency That Has Not Yet Been Remediated; 7. Relevant Assertions Affected; 8. Internal Control Component Affected; 9. If There Is a Commonality with Any Other Deficiency, List Defic. No. & Any Common Factor(s); 10. Is It at Least Reasonably Possible That the Entity’s Controls Will Fail to

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	Deficiency Number, Description of Control Deficiency, and Description of the Potential Effect will flow to the first 3 columns in the new second table.				Prevent or Detect and Correct a Misstatement?; 11. Could a Misstatement That Is Not Prevented or Detected and Corrected by Internal Control Potentially Be Material?
New	Potential Error Diagnostic in Table 1: If column 13 is marked as “No” then column 12 should be “Yes”. Diagnostic will appear if column 13 is “No” and column 12 is “No”.				
New	Potential Error Diagnostic in Table 2: This deficiency has been determined to be a material weakness or significant deficiency which is REQUIRED to be communicated to those charged with governance IN WRITING. If column 12 or 14 in Table 1 is marked as “Yes” and user selects “Orally” in column 4 of new table then diagnostic above will appear.				
KBA-104 Summary and Evaluation of Misstatements and Omitted, Inaccurate, or Incomplete Disclosures					
Modify	Section II tab, broke assets into total and current added column for other and pre-tax income: Table columns modified, adding “Total Assets” and “Current Assets” under “Assets (Debit/Credit)” and adding “Other” and “Pretax Income” columns under “Income Statement (Debit/Credit)”				
KBA-200 Entity Information and Background					
Modify	Modified step 15 and added Practice Point as follows: The following describes pertinent information about the board of directors (or those charged with governance): Practice Point: If the entity does not have an audit committee or board of directors, the auditor should identify the appropriate person(s) within the entity’s governance structure with whom to communicate.	Instructions	Y	Peer review checklist	Step will retain on roll forward by using the default settings in KBA-200.
KBA-201 Client/Engagement Acceptance and Continuance Form: Complex Entities					
Modify	Modified and clarified throughout; Form title modified to Client/Engagement Acceptance and Continuance Form: Complex Entities. Part I, after step 2, modified the Practice Point: Practice Point: Any “Yes” answers to the questions a through k indicate a higher level of risk than normal, and the auditor should expand on those answers. Inquiries of the predecessor auditor	Procedures steps	Y	SEC Rule 201(e)(4); peer review checklist A107	Steps will retain on roll forward using the default settings.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>and the required independence communications should occur prior to formal client acceptance.</p> <p>Part I, modified substep 2.j., which now reads as follows: Are you aware of any conditions or events that might raise substantial doubt about the entity’s ability to continue as a going concern?</p> <p>Part 2, under Section III, Independence and Ability to Provide Services, modified step 6.p., which now reads as follows: Are there any services that the firm has already provided, is in the process of providing, or will be providing, during the period of the professional engagement that might impair independence? (See PCAOB Ethics Interpretation 101, 102, and 191, SEC Reg. S-X 2.01, ET Section 1.295, <i>Nonattest Services</i>, of the AICPA Code of Professional Conduct, and SEC Rule 201(e)(4), if applicable.)</p>				
KBA-201N Client/Engagement Acceptance and Continuance Form: Noncomplex Entities					
NEW	Added KBA-201N Client/Engagement Acceptance and Continuance Form: Noncomplex Entities		N		
KBA-301 Worksheet for Determination of Materiality, Performance Materiality, and Thresholds for Trivial Amounts					
Modify	In Step 4: Determination of the Threshold for Trivial” Amounts a rounding level and trivial amount (rounded) column has been added. In the rounding level column, you will select from None, Tens, Hundreds, Thousands, or Ten Thousands and this will calculate in the trivial amount (rounded) column.	Table	N		
KBA-302 Understanding the Entity and Its Environment: Complex Entities					
Modify	<p>Modified title: Understanding the Entity and Its Environment: Complex Entities</p> <p>Modified and updated throughout; updated references to PCAOB AS.</p> <p>Added the following to the Purpose statement:</p>	Purpose; Instructions;	Y	ASC 205-40	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>This form is designed for use in audit engagements of complex entities. For audit engagements of noncomplex entities, either this form or <i>KBA-302N Understanding the Entity and Its Environment: Noncomplex Entities</i> may be completed.</p> <p>Modified the Instructions; added: Audit procedures to obtain the understanding are referred to as risk assessment procedures. PCAOB AS 2110, <i>Identifying and Assessing Risks of Material Misstatement</i>, provides that risk assessment procedures performed to obtain an understanding of the entity and its environment should include the following:</p> <ul style="list-style-type: none"> • Inquiries of management and others within the entity; • Analytical procedures; or • Observation and inspection. <p>Practice Point: In an integrated audit, since risk assessment underlies the entire audit process for the audit of internal control over financial reporting, the risk assessment procedures described in PCAOB AS 2110 (and incorporated in this practice aid) support both the financial statement audit and the audit of internal control over financial reporting.</p> <p>When the procedures performed to gain an understanding are documented elsewhere, the auditor should include the workpaper reference in the discussion of his or her understanding.</p> <p>PCAOB AS 2110 provides significant guidance on the aspects of an entity for which an understanding should be developed. This form uses that guidance to assist the auditor in considering these aspects.</p> <p>Section III Nature of the Entity, under “Business Operations,” modified item n., which now reads as follows: Going-concern and liquidity issues, including consideration of management’s evaluation of whether</p>				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	conditions or events exist that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time and whether management's plans sufficiently mitigate such doubt.				
Modify	Section III, under "Financing," modified item d., which now reads as follows: Financial transactions or arrangements with financial institutions or crowdfunding sources (e.g., oral or written guarantees, endorsements, open letters of credit).	Table	N		Step will retain on roll forward using the default settings.
Modify	Section IV, Group, Its Components, and Their Environments, "Consolidation Process" consolidated formerly separate table segments into one for better flow.	Table	N		
KBA-302N Understanding the Entity and Its Environment: Noncomplex Entities					
NEW	Added: Understanding the Entity and Its Environment: Noncomplex Entities		N		
KBA-303 Inquiries of Management and Others Within the Entity About the Risks of Fraud and Noncompliance With Laws and Regulations					
Modify	Updated references Added "Date" line and field to the Name and Title panels throughout; added references to "illegal acts" as applicable (in accordance with PCAOB AU 317). The PCAOB standard is different from the AICPA and focuses more on "illegal acts."	Table	N	PCAOB AU 317	
KBA-400 Scoping and Mapping of Significant Account Balances, Classes of Transactions, and Disclosures					
Modify	Modified Instructions for Table 2 and moved "Describe the Deficiency" to the end; steps 7 through 12, now read as follows: <i>If Column 6 Is "No", Describe Compensating Controls, If Any.</i> Describe the nature of any compensating controls identified. <i>If Column 6 Is "No", Do Compensating Controls Adequately Reduce the Risk of Material Misstatement?</i> Determine whether the compensating controls identified mitigate the risk of material misstatement when controls are not effectively designed and implemented.	Instructions	N		These columns will retain on roll forward using the default settings.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p><i>If Column 8 Is “No”, Describe the Risks of Material Misstatement.</i> Describe the risks of material misstatement when controls are not effectively designed and implemented.</p> <p><i>Controls Selected for Operating Effectiveness Testing?</i> Choose “Yes” or “No” to document whether the control identified will be further tested for operating effectiveness.</p> <p><i>Are Control Activities Functioning?</i> Document whether the control activity is functioning effectively.</p> <p><i>If Column 3, 6, 8 or 11 Is “No”, Describe the Deficiency.</i> Control deficiencies noted here will flow to KBA-103 Evaluating and Communicating Internal Control Deficiencies.</p> <p>If you select “No” in the following columns your control deficiency documented in the last column will flow to KBA-103: Are Controls Activities Present, Effectively Designed and Implemented, Do Compensating Controls, If Any, Adequately Reduce the Risks of Material Misstatement or Are Control Activities Functioning.</p>				
Modify	<p>Modified Instructions for Table 3 and moved “Describe the Deficiency” to the end; steps 8 through 13 now read as follows:</p> <p><i>If Column 7 Is “No”, Describe Compensating Controls, If Any.</i> Describe the nature of any compensating controls identified.</p> <p><i>If Column 7 Is “No”, Do Compensating Controls Adequately Reduce the Risk of Material Misstatement?</i> Determine whether the compensating controls identified mitigate the risk of material misstatement when controls are not effectively designed and implemented.</p> <p><i>If Column 9 Is “No”, Describe the Risks of Material Misstatement.</i> Describe the risks of material misstatement when controls are not effectively designed and implemented.</p> <p><i>Controls Selected for Operating Effectiveness Testing?</i> Choose “Yes” or “No” to document whether the control identified will be further tested for operating effectiveness.</p>	Instructions	N		These columns will retain on roll forward using the default settings.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p><i>Are Control Activities Functioning?</i> Document whether the control activity is functioning effectively.</p> <p><i>If Column 4, 7, 9 or 12 Is “No”, Describe the Deficiency.</i> Control deficiencies noted here will flow to KBA-103 Evaluating and Communicating Internal Control Deficiencies.</p> <p>If you select “No” in the following columns your control deficiency documented in the last column will flow to KBA-103: Are Controls Activities Present, Effectively Designed and Implemented, Do Compensating Controls, If Any, Adequately Reduce the Risks of Material Misstatement or Are Control Activities Functioning.</p>				
KBA-401 Understanding Entity-Level Controls: Complex Entities					
Modify	<p>Added in the Instructions section, under Components of Internal Control, Relevant Principles, and Points of Focus:</p> <p>An essential requirement for effective internal control inherent in the Framework is that each of the five components of internal control and relevant principles is present and functioning.</p> <p>Instructions modified and reorganized; Sections I through V tables modified.</p> <p>Column 2 now reads: <i>Are the Relevant Principles or Points of Focus Present</i></p> <p>Column 6 now reads: <i>Are the Identified Controls Effectively Designed and Implemented</i></p> <p>Column 7 now reads: <i>If Column 6 Is “No”, Describe Compensating Controls, If Any</i></p> <p>Column 8 now reads: <i>If Column 6 Is “Yes”, Are Compensating Controls Selected for Operating Effectiveness Testing?</i></p> <p>Column 9 now reads: <i>Do Compensating Controls Adequately Reduce the Risks of Material Misstatement?</i></p> <p>Column 11 now reads: <i>Are the Relevant Principles Functioning for this Component of Internal Control?</i></p>	Instructions; text; tables	Y	Framework	These columns will retain on roll forward using the default settings.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>Column 12 now reads: <i>If Column 2, 6, 9, or 11 Is “No”, Describe the Deficiency</i></p> <p>If you select “No” in the following columns your control deficiency documented in the last column will flow to the conclusion section: Are the Relevant Principles or Points of Focus Present, Are the Identified Controls Effectively Designed and Implemented, Do Compensating Controls Adequately Reduce the Risks of Material Misstatement, or Are the Relevant Principles Functioning for this Component of Internal Control.</p>				
Modify	<p>Adding an “N/A” option to the “Are the Relevant Principles of Points of Focus Present?” column to the “Points of Focus” rows ONLY. The user could document the points of focus as not applicable and the user will not respond to any other columns for that particular row as the diagnostics will clear. The user should focus on the functioning of the relevant principles as not all of the points of focus are required or applicable.</p>				<p>All will retain on roll forward using the default settings. If you change column 2, point of focus row, to “N/A” then the rest of that row will clear.</p>
KBA-401N Understanding Entity-Level Controls: Noncomplex Entities					
Modify	<p>Added in the Instructions section, under Components of Internal Control, Relevant Principles, and Points of Focus:</p> <p>An essential requirement for effective internal control inherent in the Framework is that each of the five components of internal control and relevant principles is present and functioning.</p> <p>Instructions modified for PCAOB.</p>	Instructions	Y	Framework	
KBA-402 Understanding General Controls for Information Technology					
Modify	<p>Section III Instructions modified and updated; Sections I through III tables modified and updated.</p>	Instructions; tables			
Modify	<p>Removing user options in the “System Change Controls” column of the “Less Complex IT Structure” table as this should be user entry.</p>	Table	N		<p>This column will retain on roll forward since the user could have added a custom documentation here. Please review your answer here in case you had selected one of the floatie options that are no longer available.</p>
Modify	<p>Instructions modified and reorganized in the “More Complex IT Structure” Table;</p>	Instructions; text; tables	Y	Framework	<p>These columns will retain on roll forward using the default settings.</p>

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>Column 7 now reads: <i>If Column 6 Is “No”, Describe Compensating Controls, If Any</i></p> <p>Column 8 now reads: <i>Do Compensating Controls Adequately Reduce the Risks of Material Misstatement Created by the Deficiency</i></p> <p>Column 9 now reads: <i>If Column 8 Is “No”, Describe the Risks of Material Misstatement</i></p> <p>Column 10 now reads: <i>Controls Selected for Operating Effectiveness Testing?</i></p> <p>Column 11 now reads: <i>Are Controls Functioning</i></p> <p>Column 12 now reads: <i>If Column 2, 6, 8, or 11 Is “No”, Describe the Deficiency</i></p> <p>If you select “No” in the following columns your control deficiency documented in the last column will flow to the conclusion section: Are Controls Activities Present, Effectively Designed and Implemented, Do Compensating Controls, If Any, Adequately Reduce the Risks of Material Misstatement or Are Control Activities Functioning.</p>				
KBA-403 Understanding Activity-Level Controls: Revenue, Accounts Receivable, and Cash Receipts through KBA-411 Understanding Activity-Level Controls: Financial Reporting and Closing Process					
Modify	Ability to insert custom rows anywhere in the subprocess table	Table	N		
Modify	<p>Modified Instructions for Step 1 Table and moved “Describe the Deficiency” to the end; steps 8 through 13 now read as follows:</p> <p><i>If Column 7 Is “No”, Describe Compensating Controls, If Any.</i> Describe the nature of any compensating controls identified.</p> <p><i>If Column 7 Is “No”, Do Compensating Controls Adequately Reduce the Risk of Material Misstatement?</i> Determine whether the compensating controls identified mitigate the risk of material misstatement when controls are not effectively designed and implemented.</p> <p><i>If Column 9 Is “No”, Describe the Risks of Material Misstatement.</i> Describe the risks of material misstatement when controls are not effectively designed and implemented.</p>	Instructions	N		These columns will retain on roll forward using the default settings as this table flows from KBA-400.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p><i>Controls Selected for Operating Effectiveness Testing?</i> Choose “Yes” or “No” to document whether the control identified will be further tested for operating effectiveness.</p> <p><i>Are Control Activities Functioning?</i> Document whether the control activity is functioning effectively.</p> <p><i>If Column 4, 7, 9 or 12 Is “No”, Describe the Deficiency.</i></p>				
Modify	<p>Step 6 Instructions modified and columns modified and reorganized.</p> <p>Column 9 now reads: <i>Compensating Controls, If Any</i></p> <p>Column 10 now reads: <i>Do Compensating Controls Adequately Reduce the Risks of Material Misstatement Created by the Deficiency?</i></p> <p>Column 11 now reads: <i>If Column 10 Is “No”, Describe the Risks of Material Misstatement</i></p> <p>Column 12 now reads: <i>If Column 10 is “Yes”, Are the Controls Selected for Operating Effectiveness Testing?</i></p> <p>Column 13 now reads: <i>Are Controls Functioning?</i></p> <p>Column 14 now reads: <i>If Controls Are Not Implemented, Not Designed Effectively, Only Partially Effective or Not Functioning, Describe the Control Deficiency</i></p> <p>Column 15 now reads: <i>Workpaper Reference, if applicable</i></p> <p>If you select “No” in the following columns your control deficiency documented will flow to the conclusion section: Are Controls Designed Effectively, Are Key Controls Implemented, Do Compensating Controls Adequately Reduce the Risks of Material Misstatement Created by the Deficiency or Are Control Activities Functioning. Also, if you select “Partially” in column, Are Controls Designed Effectively, the control deficiency documented will flow to the conclusion section.</p>	Instructions; table	N		These columns will retain on roll forward using the default settings.
Modify	Added activity-level control objective: Appropriate segregation of duties exists	Table	Y		
Modify	Minor wording modifications throughout	Table	Y	ASU-2015-17	These steps will retain on roll forward using default settings.
KBA-411 Understanding Activity-Level Controls: Financial Reporting and Closing Process					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
Modify	<p>Added additional examples of activity-level control objectives under “Prepare Financial Statements and Disclosures” (for management’s assessment of going concern):</p> <p>Management has assessed the entity’s ability to continue as a going concern in accordance with the applicable financial reporting framework and, if applicable, provided the required disclosures.</p> <p>Management has established procedures to ensure that subsequent events are identified and disclosed in accordance with the applicable financial reporting framework.</p>	Table	N		
KBA-412 Understanding Controls Maintained by a Service Organization					
Modify	Modified throughout to update references	Purpose; text	Y	PCAOB AS	
Modify	<p>Modified Practice Point under step 2 of the “Conclusion” as follows:</p> <p>Practice Point: A Type 1 or Type 2 report that is as of a date or for a period that is outside of the reporting period of a user entity may assist the user auditor in obtaining a preliminary understanding of the controls implemented at the service organization if the report is supplemented by additional current information from other sources. If the service organization’s description of controls is as of a date or for a period that precedes the beginning of the period under audit, the user auditor may perform procedures to update the information in a Type 1 or Type 2 report, such as:</p> <ul style="list-style-type: none"> • Discussing the changes at the service organization with user entity personnel who would be in a position to know of such changes; • Reviewing current documentation and correspondence issued by the service organization; or • Discussing the changes with service organization personnel. <p>A service auditor’s report dated within three months of the audit date is generally considered sufficient and updating procedures are usually considered unnecessary; however, representations regarding changes to the service organization’s internal control structure should be obtained from the service organization.</p>	Text	Y		
KBA-501 Team Discussion and Consideration of the Risks of Material Misstatement					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
Modify	Under “Identification of Risks of Material Misstatement,” modified step 5, which now reads as follows: If auditor’s specialists were assigned to the engagement, we considered involving such specialists in the engagement team discussion (i.e., brainstorming session)	Procedures steps	N		Step will retain on roll forward using the default settings.
KBA-502 Summary of Risk Assessments					
Modify	The “Control Risk” column will now preset to “Max” if the user selects the TQs, “Has the auditor been engaged to perform an integrated audit?” and “Does the auditor intend to test the operating effectiveness of internal controls over financial reporting?” as “No” in AUD-100 This will also default on each added Specific Risk if both TQs have been answered as “No”. If you have answered these TQs as other than “No” in a prior binder then roll forward, and change the answers to “No” these will not preset and the user will need to change them to “Max”.	Table			
Modify	Instructions Section II, Assertion-Level Risks, modified and clarified with additional examples and references (updated discussion of SBM).	Instructions	N		
Modify	Added example (reminder) for user to document the planned overall response to management override in Section I: Financial-Statement-Level Risks Planned response must incorporate an element of unpredictability in designing further audit procedures (describe)	Table	Y		This will only show in a new binder or if you roll forward using the default roll forward settings. If you keep all responses for KBA-502 on roll forward then this language will not show only what the user had here in the prior binder.
KBA-503 Basis for Inherent Risk Assessment					
Modify	Instructions modified and clarified with additional examples and references (updated discussion of risk assessment). Added: Generally, when the auditor has identified risks associated with multiple factors noted above (or other relevant factors not listed above), he or she would likely assess inherent risk at a higher level. However, in the circumstances in which the auditor has only identified risks associated with one factor, the auditor’s inherent risk assessment would not necessarily be assessed at a	Instructions	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>lower risk level. The auditor would need to use his or her professional judgment to determine whether that one identified risk is so significant that the overall inherent risk for the financial statement area should be assessed at a higher level. In other words, the auditor should not default the assessment of inherent risk to “low” or “moderate” simply because risks were identified for only a single factor. Depending on the nature of the risks, that single factor may be as significant as the identification of multiple risks.</p> <p>For example, if the auditor identifies a risk that the entity’s primary product is based on technology that is changing rapidly, the auditor may determine that the results of that change is so significant that the entity may no longer have a viable product, which could result in the obsolescence of the entity’s inventory and a significant decline in sales, and therefore higher inherent risk. So even though the other risk factors are not present, the one identified significant risk may result in assessed inherent risk of “slightly below maximum” or “maximum.”</p>				
KBA-902 Audit Review and Approval Checklist					
Modify	Section II, Engagement Partner Review, step 5, modified: A detailed review has been performed of all audit procedures and audit areas to ensure that sufficient appropriate audit evidence has been obtained to support the auditor’s report issued.				Step will retain on roll forward using the default settings.
KBA-903 Review and Approval Checklist: Interim Review of Financial Information					
Modify	Section I, Detailed Review, modified step 7, which now reads as follows: We have communicated misstatements and internal control deficiencies to management and the audit committee (or those charged with governance, as applicable) in a timely manner	Procedures steps	N		Step will reset on roll forward due to content changes.
Modify	Section II, Engagement Partner Review, modified step 14, as follows: We have communicated misstatements and internal control deficiencies to management and the audit	Procedures steps	N		Step will reset on roll forward due to content changes.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	committee (or those charged with governance, as applicable) in a timely manner.				
KBA-905 Audit Documentation Checklist					
Modify	Updated references.	Procedures steps	Y	QC Section 10	

KBA-901 Financial Statement Disclosures Checklist

Type of Change	Description of Change	Roll Forward and Update Content Considerations
Table of Contents		
Deleted	Removed Development Stage Entities (ASC 915) from TOC and section removed disclosures checklist	
Presentation of Financial Statements		
Deleted	<i>Note:</i> The presentation and disclosure requirements in items 1 through 8 below have been superseded by the amendments in ASU No. 2014-08, <i>Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360) – Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity</i> . ASU No. 2014-08 is effective on a prospective basis for public business entities and not-for-profit entities that have issued, or are conduit bond obligors for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market, for all disposals (or classifications as held for sale) of components of an entity and all businesses or nonprofit activities that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within those years. For all other entities, the requirements are effective on a prospective basis for all disposals (or classifications as held for sale) of components of an entity and all businesses or nonprofit activities that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within annual periods beginning on or after December 15, 2015. Thereafter, the presentation and disclosure requirements in items 9 through 23 below should be followed. Early adoption is permitted only for disposals (or classifications as held for sale) that have not been reported in financial statements previously issued or available for issuance. Also, an entity may not apply the amendments in ASU No. 2014-08 to a component of an entity, or a business or nonprofit activity, that is classified as held for sale before the effective date even if the component of an entity, or business or nonprofit activity, is disposed of after the effective date. (ASC 205-20-65-1)	
Deleted	Have the results of operations of a component of an entity that either has been disposed of or is classified as held for sale been reported in discontinued operations if (a) the operations and cash flows of the component have been, or will be, eliminated from the ongoing operations of the entity,	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	and (b) the entity will not have any significant continuing involvement in the operations of the component after the disposal transaction? (ASC 205-20-45-1)	
Deleted	Have the following presentation and disclosure matters been addressed for each period in which a component of an entity has been disposed of or is classified as held for sale:	
Deleted	Results of operations of the component, including any gain or loss on disposal and less applicable income taxes (benefit), reported as a separate component of income? (ASC 205-20-45-3)	
Deleted	Adjustments made to amounts previously reported in discontinued operations (that are directly related to the disposal of a component of an entity in a prior period) classified separately in the current period in discontinued operations, and disclosure of the nature and amount of such adjustments? (ASC 205-20-45-4; 205-20-50-5)	
Deleted	A description of the facts and circumstances leading to the expected disposal, the expected manner and timing of that disposal, and if not separately presented on the face of the balance sheet, the carrying amounts of the major classes of assets and liabilities included as part of the disposal group? (ASC 205-20-50-1)	
Deleted	Gain or loss recognized on the disposal disclosed either (a) on the face of the income statement or (b) in the notes to financial statements (including the caption in the income statement that includes that gain or loss)? (ASC 205-20-45-3; 205-20-50-1)	
Deleted	The amounts of revenue and pretax profit or loss reported in discontinued operations? (ASC 205-20-50-1)	
Deleted	If applicable, the segment in which the long-lived asset (disposal group) is reported? (ASC 205-20-50-1)	
Deleted	The assets and liabilities held for sale presented separately in the asset and liability sections of the balance sheet, with the major classes of such assets and liabilities separately disclosed either on the face of the balance sheet or in the notes? (ASC 205-20-45-10; 205-20-50-2) (<i>Note:</i> The assets and liabilities held for sale should <i>not</i> be offset and presented as a single amount in the balance sheet.)	
Deleted	Has interest on debt that is to be assumed by the buyer and interest on debt that is required to be repaid as a result of a disposal transaction been allocated to discontinued operations? (ASC 205-20-45-6 through 45-8)	
Deleted	Has general corporate overhead <i>not</i> been allocated to discontinued operations? (ASC 205-20-45-9)	
Deleted	If an entity decides not to sell a long-lived asset (disposal group) previously classified as held for sale, or removes an individual asset or liability from a disposal group previously classified as held for sale, have the following disclosures been made in the financial statements that include the period of that decision (ASC 205-20-50-3):	
Deleted	A description of the facts and circumstances leading to the decision to change the plan to sell the long-lived asset (disposal group)?	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
Deleted	The effect on the results of operations for all periods presented?	
Deleted	For each discontinued operation that generates continuing cash flows, have the following disclosures been made (ASC 205-20-50-4):	
Deleted	The nature of the activities that give rise to continuing cash flows?	
Deleted	The period of time continuing cash flows are expected to be generated?	
Deleted	The principal factors used to conclude that the expected continuing cash flows are not direct cash flows of the disposed component?	
Deleted	If there is a continuation of activities between the ongoing entity and the disposed component after the disposal transaction (ASC 205-20-50-6):	
Deleted	If the ongoing entity's activities include continuation of revenues and expenses that were previously eliminated intercompany transactions (for purposes of the consolidated financial statements) before the disposal transaction, have disclosures been made of the intercompany amounts before the disposal transaction for all periods presented?	
Deleted	In the period in which operations are initially classified as discontinued, have disclosures been made of the types of continuing involvement with the component, if any, that the entity will have after the disposal transaction?	
Deleted	If the criteria for classification as held for sale for a long-lived asset (disposal group) are met after the balance-sheet date, but before the financial statements are issued or are available to be issued, does the long-lived asset (disposal group) continue to be classified as held and used in those financial statements, and has the following information been disclosed (ASC 360-10-45-13; 205-20-50-1(a)):	
Deleted	A description of the facts and circumstances leading to the expected disposal?	
Deleted	The expected manner and timing of the disposal?	
Deleted	The carrying amount(s) of the major classes of assets and liabilities included as part of a disposal group, if not separately presented on the face of the balance sheet?	
Deleted	<p><i>Note:</i> The presentation and disclosure requirements in items 1 through 8 above have been superseded by the amendments in ASU No. 2014-08, <i>Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360) – Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity</i>. ASU No. 2014-08 is effective on a prospective basis for public business entities and not-for-profit entities that have issued, or are conduit bond obligors for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market, for all disposals (or classifications as held for sale) of components of an entity and all businesses or nonprofit activities that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within those years. For all other entities, the requirements are effective on a prospective basis for all disposals (or classifications as held for sale) of components of an entity and all businesses or nonprofit activities</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within annual periods beginning on or after December 15, 2015. Thereafter, the presentation and disclosure requirements in items 9 through 23 below should be followed. Early adoption is permitted only for disposals (or classifications as held for sale) that have not been reported in financial statements previously issued or available for issuance. Also, an entity may not apply the amendments in ASU No. 2014-08 to a component of an entity, or a business or nonprofit activity, that is classified as held for sale before the effective date even if the component of an entity, or business or nonprofit activity, is disposed of after the effective date. (ASC 205-20-65-1)</p>	
Comprehensive Income (ASC 220)		
New	<p><i>Note:</i> The presentation and disclosure requirements in item 8 below have been superseded by the amendments in ASU No. 2017-07, <i>Compensation — Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost</i>, which is effective for public business entities, for annual periods beginning after December 15, 2017, including interim periods within those annual periods. For all other entities, the requirements are effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Thereafter, the presentation and disclosure requirements in item 9 below should be followed. Early adoption is permitted as of the beginning of an annual period for which financial statements (interim or annual) have not been issued or have not been made available for issuance. (ASC 715-20-65-3)</p>	
New	<p>The aggregate tax effect of all significant reclassifications on the line item for income tax benefit or expense?</p> <p><i>Note:</i> For items 8a. and 8b. above, if an entity is unable to identify the line item of net income affected by any significant amount reclassified out of accumulated other comprehensive income in a reporting period, including when all reclassifications for the period are not to net income in their entirety, the entity must disclose the information for that amount as required in item 10 below.</p>	
New	<p><i>Note:</i> The presentation and disclosure requirements in item 8 above have been superseded by the amendments in ASU No. 2017-07, <i>Compensation — Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost</i>, which is effective for public business entities, for annual periods beginning after December 15, 2017, including interim periods within those annual periods. For all other entities, the requirements are effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Thereafter, the presentation and disclosure requirements in item 9 below should be followed. Early adoption is permitted as of the beginning of an annual period for which financial statements (interim or annual) have not been issued or have not been made available for issuance. (ASC 715-20-65-3)</p>	
New	<p>For the information required in item 7 above that is presented on the face of the statement where net income is presented, have the following disclosures been made parenthetically (ASC 220-10-45-17A):</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
New	The effect of significant reclassification amounts on the respective line items of net income, by component of other comprehensive income?	
Modify	<p>The aggregate tax effect of all significant reclassifications on the line item for income tax benefit or expense?</p> <p><i>Note:</i> For items 9a. and 9b. above, if an entity chooses to use a separate line item or items in the income statement to present significant pension cost components or other postretirement benefit cost components reclassified out of accumulated other comprehensive income, it is no longer required to present those pension cost components or other postretirement benefit cost components parenthetically.</p> <p><i>Note:</i> For items 9a. and 9b. above, if an entity is unable to identify the line item of net income affected by any significant amount reclassified out of accumulated other comprehensive income in a reporting period, including when all reclassifications for the period are not to net income in their entirety, the entity must disclose the information for that amount as required in item 10 below.</p>	Reset due to content changes
Statement of Cash Flows (ASC 230)		
New	Does the statement of cash flows report net cash provided or used by operating, investing, and financing activities and the net effect of those cash flows on cash and cash equivalents during the period in a manner that reconciles beginning and ending cash and cash equivalents? (ASC 230-10-45-1; 230-10-45-10; 230-10-45-24; 205-20-50-5B(c)) (Note: Separate disclosure of cash flows pertaining to discontinued operations reflected in those categories is not required.)	
New	<i>Note:</i> The presentation and disclosure requirements in items 1 and 2 above have been superseded by the amendments in ASU No. 2016-18, <i>Statement of Cash Flows (Topic 230): Restricted Cash</i> , which is effective on a retrospective basis for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities, the requirements are effective on a retrospective basis for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Thereafter, the presentation and disclosure requirements in items 3 through 6 below should be followed. Early adoption is permitted, including adoption in an interim period. If an entity early adopts ASU No. 2016-18 in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes the interim period. (ASC 230-10-65-3)	
New	When cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents are presented in more than one line item within the balance sheet, have the following items been presented either on the face of the statement of cash flows or disclosed in the notes to the financial statements, for each period for which a balance sheet is presented: (ASC 230-10-45-4; 230-10-50-8)	
New	The line items and amounts of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents reported within the balance sheet?	
New	The amounts, disaggregated by the line item in which they appear within the balance sheet, summed to the total amount of cash, cash equivalents, and amounts generally described as restricted cash or	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>restricted cash equivalents at the end of the corresponding period shown in the statement of cash flows?</p> <p><i>Note:</i> This disclosure may be provided in either a narrative or a tabular format.</p>	
New	<p>Has information been disclosed about the nature of restrictions on cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents? (ASC 230-10-50-7)</p>	
Modify	<p>Does the statement of cash flows report net cash provided or used by operating, investing, and financing activities and the net effect of those cash flows on the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents during the period in a manner that reconciles beginning and ending totals of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents? (ASC 230-10-45-1; 230-10-45-10; 230-10-45-24; 205-20-50-5B(c))</p> <p><i>Note:</i> Separate disclosure of cash flows pertaining to discontinued operations reflected in those categories is not required.</p> <p><i>Note:</i> The statement of cash flows should use descriptive terms such as cash or cash and cash equivalents, rather than ambiguous terms such as funds.</p>	Reset due to content changes
New	<p>Have the disclosures required in ASC paragraphs 250-10-50-1(a) and (b)(1) and 250-10-50-2 (as applicable) been made in the first interim and annual period of adoption of ASU No. 2016-18? (See ASC Topic 250, Accounting Changes and Error Corrections)</p>	
New	<p><i>Note:</i> The presentation and disclosure requirements in item 6b below have been superseded by the amendments in ASU No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments, which is effective on a retrospective basis for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities (including nonpublic entities), the requirements are effective on a retrospective basis for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Thereafter, the presentation and disclosure requirements in items 6c and 7 below should be followed. Early adoption is permitted, including adoption in an interim period. (ASC 230-10-65-2)</p> <p><i>Note:</i> If it is impracticable to apply ASU No. 2016-15 retrospectively to any prior period presented, the amendments should be applied as if the change was made prospectively as of the earliest date practicable.</p> <p><i>Note:</i> If an entity early adopts ASU No. 2016-15 in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes the interim period. In addition, an entity that elects early adoption must adopt all of the amendments in ASU No. 2016-15 in the same period.</p>	
New	<p><i>Note:</i> The presentation and disclosure requirements in item 6b above have been superseded by the amendments in ASU No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments, which is effective on a retrospective basis for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities (including nonpublic entities), the requirements are effective on a</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	retrospective basis for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Thereafter, the presentation and disclosure requirements in items 6c and 7 below should be followed. Early adoption is permitted, including adoption in an interim period. (ASC 230-10-65-2)	
New	Are amounts of interest paid (net of amounts capitalized), including the portion of the payments made to settle zero coupon debt instruments that is attributable to accreted interest related to the debt discount or the portion of the payments made to settle other debt instruments with coupon interest rates that are insignificant in relation to the effective interest rate of the borrowing that is attributable to accreted interest related to the debt discount, and income taxes paid during the period disclosed? (ASC 230-10-50-2)	
New	Have the following transitional disclosures related to the adoption of ASU No. 2016-15 been made in the first interim and annual period of adoption (ASC 230-10-65-2):	
New	The nature of and reason for the change in accounting principle, including an explanation of why the newly adopted accounting principle is preferable? (ASC 250-10-50-1(a))	
New	The method of applying the change, including a description of the prior-period information that has been retrospectively adjusted, if any? (ASC 250-10-50-1(b)(1))	
New	If retrospective application to any prior period is impracticable, disclosure of the reasons therefore, and a description of the alternative method used to report the change? (ASC 250-10-50-1(b)(4))	
New	<i>Note:</i> The presentation and disclosure requirements in item 15 below have been superseded by the amendments in ASU No. 2016-18, <i>Statement of Cash Flows (Topic 230): Restricted Cash</i> , which is effective on a retrospective basis for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities, the requirements are effective on a retrospective basis for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Thereafter, the presentation and disclosure requirements in item 16 below should be followed. Early adoption is permitted, including adoption in an interim period. If an entity early adopts ASU No. 2016-18 in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes the interim period. (ASC 230-10-65-3)	
New	Has the effect of exchange rate changes on cash balances held in foreign currencies been reported as a separate part of the reconciliation of the change in cash and cash equivalents? (ASC 830-230-45-1)	
New	<i>Note:</i> The presentation and disclosure requirements in item 15 above have been superseded by the amendments in ASU No. 2016-18, <i>Statement of Cash Flows (Topic 230): Restricted Cash</i> , which is effective on a retrospective basis for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities, the requirements are effective on a retrospective basis for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Thereafter, the presentation and disclosure requirements in item 16 below should be followed. Early adoption is	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	permitted, including adoption in an interim period. If an entity early adopts ASU No. 2016-18 in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes the interim period. (ASC 230-10-65-3)	
Modify	Has the effect of exchange rate changes on cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents held in foreign currencies been reported as a separate part of the reconciliation of the change in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash and cash equivalents? (ASC 830-230-45-1)	Reset due to content changes
New	Note: The presentation and disclosure requirements in item 17 below are prescribed by ASU No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments, which is effective on a retrospective basis for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities (including nonpublic entities), the requirements are effective on a retrospective basis for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period. (ASC 230-10-65-2)	
New	When an entity applies the equity method of accounting (ASC 230-10-45-21D): Has the entity made an accounting policy election to classify distributions received from equity method investees using either the cumulative earnings approach or nature of the distribution approach?	
New	If an election is made to apply the nature of the distribution approach and the information to apply that approach to distributions received from an individual equity method investee is not available to the investor, has the entity reported a change in accounting principle on a retrospective basis by applying the cumulative earnings approach for that investee? <i>Note:</i> In the situation in item (b) above, an entity should disclose that a change in accounting principle has occurred with respect to the affected investee(s) due to the lack of available information and should provide the disclosures required in ASC paragraphs 250-10-50-1(b) and 250-10-50-2, as applicable. <i>Note:</i> With either the cumulative earnings approach or nature of the distribution approach to classify distributions received from equity method investees in the statement of cash flows, an entity also should comply with the applicable accounting policy disclosure requirements in ASC paragraphs 235-10-50-1 through 50-6. (See ASC Topic 235, Notes to Financial Statements.)	
Risks and Uncertainties (ASC 275)		
New	<i>Note:</i> The presentation and disclosure requirements in item 1 below have been superseded by the amendments in ASU No. 2014-10, <i>Development Stage Entities (Topic 915) – Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation</i> . The amendments in ASU No. 2014-10 related to the elimination of inception-to-date information and the other remaining disclosure requirements of ASC Topic 915	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>and the clarification to ASC Topic 275, <i>Risks and Uncertainties</i>, are effective for public business entities for annual reporting periods beginning after December 15, 2014, and interim periods therein. For all other entities, the requirements are effective for annual reporting periods beginning after December 15, 2014 and for interim reporting periods beginning after December 15, 2015. Thereafter, the presentation and disclosure requirements in item 2 below should be followed. The amendments in ASU No. 2014-10 should be applied retrospectively except for the amendments to ASC Topic 275, which should be applied prospectively. Early adoption is permitted for public business entities for any annual reporting period or interim period for which the entity's financial statements have not yet been issued. For all other entities, early adoption is permitted for financial statements that have not yet been made available for issue. (ASC 915-10-65-1)</p>	
New	Have disclosures been made about the nature of the entity's operations, including the following (ASC 275-10-50-2):	
New	A description of the entity's major products or services?	
New	The principal markets (e.g., industries and types of customers) and the location of those markets for the entity's products or services?	
New	<p>If the entity operates in more than one business, the relative importance of the entity's operations in each business and the basis for that determination (e.g., based on assets, revenues, or earnings)? (Note: Relative importance need not be quantified and could be conveyed by use of terms, such as <i>predominately, about equally, or major.</i>)</p>	
New	<p>Note: The presentation and disclosure requirements in item 1 above have been superseded by the amendments in ASU No. 2014-10, <i>Development Stage Entities (Topic 915) – Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation</i>. The amendments in ASU No. 2014-10 related to the elimination of inception-to-date information and the other remaining disclosure requirements of ASC Topic 915 and the clarification to ASC Topic 275, <i>Risks and Uncertainties</i>, are effective for public business entities for annual reporting periods beginning after December 15, 2014, and interim periods therein. For all other entities, the requirements are effective for annual reporting periods beginning after December 15, 2014 and for interim reporting periods beginning after December 15, 2015. Thereafter, the presentation and disclosure requirements in item 2 below should be followed. The amendments in ASU No. 2014-10 should be applied retrospectively except for the amendments to ASC Topic 275, which should be applied prospectively. Early adoption is permitted for public business entities for any annual reporting period or interim period for which the entity's financial statements have not yet been issued. For all other entities, early adoption is permitted for financial statements that have not yet been made available for issue. (ASC 915-10-65-1)</p>	
<p>Investments – Equity Method and Joint Ventures Qualified Affordable Housing Project Investments</p>		
Deleted	<p>Note: The presentation and disclosure requirements in item 1 below have been superseded by the amendments in ASU No. 2014-01, <i>Investments — Equity Method and Joint Ventures (Topic 323) – Accounting for Investments in Qualified Affordable Housing Projects</i>, which is effective on a retrospective basis for public business entities for annual periods and interim reporting periods beginning after December 15, 2014. For all other entities, the requirements are effective on a</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	retrospective basis for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Thereafter, the presentation and disclosure requirements in items 2 through 4 below should be followed. Early adoption is permitted. (ASC 323-740-65-1)	
Deleted	When a limited partnership investment in a qualified affordable housing project is accounted for using the effective yield method (ASC 323-740-45-1 and 45-2):	
Deleted	Has the tax credit allocated, net of the amortization of the investment in the limited partnership, been recognized in the income statement as a component of income taxes attributable to continuing operations?	
Deleted	Have any other tax benefits received been accounted for in the income statement pursuant to the general requirements of ASC Topic 740, <i>Income Taxes</i> ?	
Deleted	<i>Note:</i> The presentation and disclosure requirements in items 2 through 4 below are prescribed by ASU No. 2014-01, <i>Investments — Equity Method and Joint Ventures (Topic 323) – Accounting for Investments in Qualified Affordable Housing Projects</i> , which is effective on a retrospective basis for public business entities for annual periods and interim reporting periods beginning after December 15, 2014. For all other entities, the requirements are effective on a retrospective basis for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early adoption is permitted. (ASC 323-740-65-1)	
Deleted	<i>Note:</i> A reporting entity that uses the effective yield method to account for its investments in qualified affordable housing projects before the date of adoption of ASU No. 2014-01 may continue to apply the effective yield method for those preexisting investments. (ASC 323-740-65-1)	
Intangibles – Goodwill and Other (ASC 350)		
Goodwill		
New	<p><i>Note:</i> The disclosure and presentation requirements in items 5 and 6 below are prescribed by ASU No. 2017-04, <i>Intangibles — Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment</i>, which is effective on a prospective basis, for annual and interim goodwill impairment tests performed for periods beginning after (ASC 350-20-65-3):</p> <ol style="list-style-type: none"> 1. December 15, 2019, for public business entities that are U. S. Securities and Exchange Commission (SEC) filers. 2. December 15, 2020, for public business entities that are not SEC filers. 3. December 15, 2021, for all other entities, including not-for-profit entities. <p>Early adoption is permitted for interim and annual goodwill impairment tests with a measurement date (i.e., performed on testing dates) on or after January 1, 2017.</p>	
New	Have the following transitional disclosures related to the adoption of ASU No. 2017-04 been made in the first interim and annual period of adoption (ASC 350-20-65-3):	
New	The nature of and reason for the change in accounting principle?	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
New	<p>An explanation of why the newly adopted accounting principle is preferable?</p> <p><i>Note:</i> Private companies that have adopted the private company accounting alternative for the subsequent measurement of goodwill but have not adopted the private company alternative for subsuming certain intangible assets into goodwill are allowed, but not required, to adopt this guidance prospectively on or before the effective date without having to justify preferability of the accounting change.</p> <p>Private companies that have adopted the private company alternative to subsume certain intangible assets into goodwill and, thus, also adopted the goodwill alternative are not permitted to adopt ASU No. 2017-04 upon issuance without following the guidance in ASC Topic 250, <i>Accounting Changes and Error Corrections</i>, including justifying why it is preferable to change their accounting policies. (See ASC Topic 250, <i>Accounting Changes and Error Corrections</i>)</p>	
New	For entities that have reporting units with zero or negative carrying amounts of net assets, has the entity disclosed the following (ASC 350-20-50-1A):	
New	Those reporting units with allocated goodwill and the amount of goodwill allocated to each?	
New	The reportable segment in which the reporting unit is included?	
New	<p><i>Note:</i> The disclosure and presentation requirements in item 7c below have been superseded by the amendments in ASU No. 2017-04, <i>Intangibles — Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment</i>, which is effective on a prospective basis, for annual and interim goodwill impairment tests performed for periods beginning after (ASC 350-20-65-3):</p> <ol style="list-style-type: none"> 1. December 15, 2019, for public business entities that are U. S. Securities and Exchange Commission (SEC) filers. 2. December 15, 2020, for public business entities that are not SEC filers. 3. December 15, 2021, for all other entities, including not-for-profit entities. <p>Thereafter, the presentation and disclosure requirements in item 7c below will no longer apply. Early adoption is permitted for interim and annual goodwill impairment tests with a measurement date (i.e., performed on testing dates) on or after January 1, 2017.</p>	
<p>Intangibles – Goodwill and Other (ASC 350) Internal-Use Software</p>		
New	<p><i>Note:</i> The presentation and disclosure requirements in item 3 below are prescribed by ASU No. 2016-19, <i>Technical Corrections and Improvements</i>, which is effective for public business entities for annual periods, including interim periods within those annual periods, beginning after December 15, 2016. For all other entities, the requirements are effective for annual periods beginning after December 15, 2017, and interim periods in annual periods beginning after December 15, 2018.</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	Early adoption is permitted. ASU No. 2016-19 may be applied either prospectively to all arrangements entered into or materially modified after the effective date or retrospectively. (ASC 350-40-65-2)	
New	Have the following transitional disclosures related to the adoption of ASU No. 2016-19 been made (ASC 350-40-65-2):	
New	For a public business entity that elects prospective transition, in the first interim period and annual period after adoption; and for all other entities, in the first annual period of adoption and in the interim periods within the first annual period after the adoption date:	
New	The nature of and reason for the change in accounting principle?	
New	The transition method?	
New	A qualitative description of the financial statement line items affected by the change?	
New	For an entity that elects retrospective transition, in the first annual period of adoption and in the interim periods within the first annual period after the adoption date:	
New	The nature of and reason for the change in accounting principle?	
New	The transition method?	
New	A description of the prior-period information that has been retrospectively adjusted?	
New	The effect of the change on income from continuing operations, net income (or other appropriate captions of changes in the applicable net assets or performance indicator), any other affected financial statement line item(s), and any affected per-share amounts for the current period and any prior periods, retrospectively adjusted?	
New	The cumulative effect of the change on retained earnings or other components of equity or net assets in the balance sheet as of the beginning of the earliest period presented?	
Property, Plant, and Equipment (ASC 360)		
Impairment or Disposal of Long-Lived Assets		
New	<i>Note:</i> The presentation and disclosure requirements in items 1 through 7 below have been superseded by the amendments in ASU No. 2014-08, <i>Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360) – Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity</i> . ASU No. 2014-08 is effective on a prospective basis for public business entities and not-for-profit entities that have issued, or are conduit bond obligors for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market, for all disposals (or classifications as held for sale) of components of an entity and all businesses or nonprofit activities that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within those years. For all other entities, the requirements are effective on a prospective basis for all disposals (or classifications as held for sale) of components of an entity and all businesses or nonprofit activities	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within annual periods beginning on or after December 15, 2015. Thereafter, the presentation and disclosure requirements in items 8 through 17 below should be followed. Early adoption is permitted only for disposals (or classifications as held for sale) that have not been reported in financial statements previously issued or available for issuance. Also, an entity may not apply the amendments in ASU No. 2014-08 to a component of an entity, or a business or nonprofit activity that is classified as held for sale before the effective date even if the component of an entity, or business or nonprofit activity, is disposed of after the effective date. (ASC 205-20-65-1)	
Modify	<p>Have long-lived assets classified as held for sale (but not qualifying for presentation as a discontinued operation in the balance sheet) been presented separately in the balance sheet of the current period? (ASC 360-10-45-14)</p> <p><i>Note:</i> The assets and liabilities of a disposal group classified as held for sale should be presented separately in the asset and liability sections, respectively, of the balance sheet. Those assets and liabilities should not be offset and presented as a single amount. The major classes of assets and liabilities classified as held for sale should be separately presented on the face of the balance sheet or disclosed in the notes to financial statements. Any loss recognized on the disposal group classified as held for sale in accordance with ASC paragraphs 360-10-35-37 through 35-45 and 360-10-40-5 should not be allocated to the major classes of assets and liabilities of the disposal group.</p>	Reset due to content changes
Deleted	Have long-lived assets classified as held for sale been presented separately in the balance sheet? (ASC 360-10-45-14)	
New	For any period in which a long-lived asset (disposal group) either has been disposed of or is classified as held for sale, have the following disclosures been made in the notes to the financial statements (ASC 360-10-50-3 and ASC 610-20-50-1):	
New	Has an impairment loss recognized for a long-lived asset (asset group) to be held and used been included in income from continuing operations before income taxes? (ASC 360-10-45-4)	
New	Has a gain or loss recognized (see ASC Subtopic 610-20 on the sale or transfer of a nonfinancial asset) on the sale of a long-lived asset (disposal group) that is not a discontinued operation been included in income from continuing operations before income taxes? (ASC 360-10-45-5)	
New	If circumstances arise that previously were considered unlikely and, as a result, an entity decides not to sell a long-lived asset (disposal group) previously classified as held for sale (ASC 360-10-45-6 and 45-7):	
New	Has the asset (disposal group) been reclassified as held and used?	
New	Has any required adjustment to the carrying amount of the long-lived asset that is reclassified as held and used been included in income from continuing operations in the period of the subsequent decision not to sell and in the same income statement caption used to report a loss, if any, recognized in accordance with item 9 above?	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
New	If a component of an entity is reclassified as held and used, have the results of operations of the component previously reported in discontinued operations been reclassified and included in income from continuing operations for all periods presented?	
New	If the criteria for classification as held for sale for a long-lived asset (disposal group) are met after the balance-sheet date, but before the financial statements are issued or are available to be issued, does the long-lived asset (disposal group) continue to be classified as held and used in those financial statements, and has the following information been disclosed (ASC 360-10-45-13; 205-20-50-1(a)):	
New	A description of the facts and circumstances leading to the expected disposal?	
New	The expected manner and timing of the disposal?	
New	<p>Have long-lived assets classified as held for sale (but not qualifying for presentation as a discontinued operation in the balance sheet) been presented separately in the balance sheet of the current period? (ASC 360-10-45-14)</p> <p><i>Note:</i> The assets and liabilities of a disposal group classified as held for sale should be presented separately in the asset and liability sections, respectively, of the balance sheet. Those assets and liabilities should not be offset and presented as a single amount. The major classes of assets and liabilities classified as held for sale should be separately presented on the face of the balance sheet or disclosed in the notes to financial statements. Any loss recognized on the disposal group classified as held for sale in accordance with ASC paragraphs 360-10-35-37 through 35-45 and 360-10-40-5 should not be allocated to the major classes of assets and liabilities of the disposal group.</p>	
New	Have long-lived assets to be disposed of other than by sale (e.g., by abandonment, in an exchange measured based on the recorded amount of the nonmonetary asset relinquished, or in a distribution to owners in a spinoff) been classified as held and used until they are disposed of? (ASC 360-10-45-15)	
New	Have the following disclosures been made in the notes to financial statements that include the period in which an impairment loss is recognized on long-lived assets classified as held and used (ASC 360-10-50-2):	
Deleted	<p>Note: The disclosure requirement in item 18 below is prescribed by ASU No. 2014-04, Receivables — Troubled Debt Restructurings by Creditors (Subtopic 310-40) – Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans upon Foreclosure, which is effective for public business entities, for annual periods, and interim periods within those annual periods, beginning after December 15, 2014. For all other entities, the requirements are effective for annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Early adoption is permitted. (ASC 310-40-65-2)</p>	
<p>Equity</p> <p>Spinoffs and Reverse Spinoffs</p>		

Type of Change	Description of Change	Roll Forward and Update Content Considerations
Deleted	<p><i>Note:</i> The presentation and disclosure requirements in item 1 below have been superseded by the amendments in ASU No. 2014-08, <i>Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360) – Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity</i>. ASU No. 2014-08 is effective on a prospective basis for public business entities and not-for-profit entities that have issued, or are conduit bond obligors for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market, for all disposals (or classifications as held for sale) of components of an entity and all businesses or nonprofit activities that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within those years. For all other entities, the requirements are effective on a prospective basis for all disposals (or classifications as held for sale) of components of an entity and all businesses or nonprofit activities that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within annual periods beginning on or after December 15, 2015. Thereafter, the presentation and disclosure requirements in item 2 below should be followed. Early adoption is permitted only for disposals (or classifications as held for sale) that have not been reported in financial statements previously issued or available for issuance. Also, an entity may not apply the amendments in ASU No. 2014-08 to a component of an entity, or a business or nonprofit activity, that is classified as held for sale before the effective date even if the component of an entity, or business or nonprofit activity, is disposed of after the effective date. (ASC 205-20-65-1)</p>	
Deleted	<p>If the accounting spinnee is a component of an entity and meets the conditions for reporting as discontinued operations (as contained in ASC paragraph 205-20-45-1), has the accounting spinnor reported the accounting spinnee as a discontinued operation? (ASC 505-60-45-1)</p>	
Deleted	<p><i>Note:</i> The presentation and disclosure requirements in item 1 above have been superseded by the amendments in ASU No. 2014-08, <i>Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360) – Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity</i>. ASU No. 2014-08 is effective on a prospective basis for public business entities and not-for-profit entities that have issued, or are conduit bond obligors for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market, for all disposals (or classifications as held for sale) of components of an entity and all businesses or nonprofit activities that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within those years. For all other entities, the requirements are effective on a prospective basis for all disposals (or classifications as held for sale) of components of an entity and all businesses or nonprofit activities that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within annual periods beginning on or after December 15, 2015. Thereafter, the presentation and disclosure requirements in item 2 below should be followed. Early adoption is permitted only for disposals (or classifications as held for sale) that have not been reported in financial statements previously issued or available for issuance. Also, an entity may not apply the amendments in ASU No. 2014-08 to a component of an entity, or a business or nonprofit activity, that is classified as held for sale before the effective date even if the component</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	of an entity, or business or nonprofit activity, is disposed of after the effective date. (ASC 205-20-65-1)	
Revenue from Contracts with Customers (ASC 606)		
Modify	<p>Has the entity disclosed the following information about its remaining performance obligations (ASC 606-10-50-13 through 50-16; ASC 270-10-50-1A):</p> <p><i>Note 1:</i> An entity need not disclose the information in this item 14 for a performance obligation if either: (a) the performance obligation is part of a contract that has an original expected duration of one year or less, or (b) the entity recognizes revenue from the satisfaction of the performance obligation in accordance with ASC paragraph 606-10-55-18. (ASC 606-10-50-14)</p> <p><i>Note 2:</i> An entity need not disclose the information in this item 14 for variable consideration for which either: (a) the variable consideration is a sales-based or usage-based royalty promised in exchange for a license of intellectual property accounted for in accordance with ASC paragraphs 606-10-55-65 through 55-65B, or (b) the variable consideration is allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct good or service that forms part of a single performance obligation in accordance with ASC paragraph 606-10-25-14(b), for which the criteria in ASC paragraph 606-10-32-40 have been met. The optional exemptions in this Note and in Note 1 item (b) above should not be applied to fixed consideration. (ASC 606-10-50-14A and 50-14B)</p> <p><i>Note 3:</i> The disclosures in item 14 are optional for nonpublic entities. (ASC 606-10-50-16)</p>	Reset due to content changes
New	<p>The following information about the application of the optional exemptions described in Notes 1 and 2 above (ASC 606-10-50-15):</p> <p><i>Note:</i> This information should include sufficient detail to enable users of financial statements to understand the remaining performance obligations that the entity excluded from the information disclosed in accordance with this item 14.</p>	
New	Which optional exemptions in Notes 1 and 2 of this item 14 the entity is applying?	
New	The nature of the performance obligations?	
New	The remaining duration of the performance obligations?	
New	A description of the variable consideration (e.g., the nature of the variability and how that variability will be resolved) that has been excluded from the information disclosed in items 14 a. and 14 b. above?	
Modify	An explanation about whether any consideration from contracts with customers is not included in the transaction price and, therefore, not included in the information disclosed in accordance with	Reset due to content changes

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	items (a) and (b) above (e.g., an estimate of the transaction price would not include any estimated amounts of variable consideration that are constrained)? (ASC 606-10-50-15)	
Compensation – Nonretirement Postemployment Benefits (ASC 712) Defined Benefit Plans		
New	<p><i>Note:</i> The presentation and disclosure requirements in items 1 and 2 below are prescribed by the amendments in ASU No. 2017-07, <i>Compensation — Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost</i>, which is effective for public business entities, for annual periods beginning after December 15, 2017, including interim periods within those annual periods. For all other entities, the requirements are effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early adoption is permitted as of the beginning of an annual period for which financial statements (interim or annual) have not been issued or have not been made available for issuance. (ASC 715-20-65-3)</p> <p>The amendments in ASU No. 2017-07 should be applied (a) retrospectively for the presentation in the income statement of the service cost component and the other components of net periodic pension cost and net periodic postretirement benefit cost, and (b) prospectively, on and after the effective date of ASU No. 2017-07, for the capitalization in assets of the service cost component of net periodic pension cost and net periodic postretirement benefit cost.</p> <p>As a practical expedient, an entity may use the amounts disclosed in its pension and other postretirement benefit plan note for the prior comparative periods as the estimation basis for applying the retrospective presentation requirements. If an entity elects to use the practical expedient, the entity should disclose that the practical expedient was used.</p>	
New	Has the following been reported in the income statement of a defined benefit plan (ASC 715-20-45-3A):	
New	The service cost component of net periodic pension cost and net periodic postretirement benefit cost in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period (except for the amount being capitalized, if appropriate, in connection with the production or construction of an asset such as inventory or property, plant, and equipment)?	
New	<p>The other components as defined in ASC paragraph 715-30-35-4 and ASC paragraph 715-60-35-9 (such as service cost, interest cost, and actual return on plan assets) separately from the service cost component and outside a subtotal of income from operations, if one is presented? (If a separate line item or items are used to present the other components, that line item or items should be described appropriately.)</p> <p><i>Note:</i> For the purpose of applying the guidance in items 1a. and 1b. above, a gain or loss from a settlement or curtailment or the cost of certain termination benefits accounted for under this ASC Topic 715 should be reported in the same way as the other components in item 1b. above. (ASC 715-20-45-3A)</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
New	Have the nature of and reason for the change in accounting principle been disclosed in the first interim and annual period of the adoption of ASU No. 2017-07? (ASC 715-20-65-3)	
Compensation – Retirement Benefits (ASC 715)		
New	<i>Note:</i> The presentation and disclosure requirements in item 1h(8) below are prescribed by the amendments in ASU No. 2017-07, <i>Compensation — Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost</i> , which is effective for public business entities, for annual periods beginning after December 15, 2017, including interim periods within those annual periods. For all other entities, the requirements are effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early adoption is permitted as of the beginning of an annual period for which financial statements (interim or annual) have not been issued or have not been made available for issuance. (ASC 715-20-65-3)	
New	The line item(s) used in the income statement to present the components other than the service cost component of net benefit cost recognized, if the other components are not presented in a separate line item or items in the income statement?	
Compensation – Retirement Benefits (ASC 715) <i>Pension and Postretirement Defined Benefit Plans—Reduced Disclosure Requirements for Nonpublic Entities (Annual Periods)</i>		
New	<i>Note:</i> The presentation and disclosure requirements in item 1q below are prescribed by the amendments in ASU No. 2017-07, <i>Compensation — Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost</i> , which is effective for public business entities, for annual periods beginning after December 15, 2017, including interim periods within those annual periods. For all other entities, the requirements are effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early adoption is permitted as of the beginning of an annual period for which financial statements (interim or annual) have not been issued or have not been made available for issuance. (ASC 715-20-65-3)	
New	The amount of the other components and the line item(s) used in the income statement to present the components other than the service cost component of net periodic benefit cost recognized, if the components other than the service cost component are not presented in a separate line item or items in the income statement?	
Compensation – Retirement Benefits (ASC 715) <i>Pension and Postretirement Defined Benefit Plans—Disclosure Requirements for Public Entities (Interim Periods)</i>		
New	<i>Note:</i> The presentation and disclosure requirements in item 1h below are prescribed by the amendments in ASU No. 2017-07, <i>Compensation — Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost</i> , which is effective for public business entities, for annual periods beginning after December 15, 2017, including interim periods within those annual periods. For all other entities, the requirements are effective for annual periods beginning after December 15, 2018, and interim periods within annual	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	periods beginning after December 15, 2019. Early adoption is permitted as of the beginning of an annual period for which financial statements (interim or annual) have not been issued or have not been made available for issuance. (ASC 715-20-65-3)	
New	The line item(s) used in the income statement to present the components other than the service cost component of net benefit cost recognized, if the other components are not presented in a separate line item or items in the income statement?	
Income Taxes (ASC 740) Overall		
New	<i>Note:</i> The presentation and disclosure requirements in item 6 below are prescribed by ASU No. 2016-16, <i>Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory</i> , which is effective on a modified retrospective basis for public business entities for annual periods beginning after December 15, 2017, and interim periods within those annual periods. For all other entities, the requirements are effective on a modified retrospective basis for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early adoption is permitted as of the beginning of an annual period for which financial statements (interim or annual) have not been issued or made available for issuance. (ASC 740-10-65-5)	
New	<i>Note:</i> ASU No. 2016-16 should be adopted on a modified retrospective basis, with a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption for the recognition of income tax consequences of intra-entity transfers of assets other than inventory that occur before the adoption date. Deferred tax assets recognized as a result of the adoption of ASU No. 2016-16 should be assessed for realizability in accordance with ASC Topic 740. A valuation allowance recognized as of the beginning of the period of adoption for deferred tax assets recognized as a result of the adoption of ASU No. 2016-16 should be recognized through a cumulative-effect adjustment to retained earnings. (ASC 740-10-65-5)	
New	Have the following transitional disclosures related to the adoption of ASU No. 2016-16 been made in the first annual period of adoption and in the interim periods within the first annual period of adoption (ASC 740-10-65-5):	
New	The nature of and reason for the change in accounting principle?	
New	The effect of the change for the current period on:	
New	Income from continuing operations?	
New	Net income (or other appropriate captions of changes in the applicable net assets or performance indicator)?	
New	Any other affected financial statement line item(s)?	
New	Any affected per-share amounts?	
New	The cumulative effect of the change on retained earnings or other components of equity or net assets in the balance sheet as of the beginning of the period of adoption?	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
Income Taxes (ASC 740)		
Unrecognized Tax Benefits		
New	<p>Note: The disclosure requirements under items 1 and 2 below have been superseded or amended by the guidance in ASU No. 2013-11, <i>Income Taxes (Topic 740) – Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists</i>, which is effective on a prospective basis for public entities for fiscal years, and interim periods within those years, beginning after December 15, 2013. For nonpublic entities, the disclosures are effective on a prospective basis for fiscal years, and interim periods within those years, beginning after December 15, 2014. Thereafter, the disclosure requirements in items 3 through 6 below are to be followed. Early adoption and retrospective application are both permitted. (ASC 740-10-65-3)</p>	
New	<p>Has a liability associated with an unrecognized tax benefit been classified as a current liability (or the amount of a net operating loss carryforward or amount refundable is reduced) to the extent the entity anticipates payment (or receipt) of cash within one year (or the operating cycle, if longer)? (ASC 740-10-45-11) (Note: The liability for unrecognized tax benefits (or reduction in amounts refundable) should not be combined with deferred tax liabilities or assets.)</p>	
New	<p>Has a liability for an unrecognized tax benefit <i>not</i> been classified as a deferred tax liability unless it arises from a taxable temporary difference? (ASC 740-10-45-12)</p>	
New	<p>Note: The disclosure requirements under items 1 and 2 above have been superseded or amended by the guidance in ASU No. 2013-11, <i>Income Taxes (Topic 740) – Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists</i>, which is effective on a prospective basis for public entities for fiscal years, and interim periods within those years, beginning after December 15, 2013. For nonpublic entities, the disclosures are effective on a prospective basis for fiscal years, and interim periods within those years, beginning after December 15, 2014. Thereafter, the disclosure requirements in items 3 through 6 below are to be followed. Early adoption and retrospective application are both permitted. (ASC 740-10-65-3)</p>	
Consolidation (ASC 810)		
New	<p>Note: The presentation and disclosure requirements in item 1(g) below have been superseded by the amendments in ASU No. 2016-16, <i>Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory</i>, which is effective on a modified retrospective basis for public business entities for annual periods beginning after December 15, 2017, and interim periods within those annual periods. For all other entities, the requirements are effective on a modified retrospective basis for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Thereafter, the presentation and disclosure requirements in item 1(h) below should be followed. Early adoption is permitted as of the beginning of an annual period for which financial statements (interim or annual) have not been issued or made available for issuance. (ASC 740-10-65-5)</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
New	<p><i>Note:</i> ASU No. 2016-16 should be adopted on a modified retrospective basis, with a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption for the recognition of income tax consequences of intra-entity transfers of assets other than inventory that occur before the adoption date. Deferred tax assets recognized as a result of the adoption of ASU No. 2016-16 should be assessed for realizability in accordance with ASC Topic 740. A valuation allowance recognized as of the beginning of the period of adoption for deferred tax assets recognized as a result of the adoption of ASU No. 2016-16 should be recognized through a cumulative-effect adjustment to retained earnings. (ASC 740-10-65-5)</p>	
New	<p><i>Note:</i> The presentation and disclosure requirements in item 1(g) above have been superseded by the amendments in ASU No. 2016-16, <i>Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory</i>, which is effective on a modified retrospective basis for public business entities for annual periods beginning after December 15, 2017, and interim periods within those annual periods. For all other entities, the requirements are effective on a modified retrospective basis for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Thereafter, the presentation and disclosure requirements in item 1(h) below should be followed. Early adoption is permitted as of the beginning of an annual period for which financial statements (interim or annual) have not been issued or made available for issuance. (ASC 740-10-65-5)</p>	
New	<p><i>Note:</i> ASU No. 2016-16 should be adopted on a modified retrospective basis, with a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption for the recognition of income tax consequences of intra-entity transfers of assets other than inventory that occur before the adoption date. Deferred tax assets recognized as a result of the adoption of ASU No. 2016-16 should be assessed for realizability in accordance with ASC Topic 740. A valuation allowance recognized as of the beginning of the period of adoption for deferred tax assets recognized as a result of the adoption of ASU No. 2016-16 should be recognized through a cumulative-effect adjustment to retained earnings. (ASC 740-10-65-5)</p>	
New	<p>If income taxes have been paid on intercompany profits on inventory remaining within the consolidated group, have (a) those taxes been deferred, or (b) the intercompany profits to be eliminated in consolidation been appropriately reduced? (ASC 810-10-45-8)</p>	
New	<p><i>Note:</i> The presentation and disclosure requirements in item 12 below are prescribed by ASU No. 2016-17, <i>Consolidation (Topic 810): Interests Held through Related Parties That Are under Common Control</i>, which is effective for public business entities for annual periods beginning after December 15, 2016, and interim periods within those annual periods. For all other entities, the requirements are effective for annual periods beginning after December 15, 2016, and interim periods within annual periods beginning after December 15, 2017. Early adoption is permitted, including in an interim period. If an entity adopts ASU No. 2016-17 in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. (ASC 810-10-65-8)</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
New	<i>Note:</i> An entity that has not yet adopted ASU No. 2015-02 should adopt ASU No. 2016-17 at the same time it adopts ASU No. 2015-02 and should apply the same transition method elected for ASU No. 2015-02. (ASC 810-10-65-8)	
New	<i>Note:</i> An entity that has adopted ASU No. 2015-02 should adopt ASU No. 2016-17 retrospectively to all relevant prior periods beginning with the fiscal years in which ASU No. 2015-02 was initially applied. The entity should recognize the cumulative effect of initially applying ASU No. 2016-17 as an adjustment to the opening balance of retained earnings (or other appropriate components of equity or net assets in the balance sheet) of the fiscal year that includes the date of initial adoption. (ASC 810-10-65-8)	
New	Have the disclosures required in ASC paragraphs 250-10-50-1 through 50-2 (with the exception of the disclosure in paragraph 250-10-50-1(b)(2)) been made in the period of adoption of ASU No. 2016-17? (See ASC Topic 250, <i>Accounting Changes and Error Corrections</i>)	
Derivatives and Hedging (ASC 815)		
New	<i>Note:</i> The presentation and disclosure requirements in item 11 below are prescribed by ASU No. 2015-13, <i>Derivatives and Hedging (Topic 815): Application of the Normal Purchases and Normal Sales Scope Exception to Certain Electricity Contracts within Nodal Energy Markets</i> . ASU No. 2015-13 is effective upon issuance (i.e., August 2015) for all entities on a prospective basis. (ASC 815-10-65-7)	
New	Have the following transitional disclosures related to the adoption of ASU No. 2015-13 been made in the first interim and annual period of adoption (ASC 815-10-65-7):	
New	The nature of and reason for the change in accounting principle?	
New	An explanation of why the newly adopted accounting principle is preferable?	
New	<i>Note:</i> The disclosure and presentation requirements in items 1 through 3 below are prescribed by ASU No. 2014-03, <i>Derivatives and Hedging (Topic 815) – Accounting for Certain Receive-Variable, Pay-Fixed Interest Rate Swaps – Simplified Hedge Accounting Approach</i> , as amended by ASU 2016-03, <i>Intangibles — Goodwill and Other (Topic 350), Business Combinations (Topic 805), Consolidation (Topic 810), Derivatives and Hedging (Topic 815): Effective Date and Transition Guidance</i> . ASU No. 2014-03 should be applied by private companies as of the beginning of the first fiscal year in which the simplified hedge accounting approach is elected on either a modified retrospective basis or a full retrospective basis, with such election to be made on a swap-by-swap basis. The election to apply the simplified hedge accounting approach to an existing swap should be made upon its adoption and can be applied only to existing swaps the first time the election is made. After the initial election is made to apply the simplified hedge accounting approach to existing swaps, no further retrospective applications to existing swaps (full or modified) are permitted. (ASC 815-10-65-6 and 815-20-25-131B)	
Fair Value Measurements and Disclosures (ASC 820)		

Type of Change	Description of Change	Roll Forward and Update Content Considerations
Modify	The change in either or both a valuation approach and a valuation technique, or use of an additional valuation technique, and the reasons for such change or addition, for recurring and nonrecurring fair value measurements categorized within Level 2 and Level 3 of the fair value hierarchy?	Reset due to content changes
Transfers and Servicing (ASC 860) Sales (Transfers) of Financial Assets		
New	<p><i>Note: Interaction of ASC Topic 860 with other ASC Topics:</i> If specific disclosures are required for a particular form of a transferor’s continuing involvement by other ASC Topics, the transferor should provide the information required in items 1a.(1), 1a.(2) and 1b.(1) below with a cross-reference to the separate notes to financial statements so a financial statement user can understand the risks retained in the transfer. The entity does not need to provide each specific disclosure required in items 1a.(3) and 1b. below if the disclosure is not required by other ASC Topics and the objectives of ASC paragraphs 860-10-50-3 through 50-4 are met (e.g., if the transferor’s only form of continuing involvement is a derivative, the entity should provide the disclosures required in items 1a.(1), 1a.(2) and 1b.(1) below and the disclosures about derivatives required by applicable ASC Topics). In addition, the entity should evaluate whether the other disclosures in items 1a. and 1b. below are necessary for the entity to meet the objectives in those paragraphs. (ASC 860-20-50-2A)</p>	
Deleted	<p><i>Note:</i> The presentation and disclosure requirements in item 3 below are prescribed by ASU No. 2014-11, <i>Transfers and Servicing (Topic 860) – Repurchase-to-Maturity Transactions, Repurchase Financings, and Disclosures</i>. The accounting changes in ASU No. 2014-11 are effective for public business entities for the first interim or annual period beginning after December 15, 2014. For all other entities, the accounting changes are effective for annual periods beginning after December 15, 2014, and interim periods beginning after December 15, 2015. Early adoption is not permitted for public business entities. For all other entities, early adoption is permitted for interim periods beginning after December 15, 2014. (ASC 860-10-65-5)</p> <p>An entity should recognize the effect of initially applying the accounting changes as a cumulative effect adjustment to retained earnings as of the beginning of the period of adoption.</p>	
Deleted	<p>The disclosures required by ASU No. 2014-11 should be presented as follows:</p> <ul style="list-style-type: none"> • For public business entities, the disclosures required by ASC paragraph 860-20-50-4A (item 3 below) should be presented for interim and annual periods beginning after December 15, 2014. For all other entities, the disclosures required by ASC paragraph 860-20-50-4A should be presented for annual periods beginning after December 15, 2014, and for interim periods beginning after December 15, 2015. • For public business entities, the disclosures required by ASC paragraph 860-30-50-7 (item 5 below under “Secured Borrowings and Collateral”) should be presented for annual periods beginning after December 15, 2014, and for interim periods beginning after March 15, 2015. For all other entities, the disclosures required by ASC paragraph 860-30-50-7 	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	<p>should be presented for annual periods beginning after December 15, 2014, and for interim periods beginning after December 15, 2015.</p> <p>All disclosures in ASU No. 2014-11 are not required for comparative periods presented before the effective date.</p>	
<p>Transfers and Servicing (ASC 860) Secured Borrowings and Collateral</p>		
Deleted	<p><i>Note:</i> The presentation and disclosure requirements in item 4 below have been superseded by the amendments in ASU No. 2014-11, <i>Transfers and Servicing (Topic 860) – Repurchase-to-Maturity Transactions, Repurchase Financings, and Disclosures</i>. The accounting changes in ASU No. 2014-11 are effective for public business entities for the first interim or annual period beginning after December 15, 2014. For all other entities, the accounting changes are effective for annual periods beginning after December 15, 2014, and interim periods beginning after December 15, 2015. Thereafter, the presentation and disclosure requirements in items 5 and 6 below should be followed. Early adoption is not permitted for public business entities. For all other entities, early adoption is permitted for interim periods beginning after December 15, 2014. (ASC 860-10-65-5)</p> <p>An entity should recognize the effect of initially applying the accounting changes as a cumulative effect adjustment to retained earnings as of the beginning of the period of adoption.</p>	
Deleted	<p>The disclosures required by ASU No. 2014-11 should be presented as follows:</p> <ul style="list-style-type: none"> • For public business entities, the disclosures required by ASC paragraph 860-20-50-4A (item 3 above under “Sales (Transfers) of Financial Assets”) should be presented for interim and annual periods beginning after December 15, 2014. For all other entities, the disclosures required by ASC paragraph 860-20-50-4A should be presented for annual periods beginning after December 15, 2014, and for interim periods beginning after December 15, 2015. • For public business entities, the disclosures required by ASC paragraph 860-30-50-7 (item 5 below) should be presented for annual periods beginning after December 15, 2014, and for interim periods beginning after March 15, 2015. For all other entities, the disclosures required by ASC paragraph 860-30-50-7 should be presented for annual periods beginning after December 15, 2014, and for interim periods beginning after December 15, 2015. <p>All disclosures in ASU No. 2014-11 are not required for comparative periods presented before the effective date.</p>	
Deleted	<p>Has the information required by paragraphs ASC 210-20-50-1 through 50-6 for both of the following that are either offset in accordance with ASC Section 210-20-45 or subject to an</p>	

Type of Change	Description of Change	Roll Forward and Update Content Considerations
	enforceable master netting arrangement or similar agreement been disclosed (ASC 860-30-50-6 and ASC 210-20-65-2):	
Deleted	Recognized repurchase agreements and reverse sale and repurchase agreements?	
Deleted	Recognized securities borrowing and securities lending transactions?	
Deleted	<p><i>Note:</i> The presentation and disclosure requirements in item 4 above have been superseded by the amendments in ASU No. 2014-11, <i>Transfers and Servicing (Topic 860) – Repurchase-to-Maturity Transactions, Repurchase Financings, and Disclosures</i>. The accounting changes in ASU No. 2014-11 are effective for public business entities for the first interim or annual period beginning after December 15, 2014. For all other entities, the accounting changes are effective for annual periods beginning after December 15, 2014, and interim periods beginning after December 15, 2015. Thereafter, the presentation and disclosure requirements in items 5 and 6 below should be followed. Early adoption is not permitted for public business entities. For all other entities, early adoption is permitted for interim periods beginning after December 15, 2014. (ASC 860-10-65-5)</p> <p>An entity should recognize the effect of initially applying the accounting changes as a cumulative effect adjustment to retained earnings as of the beginning of the period of adoption.</p>	
Deleted	<p>The disclosures required by ASU No. 2014-11 should be presented as follows:</p> <ul style="list-style-type: none"> • For public business entities, the disclosures required by ASC paragraph 860-20-50-4A (item 3 above under “Sales (Transfers) of Financial Assets”) should be presented for interim and annual periods beginning after December 15, 2014. For all other entities, the disclosures required by ASC paragraph 860-20-50-4A should be presented for annual periods beginning after December 15, 2014, and for interim periods beginning after December 15, 2015. • For public business entities, the disclosures required by ASC paragraph 860-30-50-7 (item 5 below) should be presented for annual periods beginning after December 15, 2014, and for interim periods beginning after March 15, 2015. For all other entities, the disclosures required by ASC paragraph 860-30-50-7 should be presented for annual periods beginning after December 15, 2014, and for interim periods beginning after December 15, 2015. <p>All disclosures in ASU No. 2014-11 are not required for comparative periods presented before the effective date.</p>	

Audit Programs (AUDs)

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
AUD-101 Overall Audit Program					
Modify	<p>Modifications throughout including: revised steps regarding predecessor auditor (from AUD-201); added step regarding understanding internal audit; moved unpredictability from practice point to subpoint; and added examples).</p> <p>Under “Preliminary Engagement Activities,” modified and reorganized steps 7, 8, and 9, as follows:</p> <p>7. Prior to beginning the initial audit engagement, request management to authorize the predecessor auditor to allow a review of his or her audit documentation and for the predecessor auditor to respond fully to all inquiries by us.</p> <p><i>COR-203 Entity Consent and Acknowledgment Letter</i> <i>COR-206 Successor Auditor Acknowledgment Letter</i></p> <p>8. If the prior year’s financial statements were audited, communicate with the predecessor auditor, in compliance with relevant ethical requirements, and request access to the predecessor auditor’s audit documentation in order to obtain evidence regarding the opening balances.</p> <p><i>COR-204 Communication with Predecessor Auditor Prior to Client/Engagement Acceptance</i> <i>COR-205 Request from Entity to Predecessor Auditor to Release Information to Successor Auditor</i> <i>COR-206-Successor Auditor Acknowledgment Letter</i> <i>COR-207 Representation Letter from Successor Auditor to Predecessor Auditor</i></p> <p>Practice Point: If the prior period’s financial statements were audited by a predecessor auditor, sufficient appropriate audit evidence regarding the opening balances cannot be obtained by reviewing the predecessor auditor’s audit documentation alone.</p> <p>9. Perform client acceptance or continuance procedures in accordance with firm policy.</p> <p><i>KBA-200 Entity Information and Background</i></p>	Procedures steps	N		Step 7 and 8 will retain on roll forward from AUD-201.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<i>KBA-201-Engagement Acceptance and Continuance: Complex</i>				
Delete	Deleted former step 9: If this is the initial audit engagement for a new client, communicate with the predecessor auditor when there has been a change of auditors.	Procedures steps	N		
Modify	Under “Risk Assessment Procedures: Obtaining an Understanding of the Entity and Its Environment,” added step 30: Obtain an understanding of the nature of the entity’s internal audit function’s responsibilities, how the internal audit function fits into the entity’s organizational structure, and the activities performed or to be performed. <i>AID-601-Considering the Use of Work of Internal Auditors’ Work</i> <i>AID-602-Assessment of Internal Audit Function</i>	Procedures steps	N		
Modify	Under “Risk Assessment Procedures: Evaluating the Design of Internal Controls,” modified step 49, which now reads as follows (and added a reference to KBA-402): Perform risk assessment procedures to identify and obtain an understanding of, and evaluate the design and implementation of, relevant entity-level controls and the entity’s financial reporting process including consideration of information technology (IT) and “what could go wrong.” <i>KBA-400 Scoping and Mapping of Significant Account Balances, Classes of Transactions, and Disclosures</i> <i>KBA-402 Understanding General Controls for Information Technology</i> <i>KBA-401 Understanding Entity-Level Controls</i> <i>KBA-402 Understanding General Controls for Information Technology</i>	Procedures steps	N		Step will retain on roll forward using default settings.
Modify	Under “Risk Assessment Procedures: Evaluating the Design of Internal Controls,” modified step 54, which now reads as follows:	Procedures steps	N		Step will retain on roll forward using default settings.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	Perform risk assessment procedures to identify and obtain an understanding of relevant activity-level controls and, through evaluation of qualitative and quantitative risk factors, identify significant account balances, classes of transactions, and disclosures; perform risk assessment procedures to gather information about and obtain an understanding of relevant activity-level controls for all significant account balances, classes of transactions, and disclosures, including consideration of information technology (IT) and “what could go wrong;” and identify key controls for testing of operating effectiveness of internal control.				
Modify	<p>Under “Assessing the Risks of Material Misstatement,” (under the subheading “Discussion among the Audit Team”), step 60, modified substep c in the Practice Point as follows:</p> <p>Discuss (i.e., “brainstorm about” how and where the entity’s financial statements might be susceptible to material misstatement due to fraud, including how fraud might occur; consideration of known external and internal factors affecting the entity that might create incentives, pressures, and opportunities; how management could perpetrate and conceal fraudulent financial reporting and how assets of the entity could be misappropriated; and consideration of risk of management override of internal controls. The discussion should occur setting aside beliefs that management and those charged with governance are honest and have integrity.</p>	Procedures steps	N		
Modify	<p>Under “Designing Audit Procedures in Response to Assessed Risks,” modified step 2 and substeps, which now reads as follows:</p> <p>2. Design, document, and implement the auditor’s overall responses to the assessed risks of material misstatement at the financial statement level, such as performing the following:</p> <ul style="list-style-type: none"> a. Making appropriate assignments of significant engagement responsibilities. b. Providing the extent of supervision that is appropriate for the circumstances, including in particular, the assessed risks of material misstatement. 	Procedures steps	N		Step will reset on roll forward due to content changes.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>c. Incorporating and documenting the elements of unpredictability in the selection of audit procedures to be performed, such as:</p> <ol style="list-style-type: none"> (1) Performing substantive procedures on selected account balances and assertions not otherwise tested due to their materiality or risk. (2) Adjusting the timing of audit procedures from that otherwise expected. (3) Using different sampling methods. (4) Performing audit procedures at different locations or at locations on an unannounced basis. <p>d. Evaluating the entity’s selection and application of significant accounting principles.</p> <p>e. Exercising professional skepticism.</p> <p>f. General changes to the nature, timing, and extent of further audit procedures, such as whether or not to perform interim testing.</p> <p><i>KBA-502-Summary of Risk Assessments</i></p>				
Modify	<p>Under “Evaluating, Concluding, and Reporting Procedures,” subsection “Evaluating the Results of Audit Procedures,” modified step 96, which now reads as follows:</p> <p>Evaluate whether the financial statements as a whole (including disclosures) are prepared, in all material respects, in accordance with the requirements of the applicable financial reporting framework and are free of material misstatement, and evaluate the qualitative aspects of the entity’s accounting practices, including potential bias in management’s judgments and the amounts and disclosures in the financial statements and whether the going concern basis of accounting is appropriate.</p>	Procedures steps	Y	ASU 2014-15	Step will retain on roll forward using default settings.
Modify	<p>Under “Evaluating, Concluding, and Reporting Procedures,” subsection “Post-Issuance Procedures,” modified step 117, which now reads as follows:</p>	Procedures steps	N		Step will reset on roll forward due to content changes.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>Document any new or additional audit procedures performed or new conclusions reached after issuance of the auditor's report.</p> <p><i>(Note: Any such instances are extremely rare and relate only to matters arising after the date of the auditor's report.)</i></p> <p>Practice Point: The auditor is permitted to make changes that are only administrative in nature between the report release date and the documentation completion date (i.e., no later than 45 days after the report release date). Examples of such changes include:</p> <ul style="list-style-type: none"> • Deleting or discarding superseded documentation. • Sorting, collating, and cross-referencing working papers. • Signing off on completion checklists relating to the file assembly process. • Documenting audit evidence that the auditor has obtained, discussed, and agreed with the relevant members of the engagement team before the date of the auditor's report. • Adding information received after the date of the auditor's report; for example, an original confirmation that was previously faxed. <p><i>AID-902 Changes to Audit Documentation after the Auditor's Report Release Date</i></p>				
AUD-201 Audit Program: Opening Balances and Additional Audit Procedures for an Initial Audit Engagement					
Modify	Moved former steps 2-3 (Successor/Predecessor Auditor Communications) to AUD-101 and deleted former step 1 as it was duplicated in AUD-101.	Procedures steps	N		The steps moved to AUD-101 will be retained on roll forward using default settings.
AUD-604 Audit Program: Using the Work of a Management's Specialist					
Modify	<p>Under "Evaluating the Competence, Capabilities, and Objectivity of the Management's Specialist," modified step 4, which now reads as follows:</p> <p>The following describes our understanding of the nature, scope and objectives of the work of management's specialist, as well as, complexity and nature of the matter to which management's specialist will perform work, including the risk of material misstatement related to the matter and the procedures we performed to gain that understanding:</p>	Procedures steps	N		Step will retain on roll forward if user selects to keep all on roll forward settings as default for this workpaper is to reset on roll forward.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Modify	Under “Evaluating the Competence, Capabilities, and Objectivity of the Management’s Specialist,” modified step 5, (wording added to document procedures performed to gain understanding); now reads as follows: The following describes our understanding of the management's specialist’s relationship with the entity and the procedures we performed to gain that understanding, including the extent to which management exercises control over the specialist and the procedures we performed to gain that understanding:	Procedures steps	N		Step will retain on roll forward if user selects to keep all on roll forward settings as default for this workpaper is to reset on roll forward.
AUD-701 Audit Program: Designing Tests of Controls					
Modify	In the Risks and/or Assertions table, planned control reliance column, added answer selection for “Maximum” and “Slightly Below Maximum” (if you assess at SBM, you have to test; in an integrated audit, you would still have to test the controls.)	Table	N		User answer here from prior year will retain on roll forward if the user selects the keep all option in the roll forward settings.
AUD-800 Audit Program: Custom through AUD-821 Audit Program: Concentrations					
Modify	Changing all instances of appropriately to acceptably.	Instructions; Procedures; Practice Points			
AUD-801 Audit Program: Cash					
Modify	Minor wording changes for consistency.	Procedures steps	N		Step will retain on roll forward using default settings.
AUD-802A Audit Program: Investments in Securities					
Modify	Minor wording changes throughout; updated references; and: Under “Marketable Securities–Detailed Analysis” deleted former substep 1f (as uncommon) “Valuation allowances as of the beginning and end of the period, and changes in valuation allowances.”	Procedures steps	Y	ASC 320-10-45-3 through 45-6,	
Delete	Under “Held by Third Parties,” deleted the sufficient evidence of investment Practice Point: Practice Point: Confirmation of the fair value of investment securities individually or in the aggregate is typically not sufficient	Procedures steps	Y	Was based on AICPA guidance that is no	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	evidence of the valuation assertions as that third party is often serving as a management's specialist. Additionally, confirmation of investment securities in the aggregate does not provide sufficient evidence regarding existence			longer applicable	
Modify	Under "Amortization of Premium," step 14, added Practice Point: Practice Point: ASU No. 2017-08, <i>Premium Amortization on Purchased Callable Debt Securities</i> , revised the amortization for certain callable debt securities held at a premium from the contractual maturity date to the earliest call date. The amendments are effective for public business entities for periods beginning after December 15, 2018; however, early adoption is permitted.	Procedures steps	Y	ASU No. 2017-08	
Modify	Under "Transfers between Categories," modified step 18, which now reads as follows: We evaluated whether any transfers between classifications of investment securities have been properly made and recorded in accordance with the applicable financial reporting framework.	Procedures steps	N		Step will retain on roll forward using default settings.
Modify	Under "Investments Carried on the Equity Method—Detailed Analysis," step 25, substep e, modified the following Practice Point, which now reads as follows: Practice Point: Accounting Standards Update No. 2016-07 <i>Investments - Equity Method and Joint Ventures (Topic 323): Simplifying the Transition to the Equity Method of Accounting</i> , eliminates the requirement to apply the equity method of accounting retrospectively for changes in ownership which result in the application of the equity method of accounting over a previously held investment. The ASU is effective for all entities for periods beginning after December 15, 2016; however, the amendments can be adopted early.	Procedures steps	Y	ASU 2016-07	
Modify	Under "Investments Carried on the Equity Method—Executed Agreements and Other Forms of Supporting Documentation," modified step 26, which now reads as follows: We read executed agreements and other forms of supporting documentation underlying investments in closely held corporations and partnerships and investment securities carried on the equity method.	Procedures step	N		Step will retain on roll forward using default settings.
AUD-802B Audit Program: Derivative Instruments and Hedging Activities					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Modify	Minor wording modifications; references updated; and: Under “Derivatives and Hedging—Procedures,” modified sub-substeps step 5.l.(1), which now reads as follows: We evaluated whether management complied with the hedge accounting requirements and hedge model under the applicable financial reporting framework, including designation and documentation requirements.	Procedures step	N		Step will retain on roll forward using default settings.
Delete	Under “Derivatives and Hedging—Procedures,” deleted former sub-substeps step 5.l. (4) We evaluated whether management has properly applied the applicable hedge accounting model to the hedged item.	Procedures steps	N		Step will retain on roll forward using default settings.
AUD-803 Audit Program: Accounts Receivable and Revenue					
Modify	Added Practice Alerts: Practice Point: In June 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-13, <i>Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments</i> . ASU No. 2016-13 addresses the recognition and measurement of credit losses on loans and other financial instruments, and requires additional disclosures. The new guidance, referred to as the current expected credit loss (CECL) model, requires the measurement of all expected credit losses for financial assets held at the reporting date (excluding available-for-sale debt securities) based on historical experience, current conditions, and reasonable and supportable forecasts. Forward-looking information will be used to generate credit loss estimates. ASU No. 2016-13 establishes new ASC Topic 326, <i>Financial Instruments—Credit Losses</i> . Subtopic 326-20, <i>Financial Instruments—Credit Losses—Measured at Amortized Cost</i> , provides guidance on the measurement of expected credit losses on financial instruments measured at amortized cost and on leases. Subtopic 326-30, <i>Financial Instruments—Credit Losses—Available-for-Sale Debt Securities</i> , provides guidance on the measurement of credit losses on available-for-sale securities. ASU No. 2016-13 supersedes the impairment guidance in Subtopic 310-10, <i>Receivables—Overall</i> , and places the credit loss guidance for assets measured at amortized cost in Subtopic 326-20. In addition, ASU No. 2016-13 supersedes the guidance in Subtopic 310-30, <i>Receivables—Loans and Debt Securities Acquired with Deteriorated Credit Quality</i> . Guidance for credit losses for purchased financial assets with a more-than-insignificant amount of credit deterioration is included in Subtopic 326-20. Guidance for purchased available-for-sale securities with a more-than-insignificant amount of credit deterioration is included in Subtopic 326-30.	Purpose	Y	ASU 2016-13; ASU 2014-09	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>The amendments in ASU No. 2016-13 apply to all entities and affect entities that hold financial assets and net investments in leases that are not accounted for at fair value with changes in fair value reported in net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash.</p> <p>ASU No. 2016-13 is effective for public business entities that are SEC filers for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other public business entities that are not SEC filers, the requirements are effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. For all other entities, including not-for-profit entities within the scope of ASC Topic 958 and employee benefit plans within the scope of ASC Topics 960 through 965 on plan accounting, the requirements are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted for all entities for annual and interim periods beginning after December 15, 2018.</p> <p>The amendments in ASU No. 2016-13 will affect entities to varying degrees depending on the credit quality of the assets held, their duration, and how current U.S. GAAP is applied.</p> <p>Practice Alert: In May 2014, the FASB issued its new revenue recognition guidance in Accounting Standards Update (ASU) No. 2014-09, <i>Revenue from Contracts with Customers (Topic 606)</i>. This ASU supersedes the revenue recognition requirements in ASC Topic 605, <i>Revenue Recognition</i>, and most industry-specific guidance. It also supersedes some cost guidance included in Subtopic 605-35, <i>Revenue Recognition—Construction-Type and Production-Type Contracts</i>.</p> <p>The new requirements in ASU No. 2014-09, as amended by ASU No. 2015-14, <i>Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date</i>, are effective on a retrospective basis for public business entities, not-for-profit entities that have issued, or are conduit bond obligors for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market, and employee benefit plans that file or furnish financial statements with or to the Securities and Exchange Commission, for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period.</p> <p>For all other entities, the requirements are effective on a retrospective basis for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. However, all such other entities may elect early adoption only as of either: (a)</p>				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>an annual reporting period beginning after December 15, 2016, including interim reporting periods within that reporting period; or (b) an annual reporting period beginning after December 15, 2016, and interim reporting periods within annual reporting periods beginning one year after the annual reporting period in which an entity first applies ASU No. 2014-09, as subsequently amended.</p> <p>An entity should apply the new guidance in ASU No. 2014-09, as subsequently amended, using one of the following two methods:</p> <ol style="list-style-type: none"> 1. <i>Retrospectively to each prior reporting period presented in accordance with the guidance on accounting changes in ASC paragraphs 250-10-45-5 through 45-10.</i> Under this transition method, the entity should provide the disclosures required in ASC paragraphs 250-10-50-1 through 50-2 in the period of adoption, except that an entity need not disclose the effect of the changes on the current period, which otherwise is required by ASC paragraph 250-10-50-1(b)(2). However, an entity should disclose the effect of the changes on any prior periods that have been retrospectively adjusted. In addition, under this method, the entity may elect any of the following practical expedients: <ol style="list-style-type: none"> a. An entity need not restate contracts that begin and are completed within the same annual reporting period. b. For completed contracts that have variable consideration, an entity may use the transaction price at the date the contract was completed, rather than estimating variable consideration amounts in the comparative reporting periods. c. For all reporting periods presented before the date of initial application, an entity need not disclose the amount of the transaction price allocated to remaining performance obligations and an explanation of when the entity expects to recognize that amount as revenue (see ASC paragraph 606-10-50-13). d. For contracts that were modified before the beginning of the earliest reporting period presented in accordance with ASC Topic 606, an entity need not retrospectively restate the contract for those contract modifications in accordance with paragraphs 606-10-25-12 through 25-13. Instead, an entity should reflect the aggregate effect of all modifications that occur before the beginning of the earliest period presented in accordance with ASC Topic 606 when: (1) identifying the satisfied and unsatisfied performance obligations, (2) determining the transaction price, and (3) allocating the transaction price to the satisfied and unsatisfied performance obligations. 				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>For any of the foregoing practical expedients that an entity uses, the entity should apply that expedient consistently to all contracts within all reporting periods presented and should disclose: (a) the expedients that have been used, and (b) a qualitative assessment of the estimated effect of applying each of those expedients, to the extent reasonably possible.</p> <p>2. <i>Retrospectively with the cumulative effect of initially applying ASC Topic 606 recognized at the date of initial application.</i> Under this transition method, the entity (a) should recognize the cumulative effect of initially applying ASC Topic 606 as an adjustment to the opening balance of retained earnings (or other appropriate components of equity in the balance sheet) of the annual reporting period that includes the date of initial application, and (b) may elect to apply the guidance retrospectively either to all contracts at the date of initial application or only to contracts that are not completed at the date of initial application (e.g., January 1, 2018, for an entity with a December 31 year-end). The entity should disclose whether it has applied this guidance to all contracts at the date of initial application or only to contracts that are not completed at the date of initial application. Under this transition method, the entity may apply the practical expedient for contract modifications in item 1(d) above. If an entity applies the practical expedient for contract modifications in item 1(d) above, it should comply with the guidance for practical expedients discussed in item 1 above. In addition, under this method, the entity should disclose the nature of and reason for the change in accounting principle and provide the following disclosures in reporting periods that include the date of initial application:</p> <p>a. The amount by which each financial statement line item is affected in the current reporting period by the application of ASC Topic 606 as compared to the guidance that was in effect before the change; and</p> <p>b. An explanation of the reasons for significant changes.</p> <p>For purposes of the transition guidance under both methods above, the date of initial application is the start of the reporting period in which an entity first applies ASC Topic 606 and a completed contract is one for which all (or substantially all) of the revenue was recognized in accordance with revenue guidance that is in effect before the date of initial application.</p>				
Modify	<p>Under “Receivables and Revenue Analytical,” added substep 1.g., as follows:</p> <p>We compared sales volume, based on recorded revenue amounts, with production capacity (<i>Note:</i> Recorded sales</p>	Procedures steps	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	volume in excess of capacity should raise a red flag about potential fictitious sales).				
Modify	Under “AR Not Confirmed,” added new step (step 8.) as follows: If, in accordance with PCAOB AS 2310, <i>The Confirmation Process</i> , we determined that confirmation of receivables is not necessary, we documented our acceptable reason for not confirming receivables. This program step will be marked N/A if you answer, “Do the financial statements include any accounts receivable?” as No or “Do we plan on confirming receivables?” as Yes.	Procedures steps	Y	Peer review checklist A224	
Modify	Modified step heading “Receivables Cutoff” to “Receivables and Revenue Cutoff”	Procedures steps	N		Step will retain on roll forward using default settings.
AUD-805 Audit Program: Prepaid Expenses, Deferred Charges, and Other Assets					
Delete	Under the “Cash Value Life Insurance” heading, modified substep 5.c.: We evaluated whether the insurance policy has been pledged as collateral and evaluated whether the accounting for the related loan was appropriate.	Procedures steps	N		Step will reset on roll forward due to content changes.
AUD-806 Audit Program: Intangible Assets					
Delete; Modify	Deleted Practice Alerts on ASUs 2015-05 and 2014-08; added new Practice Alerts as follows: Practice Alert: In January 2017, the FASB issued Accounting Standards Update (ASU) No. 2017-01, <i>Business Combinations (Topic 805): Clarifying the Definition of a Business</i> , which clarifies the definition of a business. The amendments affect all companies and other reporting organizations that must determine whether they have acquired or sold a business. The definition of a business affects many areas of accounting including acquisitions, disposals, goodwill, and consolidation. The amendments are intended to help companies and other organizations evaluate whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The amendments provide a more robust framework to use in determining when a set of assets and activities is a business. They also provide more consistency in applying the guidance, reduce the costs of application, and make the definition of a business more operable. For public companies, the amendments are effective for annual periods beginning after December 15, 2017, including interim periods within those periods. For all other companies and	Purpose	Y	ASU No. 2017-01; ASU No. 2017-04	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>organizations, the amendments are effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019.</p> <p>Practice Alert: In January 2017, the FASB issued Accounting Standards Update (ASU) No. 2017-04, <i>Intangibles—Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment</i>. To simplify the subsequent measurement of goodwill, the amendments eliminate Step 2 from the goodwill impairment test. The annual, or interim, goodwill impairment test is performed by comparing the fair value of a reporting unit with its carrying amount. An impairment charge should be recognized for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. In addition, income tax effects from any tax deductible goodwill on the carrying amount of the reporting unit should be considered when measuring the goodwill impairment loss, if applicable.</p> <p>The amendments also eliminate the requirements for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and, if it fails that qualitative test, to perform Step 2 of the goodwill impairment test. An entity still has the option to perform the qualitative assessment for a reporting unit to determine if the quantitative impairment test is necessary.</p> <p>The amendments should be applied on a prospective basis. The nature of and reason for the change in accounting principle should be disclosed upon transition. A public business entity that is an SEC filer should adopt the amendments for its annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2019. A public business entity that is not an SEC filer should adopt the amendments for its annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2020. All other entities (including not-for-profit entities) which adopt the amendments should do so for their annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2021. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017.</p>				
Modify	<p>Primary Audit Objectives table, item A wording modified; now reads as follows:</p> <p>Balances of intangible assets subject to amortization in accordance with the applicable financial reporting framework represent valid future economic benefits based on past transactions, are properly allocated to future periods and/or realized in the ordinary course of business.</p>	Table	N		
Modify	<p>Added program step heading "Inquire of Management" and step 5, which reads as follows:</p>	Procedures steps	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	We inquired of management regarding intangible assets, including goodwill. (CO)				
Modify	Under “Criteria to Elect to Amortize Goodwill,” modified step 5: We have evaluated whether the entity has properly made an accounting policy election to test goodwill for impairment at either the entity level or the reporting unit level, as part of its election to amortize goodwill (nonpublic business entities only).	Procedures steps	N		Step will retain on roll forward using default settings.
Modify	Under “Triggering Events and Goodwill Impairment,” modified substep 9.c., and added substep 9.d., as follows: If the carrying amount of the entity (or reporting unit) exceeds its fair value, we ascertained that an impairment loss has been properly recognized in the income statement in an amount equal to that excess (if the amendments of ASU No. 2017-04 have been adopted) If the carrying amount of the entity (or reporting unit) exceeds its fair value, (and the entity has not adopted the amendments of ASU No. 2017-04), we ascertained that step 2 of the impairment analysis was appropriately performed to determine the extent of goodwill impairment, if any. We considered the need to involve an auditor’s valuation specialist as necessary. modified the wording in the Impairment Reversal Practice Point in step 9.e. to read as follows: Practice Point: Subsequent reversal of a previously recognized goodwill impairment loss is generally prohibited.	Procedures steps	N		
Modify	Under “Accounting Policy—Goodwill and Intangibles Not Subject to Amortization,” modified substep 7 f, which now reads as follows: If the entity elected the accounting alternative for not recognizing certain intangible assets acquired in a business combination separate from goodwill, we evaluated whether the intangible assets meet the criteria for such election (i.e., customer-related intangible assets unless they are capable of being sold or licensed independently from the other assets of the business; and noncompetition	Procedures steps	N		Step will retain on roll forward using default settings.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	agreements). This policy is not applicable for public business entities.				
Modify	Modified step heading above step 8, as follows: “Impairment Testing of Intangibles (Excluding Goodwill)	Procedures steps	N		
AUD-809 Audit Program: Payroll and Other Liabilities					
Modify	Delete Practice Alert about ASU No. 2015-04 (already effective for PCAOB)	Purpose	Y		
Modify	Added program step heading “Claims Incurred But Not Reported (IBNR) and step 13, as follows: We considered the existence of claims incurred but not reported (IBNR) and evaluated whether they were properly accounted for at the balance sheet date.	Procedures steps	N		
AUD-810 Audit Program: Income Taxes					
Modify	<p>Added Practice Alert:</p> <p>Practice Alert: In October 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-16, <i>Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory</i>. Current GAAP prohibits the recognition of current and deferred income taxes for an intra-entity asset transfer until the asset has been sold to an outside party. This prohibition on recognition is an exception to the principle of comprehensive recognition of current and deferred income taxes in GAAP.</p> <p>The amendments require an entity to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. The amendments eliminate the exception for an intra-entity transfer of an asset other than inventory. Two common examples of assets included in the scope of the amendments are intellectual property and property, plant, and equipment.</p> <p>The amendments do not include new disclosure requirements; however, existing disclosure requirements might be applicable when accounting for the current and deferred income taxes for an intra-entity transfer of an asset other than inventory.</p> <p>The amendments are effective for public business entities for annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods. For all other entities, the amendments are effective for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019. Early adoption is permitted for all entities in the first interim period if an entity issues interim financial statements.</p>	Purpose	Y	ASU 2016-16	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	The amendments should be applied on a modified retrospective basis through a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption.				
AUD-811 Audit Program: Debt Obligations					
Modify	Under “Restrictive Covenants,” modified step 7, which now reads as follows: We reviewed compliance with restrictive covenants (financial and nonfinancial covenants) and determined their effect on and disclosures required in financial statements, including any "cross default" provisions (i.e., a violation of one loan covenant that affects other loan covenants). In connection with this review, we considered performing the following procedures:	Procedures steps	N		Step will retain on roll forward using default settings.
Modify	Under “Restrictive Covenants,” step 7, added substep d: Obtaining an understanding of any subjective acceleration clause(s) and assessing the probability of a triggering event.				
Modify	Under “Waivers,” modified step 9, which now reads as follows: We evaluated all waivers carefully and assessed whether the lender has truly waived its right to call the debt and the associated period of time applicable to the waiver.				Step will retain on roll forward using default settings.
Delete	Deleted “Debt Disclosures” heading and former step 17, (to avoid duplication with disclosures step): We evaluated whether disclosures of long-term debt and capital leases including terms, interest rates, maturities, and collateral were properly made in the financial statements.				
AUD-813 Audit Program: Other Income and Expense					
Modify	Added new Practice Alert: Practice Alert: In May 2014, the FASB issued its new revenue recognition guidance in Accounting Standards Update (ASU) No. 2014-09, <i>Revenue from Contracts with Customers (Topic 606)</i> . This ASU supersedes the revenue recognition requirements in ASC Topic 605, <i>Revenue Recognition</i> , and most industry-specific guidance. It also supersedes some cost guidance included in Subtopic 605-35, <i>Revenue Recognition—Construction-Type and Production-Type Contracts</i> .	Purpose	Y	ASU No. 2014-09	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>The new requirements in ASU No. 2014-09, as amended by ASU No. 2015-14, <i>Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date</i>, are effective on a retrospective basis for public business entities, not-for-profit entities that have issued, or are conduit bond obligors for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market, and employee benefit plans that file or furnish financial statements with or to the Securities and Exchange Commission, for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period.</p> <p>For all other entities, the requirements are effective on a retrospective basis for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. However, all such other entities may elect early adoption only as of either: (a) an annual reporting period beginning after December 15, 2016, including interim reporting periods within that reporting period; or (b) an annual reporting period beginning after December 15, 2016, and interim reporting periods within annual reporting periods beginning one year after the annual reporting period in which an entity first applies ASU No. 2014-09, as subsequently amended.</p> <p>An entity should apply the new guidance in ASU No. 2014-09, as subsequently amended, using one of the following two methods:</p> <ol style="list-style-type: none"> 1. <i>Retrospectively to each prior reporting period presented in accordance with the guidance on accounting changes in ASC paragraphs 250-10-45-5 through 45-10.</i> Under this transition method, the entity should provide the disclosures required in ASC paragraphs 250-10-50-1 through 50-2 in the period of adoption, except that an entity need not disclose the effect of the changes on the current period, which otherwise is required by ASC paragraph 250-10-50-1(b)(2). However, an entity should disclose the effect of the changes on any prior periods that have been retrospectively adjusted. In addition, under this method, the entity may elect any of the following practical expedients: <ol style="list-style-type: none"> a. An entity need not restate contracts that begin and are completed within the same annual reporting period. b. For completed contracts that have variable consideration, an entity may use the transaction price at the date the contract was completed, rather than estimating variable consideration amounts in the comparative reporting periods. c. For all reporting periods presented before the date of initial application, an entity need not disclose the amount of the transaction price allocated to remaining performance obligations and an explanation of when the entity expects to recognize 				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>that amount as revenue (see ASC paragraph 606-10-50-13).</p> <p>d. For contracts that were modified before the beginning of the earliest reporting period presented in accordance with ASC Topic 606, an entity need not retrospectively restate the contract for those contract modifications in accordance with paragraphs 606-10-25-12 through 25-13. Instead, an entity should reflect the aggregate effect of all modifications that occur before the beginning of the earliest period presented in accordance with ASC Topic 606 when: (1) identifying the satisfied and unsatisfied performance obligations, (2) determining the transaction price, and (3) allocating the transaction price to the satisfied and unsatisfied performance obligations.</p> <p>For any of the foregoing practical expedients that an entity uses, the entity should apply that expedient consistently to all contracts within all reporting periods presented and should disclose: (a) the expedients that have been used, and (b) a qualitative assessment of the estimated effect of applying each of those expedients, to the extent reasonably possible.</p> <p>2. <i>Retrospectively with the cumulative effect of initially applying ASC Topic 606 recognized at the date of initial application.</i> Under this transition method, the entity (a) should recognize the cumulative effect of initially applying ASC Topic 606 as an adjustment to the opening balance of retained earnings (or other appropriate components of equity in the balance sheet) of the annual reporting period that includes the date of initial application, and (b) may elect to apply the guidance retrospectively either to all contracts at the date of initial application or only to contracts that are not completed at the date of initial application (e.g., January 1, 2018, for an entity with a December 31 year-end). The entity should disclose whether it has applied this guidance to all contracts at the date of initial application or only to contracts that are not completed at the date of initial application. Under this transition method, the entity may apply the practical expedient for contract modifications in item 1(d) above. If an entity applies the practical expedient for contract modifications in item 1(d) above, it should comply with the guidance for practical expedients discussed in item 1 above. In addition, under this method, the entity should disclose the nature of and reason for the change in accounting principle and provide the following disclosures in reporting periods that include the date of initial application:</p> <p>a. The amount by which each financial statement line item is affected in the current reporting period by the</p>				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>application of ASC Topic 606 as compared to the guidance that was in effect before the change; and</p> <p>b. An explanation of the reasons for significant changes.</p> <p>For purposes of the transition guidance under both methods above, the date of initial application is the start of the reporting period in which an entity first applies ASC Topic 606 and a completed contract is one for which all (or substantially all) of the revenue was recognized in accordance with revenue guidance that is in effect before the date of initial application.</p>				
AUD-814 Audit Program: Journal Entries and Financial Statement Review					
Modify	<p>Under the “Consolidation or Combined Financial Statements” program step heading, added new substep 23.f., as follows:</p> <p>If the financial reporting period of one or more subsidiaries differs from that of the parent, we have given appropriate consideration to the effects of intervening events and transactions that materially affect the financial statements.</p>	Procedures steps	N		
Modify	<p>Added step heading, “Reading of Financial Statements,” and step 28 and substeps, as follows</p> <p>We read the financial statements in their entirety to determine that:</p> <ol style="list-style-type: none"> a. The financial information and related disclosures are presented fairly, in all material respects, in accordance with the applicable financial reporting framework. b. Disclosed essential information about events and transactions occurred and pertains to the entity. c. Financial information contained in the statements and in the footnotes is appropriately presented, classified, and described, and disclosures are understandable and clearly expressed at appropriate amounts. d. Material matters have been adequately disclosed, and there are no matters that should be disclosed that are not disclosed. 				
AUD-816 Audit Program: Fair Value Measurements and Disclosures					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Modify	<p>Added Practice Alert:</p> <p>Practice Alert: In June 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-13, <i>Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments</i>. ASU No. 2016-13 addresses the recognition and measurement of credit losses on loans and other financial instruments, and requires additional disclosures. The new guidance, referred to as the current expected credit loss (CECL) model, requires the measurement of all expected credit losses for financial assets held at the reporting date (excluding available-for-sale debt securities) based on historical experience, current conditions, and reasonable and supportable forecasts. Forward-looking information will be used to generate credit loss estimates.</p> <p>ASU No. 2016-13 establishes new ASC Topic 326, <i>Financial Instruments—Credit Losses</i>. Subtopic 326-20, <i>Financial Instruments—Credit Losses—Measured at Amortized Cost</i>, provides guidance on the measurement of expected credit losses on financial instruments measured at amortized cost and on leases. Subtopic 326-30, <i>Financial Instruments—Credit Losses—Available-for-Sale Debt Securities</i>, provides guidance on the measurement of credit losses on available-for-sale securities.</p> <p>ASU No. 2016-13 supersedes the impairment guidance in Subtopic 310-10, <i>Receivables—Overall</i>, and places the credit loss guidance for assets measured at amortized cost in Subtopic 326-20. In addition, ASU No. 2016-13 supersedes the guidance in Subtopic 310-30, <i>Receivables—Loans and Debt Securities Acquired with Deteriorated Credit Quality</i>. Guidance for credit losses for purchased financial assets with a more-than-insignificant amount of credit deterioration is included in Subtopic 326-20. Guidance for purchased available-for-sale securities with a more-than-insignificant amount of credit deterioration is included in Subtopic 326-30.</p> <p>The amendments in ASU No. 2016-13 apply to all entities and affect entities that hold financial assets and net investments in leases that are not accounted for at fair value with changes in fair value reported in net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash.</p> <p>ASU No. 2016-13 is effective for public business entities that are SEC filers for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other public business entities that are not SEC filers, the requirements are effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. For all other entities, including not-for-profit entities within the scope of ASC Topic 958 and employee benefit plans within the scope of ASC Topics 960 through 965 on plan accounting, the requirements are effective for fiscal years beginning after December 15, 2020, and</p>	Purpose	Y	ASU 2016-13	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted for all entities for annual and interim periods beginning after December 15, 2018.</p> <p>The amendments in ASU No. 2016-13 will affect entities to varying degrees depending on the credit quality of the assets held, their duration, and how current U.S. GAAP is applied.</p>				
AUD-817 Audit Program: Variable Interest Entities					
Modify	<p>Added Practice Alerts:</p> <p>Practice Alert: In October 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-17, <i>Consolidation (Topic 810): Interests Held through Related Parties That Are under Common Control</i>. The amendments affect reporting entities that are required to evaluate whether they should consolidate a variable interest entity (VIE) in certain situations involving entities under common control. Specifically, the amendments change the evaluation of whether a reporting entity is the primary beneficiary of a VIE by changing how a reporting entity that is a single decision maker of a VIE treats indirect interests in the entity held through related parties that are under common control with the reporting entity.</p> <p>The amendments do not change the characteristics of a primary beneficiary in current GAAP. A primary beneficiary of a VIE has both of the following characteristics: (1) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance; and (2) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE.</p> <p>If a reporting entity satisfies the first characteristic of a primary beneficiary (such that it is the single decision maker of a VIE), the amendments require that reporting entity, in determining whether it satisfies the second characteristic of a primary beneficiary, to include all of its direct variable interests in a VIE and, on a proportionate basis, its indirect variable interests in a VIE held through related parties, including related parties that are under common control with the reporting entity. That is, under the amendments, a single decision maker is not required to consider indirect interests held through related parties that are under common control with the single decision maker to be the equivalent of direct interests in their entirety. Instead, a single decision maker is required to include those interests on a proportionate basis consistent with indirect interests held through other related parties.</p> <p>If, after performing that assessment, a reporting entity that is the single decision maker of a VIE concludes that it does not have the characteristics of a primary beneficiary, the amendments continue to require that reporting entity to evaluate whether it and one or more of its related parties under common control, as a group, have the characteristics of a primary beneficiary. If the single decision maker and its related parties that are under common control, as a group, have the characteristics of a primary beneficiary, then the</p>	Purpose	Y	ASU 2016-17; ASU 2015-02	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>party within the related party group that is most closely associated with the VIE is the primary beneficiary.</p> <p>The amendments are effective for public business entities for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. For all other entities, the amendments in ASU No. 2016-17 are effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017.</p> <p>Early adoption of the amendments in ASU No. 2016-17 is permitted. If an entity early adopts the ASU in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. Entities that have not yet adopted ASU No. 2015-02 (see "Practice Alert" below) are required to adopt ASU No. 2016-17 coincident with their adoption of ASU No. 2015-02, using the same transition method. Entities that already have adopted ASU No. 2015-02 are required to apply ASU No. 2016-17 retrospectively to all relevant prior periods beginning with the fiscal year in which ASU No. 2015-02 was initially applied.</p> <p>Practice Alert: In February 2015, the FASB issued Accounting Standards Update (ASU) No. 2015-02, <i>Consolidation (Topic 810): Amendments to the Consolidation Analysis</i>, which is intended to improve targeted areas of consolidation guidance for legal entities such as limited partnerships, limited liability corporations, and securitization structures (collateralized debt obligations, collateralized loan obligations, and mortgage-backed security transactions). The ASU focuses on the consolidation evaluation for reporting organizations that are required to evaluate whether they should consolidate certain legal entities and affects both the variable interest entity (VIE) and voting interest entity consolidation models. The ASU does not change the general approach for applying the VIE model and does not alter the definition of a variable interest.</p> <p>The following are the more significant provisions of ASU No. 2015-02:</p> <ol style="list-style-type: none"> 1. Modify the evaluation of whether limited partnerships and similar legal entities are VIEs or voting interest entities and eliminate the presumption that a general partner should consolidate a limited partnership. Specifically: <ol style="list-style-type: none"> a. There is an additional requirement that limited partnerships and similar legal entities must meet to qualify as voting interest entities. A limited partnership must provide partners with either (i) substantive kick-out rights or (ii) substantive participating rights over the general partner to meet this requirement. b. The specialized consolidation model and guidance for limited partnerships and similar legal entities 				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>have been eliminated. There is no longer a presumption that a general partner should consolidate a limited partnership.</p> <p>c. For limited partnerships and similar legal entities that qualify as voting interest entities, a limited partner with a controlling financial interest should consolidate a limited partnership. A controlling financial interest may be achieved through holding a limited partner interest that provides substantive kick-out rights.</p> <p>2. Affect the consolidation analysis of reporting entities that are involved with VIEs, particularly those that have fee arrangements and related party relationships. Specifically:</p> <p>a. <i>Fee arrangements</i>—The ASU eliminates three of the six criteria for evaluating whether a fee paid to a decision maker or a service provider represents a variable interest; this is likely to result in fewer fee arrangements being considered variable interests since the three criteria that have been removed have historically caused many fee arrangements to be variable interests.</p> <p>b. <i>Related party relationships</i>—In instances in which no single party has a controlling financial interest in a VIE, current GAAP requires interests held by a reporting entity's related parties to be treated as though they belong to the reporting entity when evaluating whether a related party group has the characteristics of a primary beneficiary. Under ASU No. 2015-02, for purposes of determining whether a single reporting entity (single decision maker) is the primary beneficiary of a VIE, single decision makers should include their direct variable interests in the entity and, on a proportionate basis, their indirect variable interests in the entity held through related parties (or de facto agents). For example, if the single decision maker owns a 20 percent interest in a related party and that related party owns a 40 percent interest in the entity being evaluated, the single decision maker's indirect interest in the VIE held through the related party would be equivalent to an 8 percent direct interest in the VIE. (<i>Note:</i> See "Practice Alert" above regarding ASU No. 2016-17, <i>Consolidation (Topic 810): Interests Held through Related Parties That Are under Common Control</i>, which affects reporting entities that are required to evaluate whether they should consolidate a VIE in certain situations involving entities under common control.)</p> <p>3. Provide a scope exception from consolidation guidance for reporting entities with interests in legal entities that</p>				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>are required to comply with or operate in accordance with requirements that are similar to those in Rule 2a-7 of the Investment Company Act of 1940 for registered money market funds. Specifically, the amendments in ASU No. 2015-02 rescind the indefinite deferral of FASB Statement No. 167, <i>Amendments to FASB Interpretation No. 46(R)</i>, included in FASB Accounting Standards Update No. 2010-10, <i>Consolidation (Topic 810): Amendments for Certain Investment Funds</i>. However, the amendments provide a scope exception from ASC Topic 810 for reporting entities with interests in legal entities that are required to comply with or operate in accordance with requirements similar to those in Rule 2a-7 of the Investment Company Act of 1940 for registered money market funds. The ASU clarifies that in a series fund structure (e.g., multiple mutual funds within one umbrella trust entity), each individual fund required to comply with the Investment Company Act of 1940 for registered mutual funds is considered a legal entity as defined in GAAP based on its characteristics and should be evaluated separately for consolidation.</p> <p>ASU No. 2015-02 is effective for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. For all other entities, the requirements are effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted, including adoption in an interim period.</p> <p>Deleted outdated Practice Points (ASU 2014-07; ASU 2014-13)</p>				
AUD-819 Audit Program: Commitments and Contingencies					
Modify	<p>Under “Policies for Identifying, Evaluating, and Accounting for Commitments and Contingencies,” modified step 3, which now reads as follows:</p> <p>We inquired of management and, where applicable, others within the entity including in-house counsel regarding its policies for identifying, evaluating, and complying with, laws and regulations, and accounting for litigation, claims, and loss contingencies.</p>	Procedures steps	N		Step will retain on roll forward using default settings.
Modify	<p>Under “Management and In-House or External Legal Counsel,” added substep 4.i., as follows:</p> <p>Buy/sell agreements. (EO, CO)</p>	Procedures steps	N		
AUD-902 Audit Program: Going Concern					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Modify	<p>Modified purpose section to read as follows:</p> <p>This audit program is designed to help the auditor:</p> <ul style="list-style-type: none"> • Evaluate and conclude, based on the audit evidence obtained, whether there is substantial doubt about the entity’s ability to continue as a going concern for a reasonable period of time; • Evaluate and conclude, based on the audit evidence obtained, whether management’s use of the going concern basis of accounting in the preparation of the financial statements, when relevant, is appropriate; • Assess the possible financial statement effects, including the adequacy of disclosures regarding the entity’s ability to continue as a going concern for a reasonable period of time; and • Determine the implications for the auditor’s report. 	Purpose	Y	GAAS; PCAOB AS 2415; FASB ASU No. 2014-15	
Modify	<p>Section I heading modified: Risk Assessment Procedures and Related Activities</p> <p>Second paragraph modified:</p> <p>This section of the form is used to document the auditor’s consideration of whether there are events or conditions that in the aggregate, raise substantial doubt about the entity’s ability to continue as a going concern for a reasonable period of time.</p> <p>Practice Alert added:</p> <p>Practice Alert: In August 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-15, <i>Presentation of Financial Statements—Going Concern (Subtopic 205-40), Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern</i>, which is intended to define management’s responsibility to evaluate whether there is substantial doubt about an entity’s ability to continue as a going concern and to provide related disclosures in notes to financial statements.</p> <p>Under U.S. GAAP, continuation of a reporting entity as a going concern is presumed as the basis for preparing financial statements unless and until the entity’s liquidation becomes imminent. Preparation of financial statements under this presumption is commonly referred to as the “going concern basis of accounting.” If and when an entity’s liquidation becomes imminent, financial statements should be prepared under the liquidation basis of accounting in accordance with ASC Subtopic 205-30, Liquidation</p>	Instructions	Y	GAAS; PCAOB AS 2415; FASB ASU No. 2014-15	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>Basis of Accounting.</p> <p>However, even if an entity's liquidation is not imminent, there may be conditions or events that raise substantial doubt about the entity's ability to continue as a going concern. In those situations, financial statements should continue to be prepared under the going concern basis of accounting, but the amendments in ASU No. 2014-15 should be followed to determine whether to disclose information about the relevant conditions and events.</p> <p>The amendments in ASU No. 2014-15 require that, in connection with preparing financial statements for each annual and interim reporting period, an entity's management should evaluate whether there are conditions or events that, when considered in the aggregate, raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that the financial statements are issued (or are available to be issued, when applicable). Management's evaluation should be based on relevant conditions and events that are known and reasonably knowable at the date that the financial statements are issued (or are available to be issued, when applicable).</p> <p>Substantial doubt about an entity's ability to continue as a going concern exists when relevant conditions and events, considered in the aggregate, indicate that it is probable that the entity will be unable to meet its obligations when they become due within one year after the date that the financial statements are issued (or are available to be issued, when applicable). The term "probable" is used consistently with its use in ASC Topic 450, Contingencies.</p> <p>When management identifies conditions or events that raise substantial doubt about an entity's ability to continue as a going concern, management should consider whether its plans that are intended to mitigate those relevant conditions or events will alleviate the substantial doubt (e.g., plans to dispose of assets, borrow money or restructure debt, raise capital, or reduce or delay capital expenditures). The mitigating effect of management's plans should be considered only to the extent that it is probable that management's plans: (1) will be effectively implemented and, if so, (2) will mitigate the conditions or events that raise substantial doubt about the entity's ability to continue as a going concern.</p> <p>The amendments in ASU No. 2014-15 are effective for annual periods ending after December 15, 2016, and interim periods within annual periods beginning after December 15, 2016. Early adoption is permitted for annual or interim reporting periods for which the financial statements have not previously been issued</p>				
Modify	<p>Section II heading modified:</p> <p>Section II: Additional Audit Procedures When Events or Conditions Are Identified That Raise Substantial Doubt</p> <p>The auditor should obtain sufficient appropriate audit evidence to determine whether conditions or events identified, considered in the aggregate, raise substantial</p>	Instructions	Y	GAAS; PCAOB AS 2415; FASB ASU No. 2014-15	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	doubt about the entity’s ability to continue as a going concern for a reasonable period of time by performing additional audit procedures, including consideration of mitigating factors. This section is used to document these procedures, and the auditor may add, modify, and delete steps as necessary to meet the requirements of PCAOB AS 2415				
Modify	Section III heading modified: Section III: Conclusions and Implications for the Auditor’s Report This section is used to document the auditor’s conclusion regarding the use of the going concern basis of accounting, whether substantial doubt exists about the entity’s ability to continue as a going concern, the implications for the auditor’s report, and communication with the audit committee, and those overseeing the accounting and financial reporting processes, when applicable. Section IV: Results	Instructions	Y	GAAS; PCAOB AS 2415; FASB ASU No. 2014-15	
Modify	Modified and reorganized throughout, in accordance with AICPA GAAS, PCAOB Standards, and best practices (PCAOB has not yet completed their GC project to date.)	Text; Procedures steps (throughout)	Y	GAAS; PCAOB AS 2415; FASB ASU No. 2014-15	Many new steps and steps that will reset on roll forward due to content changes.
AUD-903 Audit Program: Consideration of Fraud					
Modify	Updated references	Instructions	Y	PCAOB AS 2401	
Modify	Under Documenting Fraud-Related Procedures, added substep 13.e., as follows: We incorporated an element of unpredictability in the selection of audit procedures throughout the engagement.	Procedures steps	N		
AUD-907 Interim Review Program: Review of Interim Financial Information					
Modify	Updated references; and: Modified step 17, which now reads as follows: If we have become aware of conditions or events that raise substantial doubt about the entity’s ability to continue as a	Procedures steps	N		Step will retain on roll forward using default settings.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	going concern, we have performed the following procedures: (a) inquired of management as to its plans for dealing with the adverse effects of the conditions and events (c) evaluated whether the substantial doubt is alleviated by management’s plans and (b) considered the adequacy of the disclosure about such matters in the interim financial information.				
AUD-908 Audit Program: Previously Reported Material Weakness Continues to Exist					
Modify	Updated PCAOB AS References throughout.	Instructions; procedures steps	N		
AUD-909 Interim Review Program: Management Inquiries					
Modify	Updated PCAOB AS References	Instructions	N		

Practice Aids (AIDs) have been modified and updated, where applicable, with additional tips, references, and examples.

- **AID-201 Nonattest Services Independence Checklist** modified and updated with additional examples and tips; columns added to Section I table on Nature of Nonattest Services Provided; Section II table column heading modified for document-specific considerations; clarifications added based on peer review checklist; changes also made based on industry author recommendations.
- **AUD-301 Preliminary Analytical Procedures: Fluctuation and Ratio Analysis** Updated Instructions; fluctuation tab, table column heading modified: Basis for Auditor Expectation (i.e., industry events, description of procedure performed) or Changes to Planned Risk Assessment.
- **AID-302 Understanding the Entity’s Revenue Streams and Revenue Recognition Policies** Added Practice Alerts (ASU 2014-09; ASC 606); minor wording modifications; added step for Description of the entity’s accounting policies related to revenue recognition.
- **AID-601 Considering the Use of the Work of Internal Auditors** Flow to KBA-102 has been removed from questions, 9, 10, and 11.
- **AID-603 Component Identification and Analysis** Minor wording modification based on peer review checklist.
- **AID-701 Audit Sampling Worksheet for Tests of Controls** Modified on basis of peer review checklist; Added an N/A option to the “Planned Assessed Level of Control Risk” and “Final Assessment of Control Risk” columns.
- **AID-801 Audit Sampling Worksheet for Substantive Tests of Details** Modified and clarified; moved risk tables to a separate tab in the excel version; updated formula to use the visible tables in the excel version; updated formulas to prevent sample size from exceeding population size in the excel and word versions; added diagnostic if using a factor of less than 3 to determine ISI. Added rounding columns to match the excel version.
- **AID-806 Count Sheet of Securities** Added Face Value of Debt column.
- **AID-807 Investments in Securities Analysis** Minor wording modifications (changed “market value to “fair value”).
- **AIDs 810, 821, 823, 829, 831, 833, 840, 841** Minor wording modifications (added “The auditor should also identify any system-generated reports used in the performance of the substantive analytical procedures and ensure the completeness and accuracy of such reports are tested, including reports used to determine the auditor's estimates (e.g., the aging report; credit memo report). Testing can be performed through the testing of the operational effectiveness of internal controls used to generate the reports (such as general and application controls for information technology over the relevant IT application) or a manual test of the report. When using manual testing

procedures, the population balance can be agreed to the financial statements for completeness and attribute sampling may be applied to the individual items in order to test the accuracy.”).

- **AID-835 Deferred Taxes Analysis Added Practice Point:** All deferred tax assets and liabilities (along with any related valuation allowance) should be classified as noncurrent in the balance sheet. For public business entities, the respective classification amendments are effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. For all nonpublic business entities, the respective classification amendments are effective for financial statements issued for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted. Also, table modified to omit the current/noncurrent classification given it is now required for public entities.
- **AID-902 Changes to Audit Documentation After the Auditor’s Report Release Date** Modified with updated references.

Correspondence Documents (CORs) have been modified and updated, where applicable, in accordance with current guidance.

- **NEW COR-915 Third-Party Support Letter**
- **NEW COR-916 Request for Confirmation from Supporting Parties of Intent and Ability to Provide Financial Support**
- **CORs 803 and 804** Modified with additional verbiage and consideration for debt principal and debt maturity date.
- **COR-815 Request for Confirmation of Lines of Credit** Modified to add verbiage about covenant violations.
- **COR-901 Management Representation Letter** Updated regarding going concern and added Practice Point on substantial doubt.
- **CORs 905 and 906** Updated and added Practice Points (uncorrected misstatements).

Resource Documents (RESs)

- **RES-001 Knowledge-Based Audit Methodology Overview** modified and updated.
- **RES-002 Index of Audit Programs, Forms, and Other Practice Aids** modified as appropriate to incorporate new workpapers.
- **RESs 009–017** Modified for changes in corresponding KBA 400s.
- **RES-016 Assertions and Examples of “What Can Go Wrong” and Related Controls That Address What Can Go Wrong: Income Taxes** Updated to accommodate ASU No. 2015-17.
- **RES-017 Assertions and Examples of “What Can Go Wrong” and Related Controls That Address What Can Go Wrong: Financial Reporting and Closing Process** Added management's assessment of going concern.
- **NEW RES-022 Variable Interest Entity Checklist**
- **NEW RES-023 Going Concern Checklist**
- **NEW KCO-003 Answer Effects for the Engagement-Level Tailoring Questions Workpaper**

In addition, forms and practice aids throughout have been updated to include new examples and tips and, where applicable, to take into account:

New literature, standards, and developments, reflected in the following current audit and accounting guidance:

- PCAOB Auditing Standard No. 18 (AS 18), *Related Parties, Amendments to Certain PCAOB Auditing Standards Regarding Significant Unusual Transactions and Other Amendments to PCAOB Auditing Standards*.
- AU 722, *Interim Financial Information*, should this be required as part of the engagement.
- FASB Accounting Standards Codification as of June 30, 2017, and through Accounting Standards Update (ASU) No. 2017-10, including:
 - ASU No. 2017-01, Business Combinations (Topic 805): Clarifying the Definition of a Business;
 - ASU No 2017-02, Not-for-Profit Entities — Consolidation (Subtopic 958-810): Clarifying When a Not-for-Profit Entity That Is a General Partner or a Limited Partner Should Consolidate a For-Profit Limited Partnership or Similar Entity;
 - ASU No. 2017-03, Accounting Changes and Error Corrections (Topic 250) and Investments — Equity Method and Joint Ventures (Topic 323): Amendments to SEC Paragraphs Pursuant to Staff Announcements at the September 22, 2016 and November 17, 2016 EITF Meetings;

- ASU No. 2017-04, Intangibles — Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment;
- ASU No. 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;
- ASU No. 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; and
- ASU No. 2017-07, Compensation — Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost.
- ASU No. 2017-08, Receivables—Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on Purchased Callable Debt Securities;
- ASU No. 2017-09, Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting; and
- ASU No. 2017-10, Service Concession Arrangements (Topic 853): Determining the Customer of the Operation Services.

Users of this content should consider guidance issued subsequent to these items to determine their effect on engagements conducted using this product.

RELATED, FOUNDATIONS AND ASSOCIATION WORKPAPERS FOR THIS TITLE

Related workpapers are Knowledge Coach Word workpapers where information flows in or out of tables within the workpaper. Some of these related workpapers are Foundation workpapers or associated workpapers.

Foundation Workpapers include most of the Communication Hub workpapers, which are central to the Knowledge-Based Audit Methodology used by the Knowledge Coach titles. Associated workpapers require you to associate them with custom values, such as audit areas, specialists, service organizations, and other items. Workpapers require an association when you need to have more than one instance of a particular Knowledge Coach workpaper in your binder for each type of item to which the workpaper is related. Making this association allows Knowledge Coach information to flow properly between workpapers.

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
KBA s	KNOWLEDGE-BASED AUDIT DOCUMENTS		
KBA-101	Overall Audit Strategy	X	
KBA-102	Engagement Completion Document	X	
KBA-103	Evaluating and Communicating Internal Control Deficiencies	X	
KBA-105	Review of Significant Accounting Estimates	X	
KBA-200	Entity Information and Background	X	
KBA-201	Client/Engagement Acceptance and Continuance Form: Complex Entities		
KBA-201N	Client/Engagement Acceptance and Continuance Form: Noncomplex Entities		
KBA-301	Worksheet for Determination of Materiality, Performance Materiality, and Thresholds for Trivial Amounts		
KBA-302	Understanding the Entity and Its Environment: Complex Entities		
KBA-302N	Understanding the Entity and Its Environment: Noncomplex Entities		
KBA-303	Inquiries of Management and Others within the Entity about the Risks of Fraud		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
KBA-400	Scoping and Mapping of Significant Account Balances, Classes of Transactions, and Disclosures	X	
KBA-401	Understanding Entity-Level Controls: Complex Entities		
KBA-401N	Understanding Entity-Level Controls: Noncomplex Entities		
KBA-402	Understanding General Controls for Information Technology		
KBA-403	Understanding Activity-Level Controls: Revenue, Accounts Receivable, and Cash Receipts		
KBA-404	Understanding Activity-Level Controls: Inventory		
KBA-405	Understanding Activity-Level Controls: Property, Plant, and Equipment		
KBA-406	Understanding Activity-Level Controls: Other Assets		
KBA-407	Understanding Activity-Level Controls: Accounts Payable and Cash Disbursements		
KBA-408	Understanding Activity-Level Controls: Payroll and Other Liabilities		
KBA-409	Understanding Activity-Level Controls: Treasury		
KBA-410	Understanding Activity-Level Controls: Income Taxes		
KBA-411	Understanding Activity-Level Controls: Financial Reporting and Closing Process		
KBA-412	Understanding Controls Maintained by a Service Organization		X
KBA-502	Summary of Risk Assessments	X	
KBA-503	Basis for Inherent Risk Assessment		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
KBA-902	Audit Review and Approval Checklist		
KBA-904	Audit Documentation Checklist		
KBA-905	Review and Approval Checklist: Interim Review of Financial Information		
AUDs	AUDIT PROGRAMS		
AUD-100	Engagement-Level Tailoring Questions	X	
AUD-101	Overall Audit Program	X	
AUD-201	Audit Program: Opening Balances and Additional Audit Procedures for an Initial Audit Engagement		
AUD-602	Audit Program: Involvement of a Component Auditor		X
AUD-603	Audit Program: Using the Work of an Auditor's Specialist		X
AUD-604	Audit Program: Using the Work of a Management's Specialist		X
AUD-701	Audit Program: Designing Tests of Controls		
AUD-800	Audit Program: Custom		X
AUD-801	Audit Program: Cash		
AUD-802A	Audit Program: Investments in Securities		
AUD-802B	Audit Program: Investments in Derivative Instruments and Hedging Activities		
AUD-803	Audit Program: Accounts Receivable and Revenue		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
AUD-804	Audit Program: Inventories and Cost of Sales		
AUD-805	Audit Program: Prepaid Expenses, Deferred Charges, and Other Assets		
AUD-806	Audit Program: Intangible Assets		
AUD-807	Audit Program: Property and Equipment, and Depreciation		
AUD-808	Audit Program: Accounts Payable and Purchases		
AUD-809	Audit Program: Payroll and Other Liabilities		
AUD-810	Audit Program: Income Taxes		
AUD-811	Audit Program: Debt Obligations		
AUD-812	Audit Program: Equity		
AUD-813	Audit Program: Other Income and Expense		
AUD-814	Audit Program: Journal Entries and Financial Statement Review		
AUD-815	Audit Program: Related-Party Transactions		
AUD-816	Audit Program: Fair Value Measurements and Disclosures		
AUD-817	Audit Program: Variable Interest Entities		
AUD-818	Audit Program: Share-Based Payments		
AUD-819	Audit Program: Commitments and Contingencies		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
AUD-820	Audit Program: Accounting Estimates		
AUD-821	Audit Program: Concentrations		
AUD-901	Audit Program: Subsequent Events		
AUD-902	Audit Program: Going Concern		
AUD-903	Audit Program: Consideration of Fraud		
AUD-904	Audit Program: Compliance with Laws and Regulations		
AUD-907	Interim Review Program: Review of Interim Financial Information		
AUD-908	Previously Reported Material Weakness Continues to Exist		
AUD-909	Interim Review Program: Management Inquiries		
AIDs	PRACTICE AIDs		
AID-302	Understanding the Entity's Revenue Streams and Revenue Recognition Policies		
AID-601	Considering Reliance on the Work of Internal Auditors		
AID-603	Component Identification and Analysis		
AID-702	Results of Tests of Controls		
AID-801	Audit Sampling Worksheet for Substantive Tests of Details		
AID-901	Differences of Professional Opinion		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
AID-903	Audit Report Preparation Checklist		

Additional Information for Associated Workpapers

The following tables list the workpapers that require association in this title, along with the information that must be completed before you can insert each workpaper.

Workpaper Requiring Association	What is it associated with?		
	Workpaper	Table/Question	Association Item (Custom Value)
KBA-412 Understanding Ctrl: Service Org (Custom)	AUD-100 Engagement-Level Tailoring Questions Workpaper	Does the entity use service organizations? Shows the "Document the service organizations used by the entity." table in KBA-101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the service organizations used by the entity.	Service Organization
AUD-602 Audit Program: Component Auditor Involvement (Custom)	AUD-100 Engagement-Level Tailoring Questions Workpaper	Does the auditor plan to rely on audit evidence provided by a component auditor? is "Yes" Shows the "Document the audit evidence provided by the component auditor(s) that the engagement team will rely on in our engagement." table in KBA- 101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the audit evidence provided by the component auditor(s) that the engagement team will rely on in our engagement.	Audit Firm Name
AUD-603 Audit Program: Auditor's Specialist (Custom)	AUD-100 Engagement-Level Tailoring Questions Workpaper	Does the auditor intend to use a specialist on this engagement? is "Yes" Shows the "Document the expected use of a specialist(s) on our audit." table in KBA-101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the expected use of a specialist(s) on our audit. Then select Auditor's Specialist from the Type of Specialist Column	Specialist Firm Name
AUD-604 Audit Program: Management's Specialist (Custom)	AUD-100 Engagement-Level Tailoring Questions Workpaper	Does the auditor intend to use a specialist on this engagement? is "Yes" Shows the "Document the expected use of a specialist(s) on our audit." table in KBA-101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the expected use of a specialist(s) on our audit. Then select Management's Specialist from the Type of Specialist Column.	Specialist Firm Name
AUD-800 Audit Program: (Custom)	AUD-100 Engagement-Level Tailoring Questions Workpaper	What financial statement audit areas are applicable to this engagement? "Customize Audit Area" link within the answer selection box.	Custom Audit Area