

FASB Accounting Standards Codification®

Editorial and Maintenance Update 2017-19

Released: November 15, 2017

Maintenance Updates provide nonsubstantive corrections to the Codification, such as editorial corrections, various types of link-related changes, and changes to source fragment information (used for Cross Reference and the Printer-Friendly with sources). This Maintenance Update includes nonsubstantive visual corrections, which are reflected in the relevant Status tables.

Editorial and other corrections that affect versioning of Sections for archive purposes and are reflected in the corresponding Status tables:

1. These amendments supersede Topic 225 and relocate the guidance contained therein to Topic 220. Topic 220 contains more guidance about net income and contains multiple examples of income statements (statement of comprehensive income). Topic 220 also defines net income. These amendments locate all guidance related to the income statement and the statement of comprehensive income in one Topic. Moving the content from Topic 225 to Topic 220 simplifies the Codification for users and for the FASB's ongoing maintenance of the Codification.
2. The title of Topic 220 is changed to Income Statement—Reporting Comprehensive Income to better reflect the content of the Topic.

[For ease of readability, the new paragraphs are not underlined.]

Paragraph	Superseded/Amended/Added
220	<u>Comprehensive Income Statement—Reporting Comprehensive Income</u>
220-10-00-1 (above paragraph)	<u>General Note on Income Statement—Reporting Comprehensive Income: On 11/15/2017, the issuance date of Maintenance Update 2017-19, the title of this Topic changed from Comprehensive Income to Income Statement—Reporting Comprehensive Income.</u>
220-10-05-1	The Income Statement <u>Income Statement—Reporting Comprehensive Income</u> Topic establishes standards for reporting and presentation of comprehensive income and its components in a full set of general-purpose financial statements. This Topic contains only the Overall Subtopic. <u>The Income Statement—Reporting Comprehensive Income Topic includes the following Subtopics:</u> a. Overall b. Unusual or Infrequently Occurring Items c. Business Interruption Insurance. <u>[Content amended as shown and moved from paragraph 225-10-05-1]</u>
<u>220-10-05-2</u>	Each Subtopic in the Income Statement <u>Income Statement—Reporting Comprehensive Income</u> Topic contains standalone guidance. There is no relationship between the individual Subtopics within this Topic. Each Subtopic provides presentation and disclosure guidance for the income statement matter indicated by the Subtopic title. <u>[Content amended as shown and moved from paragraph 225-10-05-2]</u>
<u>220-10-05-3</u>	The Overall Subtopic provides general <u>comprehensive income</u> statement guidance. It also provides guidance on the structure of the Topic. <u>[Content amended as shown and moved from paragraph 225-10-05-3]</u>
<u>220-10-05-4</u>	Subtopic 225-20220-20 provides guidance about the presentation and disclosure of unusual or infrequently occurring items. <u>[Content amended as shown and moved from paragraph 225-10-05-4]</u>
<u>220-10-05-5</u>	Subtopic 225-30220-30 provides guidance on proceeds from business interruption insurance. <u>[Content amended as shown and moved from paragraph 225-10-05-5]</u>
220-10-15-1	The Scope Section of the Overall Subtopic establishes the pervasive scope for <u>all Subtopics of the Income Statement—Reporting Comprehensive Income Topic. Unless</u>

	explicitly addressed within specific Subtopics, the following scope guidance applies to all Subtopics of the Income Statement—Reporting Comprehensive Income Topic. [Content amended as shown and moved from paragraph 225-10-15-1]
220-10-15-2	Except as noted in the following paragraph, the guidance in the Comprehensive Income Statement—Reporting Comprehensive Income Topic applies to all entities, including: - Entities that provide a full set of financial statements that report financial position, results of operations, and cash flows - Investment companies, defined benefit pension plans, and other employee benefit plans that are exempt from the requirement to provide a statement of cash flows by paragraph 230-10-15-4.
220-10-15-5	The guidance in the Income Statement—Reporting Comprehensive Income Topic applies to general-purpose statements that purport to present results of operations in conformity with generally accepted accounting principles (GAAP). [Content amended as shown and moved from paragraph 225-10-15-3]
220-10-45-7A	Net income shall reflect all items of profit and loss recognized during the period with the sole exception of error corrections as addressed in Topic 250. However, the requirement that net income be presented as one amount does not apply to the following entities that have developed income statements with formats different from those of the typical commercial entity: - Investment companies - Insurance entities - Certain not-for-profit entities (NFPs). [Content moved from paragraph 225-10-45-1]
220-10-S15-1	<u>220-10-S15 Income Statement—Reporting Comprehensive Income Overall Scope and Scope Exceptions</u> >Entities See paragraph 205-10-S99-5, Regulation S-X Rule 5-01, for entities to which this Subtopic applies. [Content moved from paragraph 225-10-S15-1]
220-10-S25-1	<u>220-10-S25 Income Statement—Reporting Comprehensive Income Overall Recognition</u> >Allocation of Expenses See paragraph 225-10-S99-3 220-10-S99-3, SAB Topic 1.B.1, Questions 1 and 4, for SEC Staff views on the allocation of expenses from a parent to its subsidiary for purposes of preparing separate financial statements. [Content amended as shown and moved from paragraph 225-10-S25-1]
220-10-S25-2	See paragraph 225-10-S99-4 220-10-S99-4, SAB Topic 5.T, for SEC Staff views on the recognition of expenses paid by principal stockholders. [Content amended as shown and moved from paragraph 225-10-S25-2]
220-10-S30-1	<u>220-10-S30 Income Statement—Reporting Comprehensive Income Overall Initial Measurement</u> >Allocation of Expenses See paragraph 225-10-S99-3 220-10-S99-3, SAB Topic 1.B.1, Questions 2 and 3, for SEC Staff views on the measurement of expenses allocated from a parent to its subsidiary for purposes of preparing separate financial statements. [Content amended as shown and moved from paragraph 225-10-S30-1]
220-10-S45-1	<u>220-10-S45 Income Statement—Reporting Comprehensive Income Overall Other Presentation Matters</u> >General Requirements See paragraph 225-10-S99-1 220-10-S99-1, Regulation S-X Rule 3-03, for the instructions to income statement requirements. [Content amended as shown and moved from paragraph 225-10-S45-1]
220-10-S45-2	>Format

	See paragraph 225-10-S99-2 2220-10-S99-2, Regulation S-X Rule 5-03, for requirements pertaining to the presentation and classification of various items within the income statement. [Content amended as shown and moved from paragraph 225-10-S45-2]
<u>220-10-S45-3</u>	See paragraph 225-10-S99-3 2220-10-S99-3, SAB Topic 1.B.1, Question 1, for SEC Staff views on the presentation of expenses allocated from a parent to its subsidiary for purposes of preparing separate financial statements. [Content amended as shown and moved from paragraph 225-10-S45-3]
<u>220-10-S45-4</u>	See paragraph 505-10-S99-5, SAB Topic 4.F, for SEC Staff views on the income statement presentation for limited partnerships. [Content moved from paragraph 225-10-S45-4]
<u>220-10-S45-5</u>	See paragraph 225-10-S99-6 2220-10-S99-6, SAB Topic 7.D, for SEC Staff views on the presentation of income before depreciation and depletion in the income statement. [Content amended as shown and moved from paragraph 225-10-S45-5]
<u>220-10-S45-6</u>	See paragraph 225-10-S99-8 2220-10-S99-8, SAB Topic 11.B, for SEC Staff views on excluding depreciation and depletion from cost of sales for purposes of the income statement. [Content amended as shown and moved from paragraph 225-10-S45-6]
<u>220-10-S45-7</u>	>Income or Loss Applicable to Common Stock See paragraph 225-10-S99-5 2220-10-S99-5, SAB Topic 6.B, for SEC Staff views on income statement presentation when the registrant has preferred stock dividends. [Content amended as shown and moved from paragraph 225-10-S45-7]
<u>220-10-S45-8</u>	>Classification of Operating Subsidiaries See paragraph 225-10-S99-7 2220-10-S99-7, SAB Topic 11.A, for SEC Staff views on presentation of operating subsidiaries within the income statement. [Content amended as shown and moved from paragraph 225-10-S45-8]
<u>220-10-S50-1</u>	<u>220-10-S50 Income Statement—Reporting Comprehensive Income</u> <u>Overall</u> <u>Disclosure</u> >Allocation of Expenses See paragraph 225-10-S99-3 2220-10-S99-3, SAB Topic 1.B.1, Questions 2 through 4, for SEC Staff views on disclosure requirements when expenses are allocated from a parent to its subsidiary for the purposes of preparing separate financial statements. [Content amended as shown and moved from paragraph 225-10-S50-1]
<u>220-10-S99-1</u>	<u>220-10-S99 Income Statement—Reporting Comprehensive Income</u> <u>Overall</u> <u>SEC Materials</u> >SEC Rules, Regulations, and Interpretations >>Regulation S-X >>>Regulation S-X Rule 3-03, Instructions to Income Statement Requirements The following is the text of Regulation S-X Rule 3-03, Instructions to Income Statement Requirements (17 CFR 210.3-03). (a) The statements required shall be prepared in compliance with the applicable requirements of this regulation. (b) If the registrant is engaged primarily (1) in the generation, transmission or distribution of electricity, the manufacture, mixing, transmission or distribution of gas, the supplying or distribution of water, or the furnishing of telephone or telegraph service; or (2) in holding securities of companies engaged in such businesses, it may at its option include statements of income and cash flows (which may be unaudited) for the twelve-month period ending on the date of the most recent balance sheet being filed, in lieu of the statements of income and cash flows for the interim periods specified. (c) If a period or periods reported on include operations of a business prior to the date of acquisition, or for other reasons differ from reports previously issued for any period, the statements shall be reconciled as to sales or revenues and net income in the statement or in a note thereto with the amounts previously reported: Provided, however, That such reconciliations need not be made (1) if they have been made in filings with the Commission in prior years or (2) the financial statements which are being retroactively adjusted have not previously been filed with the Commission or otherwise made public. (d) Any unaudited interim financial statements furnished shall reflect all adjustments which are, in the opinion of management, necessary to a fair statement of the

	results for the interim periods presented. A statement to that effect shall be included. Such adjustments shall include, for example, appropriate estimated provisions for bonus and profit sharing arrangements normally determined or settled at year-end. If all such adjustments are of a normal recurring nature, a statement to that effect shall be made; otherwise, there shall be furnished information describing in appropriate detail the nature and amount of any adjustments other than normal recurring adjustments entering into the determination of the results shown. (e) Disclosures regarding segments required by generally accepted accounting principles shall be provided for each year for which an audited statement of income is provided. To the extent that the segment information presented pursuant to this instruction complies with the provisions of Item 101 of Regulation S-K, the disclosures may be combined by cross referencing to or from the financial statements. [45 FR 63687, Sept. 25, 1980. Redesignated at 47 FR 29836, July 9, 1982, and amended at 50 FR 25215, June 18, 1985; 50 FR 49532, Dec. 3, 1985; 57 FR 45292, Oct. 1, 1992; 64 FR 1734, Jan 12, 1999]. [Content amended as shown and moved from paragraph 225-10-S99-1]
<u>220-10-S99-2</u>	>>>Regulation S-X Rule 5-03, Income Statements The following is the text of Regulation S-X Rule 5-03, Income Statements (<u>17 CFR 210.5-03</u>). (a) The purpose of this rule is to indicate the various line items which, if applicable, and except as otherwise permitted by the Commission, should appear on the face of the income statements filed for the persons to whom this article pertains (see § 210.4-01(a)). (b) If income is derived from more than one of the subcaptions described under § 210.5-03.1, each class which is not more than 10 percent of the sum of the items may be combined with another class. If these items are combined, related costs and expenses as described under § 210.5-03.2 shall be combined in the same manner. 1. Net sales and gross revenues. State separately: (a) Net sales of tangible products (gross sales less discounts, returns and allowances), (b) operating revenues of public utilities or others; (c) income from rentals; (d) revenues from services; and (e) other revenues. Amounts earned from transactions with related parties shall be disclosed as required under § 210.4-08(k). A public utility company using a uniform system of accounts or a form for annual report prescribed by federal or state authorities, or a similar system or report, shall follow the general segregation of operating revenues and operating expenses reported under § 210.5-03.2 prescribed by such system or report. If the total of sales and revenues reported under this caption includes excise taxes in an amount equal to 1 percent or more of such total, the amount of such excise taxes shall be shown on the face of the statement parenthetically or otherwise. 2. Costs and expenses applicable to sales and revenues. State separately the amount of (a) cost of tangible goods sold, (b) operating expenses of public utilities or others, (c) expenses applicable to rental income, (d) cost of services, and (e) expenses applicable to other revenues. Merchandising organizations, both wholesale and retail, may include occupancy and buying costs under caption 2(a). Amounts of costs and expenses incurred from transactions with related parties shall be disclosed as required under § 210.4-08(k). 3. Other operating costs and expenses. State separately any material amounts not included under caption 2 above. 4. Selling, general and administrative expenses. 5. Provision for doubtful accounts and notes.

	6. Other general expenses. Include items not normally included in caption 4 above. State separately any material item. 7. Non-operating income. State separately in the income statement or in a note thereto amounts earned from (a) dividends, (b) interest on securities, (c) profits on securities (net of losses), and (d) miscellaneous other income. Amounts earned from transactions in securities of related parties shall be disclosed as required under § 210.4–08(k). Material amounts included under miscellaneous other income shall be separately stated in the income statement or in a note thereto, indicating clearly the nature of the transactions out of which the items arose. 8. Interest and amortization of debt discount and expense. 9. Non-operating expenses. State separately in the income statement or in a note thereto amounts of (a) losses on securities (net of profits) and (b) miscellaneous income deductions. Material amounts included under miscellaneous income deductions shall be separately stated in the income statement or in a note thereto, indicating clearly the nature of the transactions out of which the items arose. 10. Income or loss before income tax expense and appropriate items below. 11. Income tax expense. Include under this caption only taxes based on income (see § 210.4–08(h)). 12. Equity in earnings of unconsolidated subsidiaries and 50 percent or less owned persons. State, parenthetically or in a note, the amount of dividends received from such persons. If justified by the circumstances, this item may be presented in a different position and a different manner (see § 210.4–01(a)). 13. Income or loss from continuing operations. 14. Discontinued operations. 15. Income or loss before extraordinary items and cumulative effects of changes in accounting principles. 16. Extraordinary items, less applicable tax. 17. Cumulative effects of changes in accounting principles. 18. Net income or loss. 19. Net income attributable to the noncontrolling interest. 20. Net income attributable to the controlling interest. 21. Earnings per share data. [45 FR 63671, Sept. 25, 1980, as amended at 45 FR 76977, Nov. 21, 1980; 50 FR 25215, June 18, 1985; 74 FR 18615, Apr. 23, 2009] [Content amended as shown and moved from paragraph 225-10-S99-2]
220-10-S99-3	>SEC Staff Guidance >>Staff Accounting Bulletins >>>SAB Topic 1.B.1, Costs Reflected in Historical Income Statements The following is the text of SAB Topic 1.B.1, Costs Reflected in Historical Income Statements. Facts: A company (the registrant) operates as a subsidiary of another company (parent). Certain expenses incurred by the parent on behalf of the subsidiary have not been charged to the subsidiary in the past. The subsidiary files a registration statement under the Securities Act of 1933 in connection with an initial public offering. Question 1: Should the subsidiary's historical income statements reflect all of the expenses that the parent incurred on its behalf? Interpretive Response: In general, the staff believes that the historical income statements of a registrant should reflect all of its costs of doing business. Therefore, in specific situations, the staff has required the subsidiary to revise its financial statements to include certain expenses incurred by the parent on its behalf. Examples of such expenses may include, but are not necessarily limited to, the following (income taxes and interest are discussed separately below): 1. Officer and employee salaries, 2. Rent or depreciation,

	3. Advertising, 4. Accounting and legal services, and 5. Other selling, general and administrative expenses. When the subsidiary's financial statements have been previously reported on by independent accountants and have been used other than for internal purposes, the staff has accepted a presentation that shows income before tax as previously reported, followed by adjustments for expenses not previously allocated, income taxes, and adjusted net income. Question 2: How should the amount of expenses incurred on the subsidiary's behalf by its parent be determined, and what disclosure is required in the financial statements? Interpretive Response: The staff expects any expenses clearly applicable to the subsidiary to be reflected in its income statements. However, the staff understands that in some situations a reasonable method of allocating common expenses to the subsidiary (e. g., incremental or proportional cost allocation) must be chosen because specific identification of expenses is not practicable. In these situations, the staff has required an explanation of the allocation method used in the notes to the financial statements along with management's assertion that the method used is reasonable. In addition, since agreements with related parties are by definition not at arms length and may be changed at any time, the staff has required footnote disclosure, when practicable, of management's estimate of what the expenses (other than income taxes and interest discussed separately below) would have been on a stand alone basis, that is, the cost that would have been incurred if the subsidiary had operated as an unaffiliated entity. The disclosure has been presented for each year for which an income statement was required when such basis produced materially different results. Question 3: What are the staff's views with respect to the accounting for and disclosure of the subsidiary's income tax expense? Interpretive Response: Recently, a number of parent companies have sold interests in subsidiaries, but have retained sufficient ownership interests to permit continued inclusion of the subsidiaries in their consolidated tax returns. The staff believes that it is material to investors to know what the effect on income would have been if the registrant had not been eligible to be included in a consolidated income tax return with its parent. Some of these subsidiaries have calculated their tax provision on the separate return basis, which the staff believes is the preferable method. Others, however, have used different allocation methods. When the historical income statements in the filing do not reflect the tax provision on the separate return basis, the staff has required a pro forma income statement for the most recent year and interim period reflecting a tax provision calculated on the separate return basis. FN1 FN1 Paragraph 40 of Statement 109 [paragraph 740-10-30-27] states: "The consolidated amount of current and deferred tax expense for a group that files a consolidated tax return shall be allocated among the members of the group when those members issue separate financial statements.... The method adopted... shall be systematic, rational, and consistent with the broad principles established by [Statement 109] [Subtopic 740-10]. A method that allocates current and deferred taxes to members of the group by applying [Statement 109] [Subtopic 740-10] to each member as if it were a separate taxpayer meets those criteria. Question 4: Should the historical income statements reflect a charge for interest on intercompany debt if no such charge had been previously provided? Interpretive Response: The staff generally believes that financial statements are more useful to investors if they reflect all costs of doing business, including interest costs. Because of the inherent difficulty in distinguishing the elements of a subsidiary's capital structure, the staff has not insisted that the historical income statements include an interest charge on intercompany debt if such a charge was not provided in the past, except when debt specifically related to the operations of the subsidiary and previously carried on the parent's books will henceforth be recorded in the subsidiary's books. In any case, financing arrangements with the parent must be discussed in a note to the financial statements. In this connection,
--	---

	the staff has taken the position that, where an interest charge on intercompany debt has not been provided, appropriate disclosure would include an analysis of the intercompany accounts as well as the average balance due to or from related parties for each period for which an income statement is required. The analysis of the intercompany accounts has taken the form of a listing of transactions (e. g., the allocation of costs to the subsidiary, intercompany purchases, and cash transfers between entities) for each period for which an income statement was required, reconciled to the intercompany accounts reflected in the balance sheets. [Content moved from paragraph 225-10-S99-3]
<u>220-10-S99-4</u>	>>>SAB Topic 5.T, Accounting for Expenses or Liabilities Paid by Principal Stockholder(s) The following is the text of SAB Topic 5.T, Accounting for Expenses or Liabilities Paid by Principal Stockholder(s). (Replaced by SAB 107). Facts: Company X was a defendant in litigation for which the company had not recorded a liability in accordance with FASB ASC Topic 450, Contingencies. A principal stockholder FN34 of the company transfers a portion of his shares to the plaintiff to settle such litigation. If the company had settled the litigation directly, the company would have recorded the settlement as an expense. FN34 The FASB ASC Master Glossary defines principal owners as "owners of record or known beneficial owners of more than 10 percent of the voting interests of the enterprise." Question: Must the settlement be reflected as an expense in the company's financial statements, and if so, how? Interpretive Response: Yes. The value of the shares transferred should be reflected as an expense in the company's financial statements with a corresponding credit to contributed (paid-in) capital. The staff believes that such a transaction is similar to those described in FASB ASC paragraph 718-10-15-4 (Compensation—Stock Compensation Topic), which states that "share-based payments awarded to an employee of the reporting entity by a related party or other holder of an economic interest FN35 in the entity as compensation for services provided to the entity are share-based payment transactions to be accounted for under this Topic unless the transfer is clearly for a purpose other than compensation for services to the reporting entity. As explained in this paragraph, the substance of such a transaction is that the economic interest holder makes a capital contribution to the reporting entity, and the reporting entity makes a share-based payment to its employee in exchange for services rendered. FN35 The FASB ASC Master Glossary defines an economic interest in an entity as any type or form of pecuniary interest or arrangement that an entity could issue or be a party to, including equity securities; financial instruments with characteristics of equity, liabilities or both; long-term debt and other debt-financing arrangements; leases; and contractual arrangements such as management contracts, service contracts, or intellectual property licenses. Accordingly, a principal stockholder would be considered a holder of an economic interest in an entity. The staff believes that the problem of separating the benefit to the principal stockholder from the benefit to the company cited in FASB ASC Topic 718 is not limited to transactions involving stock compensation. Therefore, similar accounting is required in this and other FN36 transactions where a principal stockholder pays an expense for the company, unless the stockholder's action is caused by a relationship or obligation completely unrelated to his position as a stockholder or such action clearly does not benefit the company. FN36 For example, SAB Topic 1.B indicates that the separate financial statements of a subsidiary should reflect any costs of its operations which are incurred by the parent on its behalf. Additionally, the staff notes that AICPA Technical Practice Aids 4160 also indicates that the payment by principal stockholders of a company's debt should be accounted for as a capital contribution. Some registrants and their accountants have taken the position that since FASB ASC Topic 850, Related Party Disclosures, applies to these transactions and requires only the disclosure of material related party transactions, the staff should not analogize to the accounting called for by FASB ASC paragraph 718-10-15-4 for transactions other than those specifically covered by it. The staff notes, however,

	that FASB ASC Topic 850 does not address the measurement of related party transactions and that, as a result, such transactions are generally recorded at the amounts indicated by their terms. FN37 However, the staff believes that transactions of the type described above differ from the typical related party transactions. FN37 However, in some circumstances it is necessary to reflect, either in the historical financial statements or a pro forma presentation (depending on the circumstances), related party transactions at amounts other than those indicated by their terms. Two such circumstances are addressed in Staff Accounting Bulletin Topic 1.B.1, Questions 3 and 4. Another example is where the terms of a material contract with a related party are expected to change upon the completion of an offering (i. e., the principal shareholder requires payment for services which had previously been contributed by the shareholder to the company). The transactions for which FASB ASC Topic 850 requires disclosure generally are those in which a company receives goods or services directly from, or provides goods or services directly to, a related party, and the form and terms of such transactions may be structured to produce either a direct or indirect benefit to the related party. The participation of a related party in such a transaction negates the presumption that transactions reflected in the financial statements have been consummated at arm's length. Disclosure is therefore required to compensate for the fact that, due to the related party's involvement, the terms of the transaction may produce an accounting measurement for which a more faithful measurement may not be determinable. However, transactions of the type discussed in the facts given do not have such problems of measurement and appear to be transacted to provide a benefit to the stockholder through the enhancement or maintenance of the value of the stockholder's investment. The staff believes that the substance of such transactions is the payment of an expense of the company through contributions by the stockholder. Therefore, the staff believes it would be inappropriate to account for such transactions according to the form of the transaction.[Content moved from paragraph 225-10-S99-4]
<u>220-10-S99-5</u>	>>>SAB Topic 6.B, Accounting Series Release 280—General Revision of Regulation S-X: Income or Loss Applicable to Common Stock The following is the text of SAB Topic 6.B, Accounting Series Release 280—General Revision Of Regulation S-X: Income Or Loss Applicable To Common Stock. Facts: A registrant has various classes of preferred stock. Dividends on those preferred stocks and accretions of their carrying amounts cause income applicable to common stock to be less than reported net income. Question: In ASR 280, the Commission stated that although it had determined not to mandate presentation of income or loss applicable to common stock in all cases, it believes that disclosure of that amount is of value in certain situations. In what situations should the amount be reported, where should it be reported, and how should it be computed? Interpretive Response: Income or loss applicable to common stock should be reported on the face of the income statement FN1 when it is materially different in quantitative terms from reported net income or loss FN2 or when it is indicative of significant trends or other qualitative considerations. The amount to be reported should be computed for each period as net income or loss less: (a) dividends on preferred stock, including undeclared or unpaid dividends if cumulative; and (b) periodic increases in the carrying amounts of instruments reported as redeemable preferred stock (as discussed in Topic 3.C) or increasing rate preferred stock (as discussed in Topic 5.Q). FN1 If a registrant elects to follow the encouraged disclosure discussed in paragraph 23 of Statement 130 [paragraph 220-10-45-9], and displays the components of other comprehensive income and the total for comprehensive income using a one-statement approach, the registrant must continue to follow the guidance set forth in the SAB Topic. One approach may be to provide a separate reconciliation of net income to income available to common stock below comprehensive income reported on a statement of income and comprehensive income.

	FN2 The assessment of materiality is the responsibility of each registrant. However, absent concerns about trends or other qualitative considerations, the staff generally will not insist on the reporting of income or loss applicable to common stock if the amount differs from net income or loss by less than ten percent.[Content moved from paragraph 225-10-S99-5]
<u>220-10-S99-6</u>	>>>SAB Topic 7.D, Income Before Depreciation The following is the text of SAB Topic 7.D, Income Before Depreciation. Facts: Occasionally an income statement format will contain a subtitle or caption titled "Income before depreciation and depletion." Question: Is this caption appropriate? Interpretive Response: The staff objects to this presentation because in the staff's view the presentation may suggest to the reader that the amount so captioned represents cash flow for the period, which is rarely the case (see ASR 142).[Content moved from paragraph 225-10-S99-6]
<u>220-10-S99-7</u>	>>>SAB Topic 11.A, Operating-Differential Subsidies The following is the text of SAB Topic 11.A, Operating-Differential Subsidies. Facts: Company A has received an operating-differential subsidy pursuant to the Merchant Marine Act of 1936, as amended. Question: How should such subsidies be displayed in the income statement? Interpretive Response: Revenue representing an operating-differential subsidy under the Merchant Marine Act of 1936, as amended, must be set forth as a separate line item in the income statement either under a revenue caption or as credit in the costs and expenses section.[Content moved from paragraph 225-10-S99-7]
<u>220-10-S99-8</u>	>>>SAB Topic 11.B, Depreciation and Depletion Excluded from Cost of Sales The following is the text of SAB Topic 11.B, Depreciation and Depletion Excluded from Cost of Sales. Facts: Company B excludes depreciation and depletion from cost of sales in its income statement. Question: How should this exclusion be disclosed? Interpretive Response: If cost of sales or operating expenses exclude charges for depreciation, depletion and amortization of property, plant and equipment, the description of the line item should read somewhat as follows: "Cost of goods sold (exclusive of items shown separately below)" or "Cost of goods sold (exclusive of depreciation shown separately below)." To avoid placing undue emphasis on "cash flow," depreciation, depletion and amortization should not be positioned in the income statement in a manner which results in reporting a figure for income before depreciation.[Content moved from paragraph 225-10-S99-8]
<u>220-20-05-1</u>	<u>220-20-05 Income Statement—Reporting Comprehensive Income Unusual or Infrequently Occurring Items Overview and Background</u> This Subtopic addresses the presentation and disclosure of unusual and infrequently occurring items. [Content moved from paragraph 225-20-05-1]
<u>220-20-15-1</u>	<u>220-20-15 Income Statement—Reporting Comprehensive Income Unusual or Infrequently Occurring Items Scope and Scope Exceptions</u> >Overall Guidance The guidance in this Subtopic follows the same Scope and Scope Exceptions as outlined in the Overall Subtopic, see Section 220-10-15225-10-15, with specific transaction qualifications noted below. [Content amended as shown and moved from paragraph 225-20-15-1]
<u>220-20-45-1</u>	<u>220-20-45 Income Statement—Reporting Comprehensive Income Unusual or Infrequently Occurring Items Other Presentation Matters</u> >Presentation of Unusual or Infrequently Occurring Items A material event or transaction that an entity considers to be of an unusual nature or of a type that indicates infrequency of occurrence or both shall be reported as a separate component of income from continuing operations. The nature and financial

	effects of each event or transaction shall be presented as a separate component of income from continuing operations or, alternatively, disclosed in notes to financial statements. Gains or losses of a similar nature that are not individually material shall be aggregated. Such items shall not be reported on the face of the income statement net of income taxes. Similarly, the EPS effects of those items shall not be presented on the face of the income statement. [Content moved from paragraph 225-20-45-16]
<u>220-20-50-1</u>	<u>220-20-50 Income Statement—Reporting Comprehensive Income Unusual or Infrequently Occurring Items Disclosure</u> >Unusual or Infrequently Occurring Items The nature and financial effects of each event or transaction that is unusual in nature or occurs infrequently or both shall be presented as a separate component of income from continuing operations or, alternatively, disclosed in notes to the financial statements. [Content moved from paragraph 225-20-50-3]
<u>220-20-55-1</u>	<u>220-20-55 Income Statement—Reporting Comprehensive Income Unusual or Infrequently Occurring Items Implementation Guidance and Illustrations</u> >Implementation Guidance >>Unusual Nature The specific characteristics of the entity, such as type and scope of operations, lines of business, and operating policies should be considered in determining ordinary and typical activities of an entity. The environment in which an entity operates is a primary consideration in determining whether an underlying event or transaction is abnormal and significantly different from the ordinary and typical activities of the entity. The environment of an entity includes such factors as the characteristics of the industry or industries in which it operates, the geographical location of its operations, and the nature and extent of governmental regulation. Thus, an event or transaction may be unusual in nature for one entity but not for another because of differences in their respective environments. Unusual nature is not established by the fact that an event or transaction is beyond the control of management. [Content moved from paragraph 225-20-55-1]
<u>220-20-55-2</u>	>>Infrequency of Occurrence For purposes of this Subtopic, an event or transaction of a type not reasonably expected to recur in the foreseeable future is considered to occur infrequently. Determining the probability of recurrence of a particular event or transaction in the foreseeable future should take into account the environment in which an entity operates. Accordingly, a specific transaction of one entity might meet that criterion and a similar transaction of another entity might not because of different probabilities of recurrence. The past occurrence of an event or transaction for a particular entity provides evidence to assess the probability of recurrence of that type of event or transaction in the foreseeable future. [Content moved from paragraph 225-20-55-2]
<u>220-20-55-3</u>	>>Events or Transactions That Are Unusual In Nature or Occur Infrequently The following are illustrative of events or transactions that are unusual in nature or occur infrequently: - A large portion of a tobacco manufacturer's crops are destroyed by a hail storm. Severe damage from hail storms in the locality where the manufacturer grows tobacco is rare. - A steel fabricating entity sells the only land it owns. The land was acquired 10 years ago for future expansion, but shortly thereafter the entity abandoned all plans for expansion and held the land for appreciation. - An earthquake destroys one of the oil refineries owned by a large multinational oil entity. [Content moved from paragraph 225-20-55-3]
<u>220-20-60-1</u>	<u>220-20-60 Income Statement—Reporting Comprehensive Income Unusual or Infrequently Occurring Items Relationships</u> >Income Taxes For guidance on the computation of interim period income taxes applicable to significant unusual or infrequently occurring items, see paragraphs 740-270-30-8 through 30-12. [Content moved from paragraph 225-20-60-3]

<u>220-30-05-1</u>	<u>220-30-05 Income Statement—Reporting Comprehensive Income</u> <u>Business Interruption Insurance</u> <u>Overview and Background</u> This Subtopic provides presentation and disclosure guidance for business interruption insurance. [Content moved from paragraph 225-30-05-1]
<u>220-30-05-2</u>	The types of costs and losses covered by business interruption insurance typically include the following: a. Gross margin that was lost or not earned due to the suspension of normal operations b. A portion of fixed charges and expenses in relation to that lost gross margin c. Other expenses incurred to reduce the loss from business interruption (for example, rent of temporary facilities and equipment, use of subcontractors, and so forth). [Content moved from paragraph 225-30-05-2]
<u>220-30-15-1</u>	<u>220-30-15 Income Statement—Reporting Comprehensive Income</u> <u>Business Interruption Insurance</u> <u>Scope and Scope Exceptions</u> >Overall Guidance This Subtopic follows the same Scope and Scope Exceptions as outlined in the Overall Subtopic, see Section 225-10-45<u>220-10-15</u>. [Content amended as shown and moved from paragraph 225-30-15-1]
<u>220-30-45-1</u>	<u>220-30-45 Income Statement—Reporting Comprehensive Income</u> <u>Business Interruption Insurance</u> <u>Other Presentation Matters</u> An entity may choose how to classify business interruption insurance recoveries in the statement of operations, as long as that classification is not contrary to existing generally accepted accounting principles (GAAP). [Content moved from paragraph 225-30-45-1]
<u>220-30-50-1</u>	<u>220-30-50 Income Statement—Reporting Comprehensive Income</u> <u>Business Interruption Insurance</u> <u>Disclosure</u> The following information shall be disclosed in the notes to financial statements in the period(s) in which business interruption insurance recoveries are recognized: a. The nature of the event resulting in business interruption losses b. The aggregate amount of business interruption insurance recoveries recognized during the period and the line item(s) in the statement of operations in which those recoveries are classified. [Content moved from paragraph 225-30-50-1]
470-60-35-3	A difference between the fair value and the carrying amount of assets transferred to a creditor to settle a payable is a gain or loss on transfer of assets. The carrying amount of a receivable encompasses not only unamortized premium, discount, acquisition costs, and the like but also an allowance for uncollectible amounts and other valuation accounts, if any. The debtor shall include that gain or loss in measuring net income for the period of transfer, reported as provided in Topic 225<u>220</u>. A loss on transferring receivables to creditors may therefore have been wholly or partially recognized in measuring net income before the transfer and be wholly or partly a reduction of a valuation account rather than a gain or loss in measuring net income for the period of the transfer.
505-30-60-1	For the income statement classification requirements applicable to the costs incurred by an entity to defend itself from a takeover attempt or the cost attributed to a standstill agreement, see Subtopic 225-20<u>220-20</u>.
605-40-45-1	Gain or loss resulting from an involuntary conversion of a nonmonetary asset to monetary assets shall be classified in accordance with the provisions of Subtopic 225-20<u>220-20</u>.
610-30-45-1	Transition Date: (P) December 16, 2017; (N) December 16, 2018 Transition Guidance: 606-10-65-1 Gain or loss resulting from an involuntary conversion of a nonmonetary asset to monetary assets shall be classified in accordance with the provisions of Subtopic 225-20<u>220-20</u>.

830-30-40-4	Under Subtopic 225-20 <u>220-20</u> , a gain or loss on disposal of part or all of a net investment may be recognized in a period other than that in which actual sale or liquidation occurs. Paragraph 830-30-40-1 does not alter the period in which a gain or loss on sale or liquidation is recognized under existing generally accepted accounting principles (GAAP).
852-10-45-21	The financial statements of the entity as of and for the period immediately preceding the date determined in conformity with the guidance in paragraph 852-10-45-17 shall reflect all activity through that date in conformity with the guidance in paragraphs 852-10-45-1 through 45-16. Additionally, the effects of the adjustments on the reported amounts of individual assets and liabilities resulting from the adoption of fresh-start reporting and the effects of the forgiveness of debt shall be reflected in the predecessor entity's final statement of operations. Forgiveness of debt, if any, shall be reported as an extinguishment of debt and classified in accordance with Subtopic 225-20 <u>220-20</u> . Adopting fresh-start reporting results in a new reporting entity with no beginning retained earnings or deficit. When fresh-start reporting is adopted, the notes to the initial fresh-start financial statements shall disclose the additional information identified in paragraph 852-10-50-7.
852-10-45-29	Entities emerging from Chapter 11 that do not meet the criteria in paragraph 852-10-45-19 do not qualify for fresh-start reporting. Liabilities compromised by confirmed plans shall be stated at present values of amounts to be paid, determined at appropriate current interest rates. Forgiveness of debt, if any, shall be reported as an extinguishment of debt and classified in accordance with Subtopic 225-20 <u>220-20</u> .
<u>912-220-05-1</u>	<u>912-220-05 Contractors—Federal Government Income Statement—Reporting Comprehensive Income Overview and Background</u> This Subtopic provides guidance on presentation in the income statement for amounts relating to contracts subject to renegotiation and terminated contracts. [Content moved from paragraph 912-225-05-1]
<u>912-220-05-1</u> Pending	<u>912-220-05 Contractors—Federal Government Income Statement—Reporting Comprehensive Income Overview and Background</u> <u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2018 <u>Transition Guidance:</u> <u>606-10-65-1</u> This Subtopic provides guidance on presentation in the income statement for amounts relating to terminated contracts. [Content moved from paragraph 912-225-05-1]
<u>912-220-15-1</u>	<u>912-220-15 Contractors—Federal Government Income Statement—Reporting Comprehensive Income Scope and Scope Exceptions</u> >Overall Guidance This Subtopic follows the same Scope and Scope Exceptions as outlined in the Overall Subtopic, see Section 912-10-15. [Content moved from paragraph 912-225-15-1]
<u>912-220-45-1</u>	<u>912-220-45 Contractors—Federal Government Income Statement—Reporting Comprehensive Income Other Presentation Matters</u> >Contracts Subject to Renegotiation Renegotiation refunds are commonly referred to as involving a refund of excessive profits, however, renegotiation involves an adjustment of the original contract or selling price. Because a provision for renegotiation refund indicates that the collection, or retention, of the selling price is not reasonably assured, the provision should preferably be treated in the income statement as a deduction from sales. [Content moved from paragraph 912-225-45-1]
<u>912-220-45-1</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2018 <u>Transition Guidance:</u> <u>606-10-65-1</u> Editor's Note: Paragraph 912-220-45-1 will be superseded upon transition, together with its heading: >Contracts Subject to Renegotiation

	[Paragraph superseded by Accounting Standards Update No. 2014-09] [Content moved from content paragraph 912-225-45-1]
<u>912-220-45-2</u>	If a renegotiation refund applicable to a particular year is materially different from the provision made in the financial statements originally issued for such year, the difference between the renegotiation refund and the provision shall be shown as a separate item in the current income statement. [Content moved from paragraph 912-225-45-2]
<u>912-220-45-2</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2018 <u>Transition Guidance:</u> 606-10-65-1 Paragraph superseded by Accounting Standards Update No. 2014-09] [Content moved from content paragraph 912-225-45-2]
<u>912-220-45-3</u>	>Terminated Contracts Any items the contractor retains without claim for cost or loss shall remain as inventory or deferred charges in the contractor's accounts. [Content moved from paragraph 912-225-45-3]
<u>912-220-45-4</u>	Sales related to terminated contracts shall be separately presented in the income statement. [Content moved from paragraph 912-225-45-4]
<u>912-220-45-4</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2018 <u>Transition Guidance:</u> 606-10-65-1 Paragraph superseded by Accounting Standards Update No. 2014-09] [Content moved from content paragraph 912-225-45-4]
<u>932-220-05-1</u>	<u>932-220-05 Extractive Activities—Oil and Gas</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Overview and Background</u> This Subtopic provides guidance relating to income statements for oil- and gas-producing activities. [Content moved from paragraph 932-225-05-1]
<u>932-220-15-1</u>	<u>Extractive Activities—Oil and Gas</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Scope and Scope Exceptions</u> >Overall Guidance This Subtopic follows the same Scope and Scope Exceptions as outlined in the Overall Subtopic, see Section 932-10-15. [Content moved from paragraph 932-225-15-1]
<u>932-220-50-1</u>	<u>Extractive Activities—Oil and Gas</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Disclosure</u> Incremental industry disclosure requirements relating to the income statement have been kept with other incremental industry disclosure requirements, see paragraphs 932-235-50-21 through 50-28. [Content moved from paragraph 932-225-50-1]
<u>932-220-55-1</u>	<u>Extractive Activities—Oil and Gas</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Implementation Guidance and Illustrations</u> An illustration of the results of operations can be found in Example 4 (see paragraph 932-235-55-5). [Content moved from paragraph 932-225-55-1]
<u>942-220-S25-1</u>	<u>Financial Services—Depository and Lending</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Recognition</u> >Tax Equivalent Adjustment in Financial Statements of Bank Holding Companies See paragraph 942-225-S99-2 942-220-S99-2, SAB Topic 11.G, Question 1, for SEC Staff views on including tax equivalent adjustments in the income statement and footnotes. [Content amended as shown and moved from paragraph 942-225-S25-1]
<u>942-220-S45-1</u>	<u>Financial Services—Depository and Lending</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Other Presentation Matters</u>

	>Items Required to Be Presented on the Income Statement or Related Financial Statement Footnotes See paragraph 942-225-S99-1 942-220-S99-1, Regulation S-X Rule 9-04, for rules on items required to be presented on the income statement or related financial statement footnotes. [Content amended as shown and moved from paragraph 942-225-S45-1]
<u>942-220-S45-2</u>	>Tax Equivalent Adjustment in Financial Statements of Bank Holding Companies See paragraph 942-225-S99-2 942-220-S99-2, SAB Topic 11.G, Question 2, for SEC Staff views on presentation of tax equivalent adjustments in the income statement. [Content amended as shown and moved from paragraph 942-225-S45-2]
<u>942-220-S50-1</u>	<u>Financial Services—Depository and Lending</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Disclosure</u> >Items Required to Be Disclosed in the Financial Statement Footnotes See paragraph 942-225-S99-1 942-220-S99-1, Regulation S-X Rule 9-04, for rules on items required to be disclosed in the financial statement footnotes. [Content amended as shown and moved from paragraph 942-225-S50-1]
<u>942-220-S50-2</u>	>Tax Equivalent Adjustments in Financial Statements of Bank Holding Companies See paragraph 942-225-S99-2 942-220-S99-2, SAB Topic 11.G, Question 1, for SEC Staff views on disclosures related to tax equivalent adjustments. [Content amended as shown and moved from paragraph 942-225-S50-2]
<u>942-220-S99-1</u>	<u>Financial Services—Depository and Lending</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>SEC Materials</u> >SEC Rules, Regulations, and Interpretations >>Regulation S-X >>>Regulation S-X Rule 9-04, Income Statements The following is the text of Regulation S-X Rule 9-04, Income Statements (<u>17 CFR 210.9-04</u>). The purpose of this rule is to indicate the various items which, if applicable, should appear on the face of the income statement or in the notes thereto. 1. Interest and fees on loans. Include commitment and origination fees, late charges and current amortization of premium and accretion of discount on loans which are related to or are an adjustment of the loan interest rate. 2. Interest and dividends on investment securities. Disclosure separately (1) taxable interest income, (2) nontaxable interest income, and (3) dividends. 3. Trading account interest. 4. Other interest income. 5. Total interest income (total of lines 1 through 4). 6. Interest on deposits. 7. Interest on short-term borrowings. 8. Interest on long-term debt. 9. Total interest expense (total of lines 6 through 8). 10. Net interest income (line 5 minus line 9). 11. Provision for loan losses. 12. Net interest income after provision for loan losses. 13. Other income. Disclose separately any of the following amounts, or any other item of other income, which exceed one percent of the aggregate of total interest income and other income. The remaining amounts may be shown as one amount, except for investment securities gains or losses which shall be shown separately regardless of size. (a) Commissions and fees and fiduciary activities. (b) Commissions, broker's fees and markups on securities underwriting and other securities activities. (c) Insurance commissions, fees and premiums. (d) Fees for other customer services. (e) Profit or loss on transactions in securities in dealer trading account. (f) Equity in earnings of unconsolidated subsidiaries and 50 percent or less owned persons.

	(g) Gains or losses on disposition of equity in securities of subsidiaries or 50 percent or less owned persons. (h) Investment securities gains or losses. The method followed in determining the cost of investments sold (e. g., "average cost," "first-in, first-out," or "identified certificate) and related income taxes shall be disclosed. 14. Other expenses. Disclose separately any of the following amounts, or any other item of other expense, which exceed one percent of the aggregate of total interest income and other income. The remaining amounts may be shown as one amount. (a) Salaries and employee benefits. (b) Net occupancy expense of premises. (c) Goodwill amortization. (d) Net cost of operation of other real estate (including provisions for real estate losses, rental income and gains and losses on sales of real estate). 15. Income or loss before income tax expense. 16. Income tax expense. The information required by § 210.4–08(h) should be disclosed. 17. Income or loss before extraordinary items and cumulative effects of changes in accounting principles. 18. Extraordinary items, less applicable tax. 19. Cumulative effects of changes in accounting principles. 20. Net income or loss. 21. Net income attributable to the noncontrolling interest. 22. Net income attributable to the controlling interest. 23. Earnings per share data. [48 FR 11107, Mar. 16, 1983, as amended at 50 FR 25215, June 18, 1985; 74 FR 18616, Apr. 23, 2009] [Content amended as shown and moved from 942-225-S99-1]
<u>942-220-S99-2</u>	>SEC Staff Guidance >>Staff Accounting Bulletins >>>SAB Topic 11.G, Tax Equivalent Adjustments in Financial Statements of Bank Holding Companies The following the text of SAB Topic 11.G, Tax Equivalent Adjustments in Financial Statements of Bank Holding Companies. Facts: Bank subsidiaries of bank holding companies frequently hold substantial amounts of state and municipal bonds, interest income from which is exempt from Federal income taxes. Because of the tax exemption the stated yield on these securities is lower than the yield on securities with similar risk and maturity characteristics whose interest is subject to Federal tax. In order to make the interest income and resultant yields on tax exempt obligations comparable to those on taxable investments and loans, a "tax equivalent adjustment" is often added to interest income when presented in analytical tables or charts. When the data presented also includes income taxes, a corresponding amount is added to income tax expense so that there is no effect on net income. Adjustment may also be made for the tax equivalent effect of exemption from state and local taxes. Question 1: Is the concept of the tax equivalent adjustment appropriate for inclusion in financial statements and related notes? Interpretive Response: No. The tax equivalent adjustment represents a credit to interest income which is not actually earned and realized and a corresponding charge to taxes (or other expense) which will never be paid. Consequently, it should not be reflected on the income statement or in notes to financial statements included in reports to shareholders or in a report or registration statement filed with the Commission. Question 2: May amounts representing tax equivalent adjustments be included in the body of a statement of income provided they are designated as not being included in the totals and balances on the statement? Interpretive Response: No. The tabular format of a statement develops information in an orderly manner which becomes confusing when additional numbers not an integral part of the statement are inserted into it. [Content moved from paragraph 942-225-S99-2]
<u>944-220-S45-1</u>	<u>944-220-S45 Financial Services—Insurance</u>

	<u>Income Statement—Reporting Comprehensive Income</u> <u>Other Presentation Matters</u> >Presentation and Classification See paragraph 944-225-S99-1 944-220-S99-1, Regulation S-X Rule 7-04, for the required income statement presentation for insurance entities. [Content amended as shown and moved from paragraph 944-225-S45-1]
<u>944-220-S50-1</u>	<u>944-220-S50 Financial Services—Insurance</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Disclosure</u> >Investment Income See paragraph 944-225-S99-1 944-220-S99-1, Regulation S-X Rule 7-04.2, for required disclosures pertaining to investment income. [Content amended as shown and moved from paragraph 944-225-S50-1]
<u>944-220-S50-2</u>	>Realized Investment Gains and Losses See paragraph 944-225-S99-1 944-220-S99-1, Regulation S-X Rule 7-04.3, for required disclosures pertaining to realized investment gains and losses. [Content amended as shown and moved from paragraph 944-225-S50-2]
<u>944-220-S50-3</u>	>Other Income See paragraph 944-225-S99-1 944-220-S99-1, Regulation S-X Rule 7-04.4, for required disclosures pertaining to other income. [Content amended as shown and moved from paragraph 944-225-S50-3]
<u>944-220-S50-4</u>	>Underwriting, Acquisition, and Insurance Expenses See paragraph 944-225-S99-1 944-220-S99-1, Regulation S-X Rule 7-04.7, for required disclosures pertaining to underwriting, acquisition, and insurance expenses. [Content amended as shown and moved from paragraph 944-225-S50-4]
<u>944-220-S50-5</u>	>Equity in Earnings of Unconsolidated Subsidiaries See paragraph 944-225-S99-1 944-220-S99-1, Regulation S-X Rule 7-04.11, for required disclosures pertaining to equity in earnings of unconsolidated subsidiaries. [Content amended as shown and moved from paragraph 944-225-S50-5]
<u>944-220-S99-1</u>	<u>944-220-S99 Financial Services—Insurance</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>SEC Materials</u> >SEC Rules, Regulations, and Interpretations >>Regulation S-X >>>Regulation S-X Rule 7-04, Income Statements The following is the text of Regulation S-X Rule 7-04, Income Statements (17 CFR 210.7-04). The purpose of this rule is to indicate the various items which, if applicable, should appear on the face of the income statements and in the notes thereto filed for persons to whom this article pertains. (See § 210.4–01(a).) REVENUES 1. Premiums. Include premiums from reinsurance assumed and deduct premiums on reinsurance ceded. Where applicable, the amounts included in this caption should represent premiums earned. 2. Net investment income. State in a note to the financial statements, in tabular form, the amounts of (a) investment income from each category of investments listed in the subcaptions of §210.7–03.1 that exceeds five percent of total investment income, (b) total investment income, (c) applicable expenses, and (d) net investment income. 3. Realized investment gains and losses. Disclose the following amounts: (a) Net realized investment gains and losses, which shall be shown separately regardless of size. (b) Indicate in a footnote the registrant's policy with respect to whether investment income and realized gains and losses allocable to policyholders and separate accounts are included in the investment income and realized gain and loss amounts reported in the income statement. If the income statement includes investment income and realized gains and losses allocable to policyholders and separate accounts, indicate the amounts of such allocable investment income and realized gains and losses and

	the manner in which the insurance enterprise's obligation with respect to allocation of such investment income and realized gains and losses is otherwise accounted for in the financial statements. (c) The method followed in determining the cost of investments sold (e. g., "average cost," "first-in, first-out," or "identified certificate") shall be disclosed. (d) For each period for which an income statement is filed, include in a note an analysis of realized and unrealized investment gains and losses on fixed maturities and equity securities. For each period, state separately for fixed maturities [see § 210.7–03.1(a)] and for equity securities [see § 210.7–03.1(b)] the following amounts: (1) Realized investment gains and losses, and (2) The change during the period in the difference between value and cost. The change in the difference between value and cost shall be given for both categories of investments even though they may be shown on the related balance sheet on a basis other than value. 4. Other income. Include all revenues not included in captions 1 and 2 above. State separately in the statement any amounts in excess of five percent of total revenue, and disclose the nature of the transactions from which the items arose. BENEFITS, LOSSES AND EXPENSES 5. Benefits, claims, losses and settlement expenses. 6. Policyholders' share of earnings on participating policies, dividends and similar items. (See § 210.7–03.14(b).) 7. Underwriting, acquisition and insurance expenses. State separately in the income statement or in a note thereto (a) the amount included in this caption representing deferred policy acquisition costs amortized to income during the period, and (b) the amount of other operating expenses. State separately in the income statement any material amount included in all other operating expenses. 8. Income or loss before income tax expense and appropriate items below. 9. Income tax expense. Include under this caption only taxes based on income. (See § 210.4–08(g).) 10. Equity in earnings of unconsolidated subsidiaries and 50% or less owned persons. State, parenthetically or in a note, the amount of dividends received from such persons. If justified by the circumstances, this item may be presented in a different position and a different manner. (See § 210.4–01(a).) 11. Income or loss from continuing operations. 12. Discontinued operations. 13. Income or loss before extraordinary items and cumulative effects of changes in accounting principles. 14. Extraordinary items, less applicable tax. 15. Cumulative effects of changes in accounting principles. 16. Net income or loss. 17. Net income attributable to the noncontrolling interest. 18. Net income attributable to the controlling interest. 19. Earnings per share data. [46 FR 54335, Nov. 2, 1981, as amended at 57 FR 45293, Oct. 1, 1992; 74 FR 18615, Apr. 23, 2009] [Content moved from paragraph 944-225-S99-1]
944-360-40-3	Realized gains and losses on the sale of assets other than investments, such as real estate used in the business, shall be reported in accordance with Subtopic 225-20 <u>220-20</u> .
<u>946-220-05-1</u>	<u>946-220-05 Financial Services—Investment Companies</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Overview and Background</u> This Subtopic addresses income statements, or statements of operations, for investment companies. [Content moved from paragraph 946-225-05-1]
<u>946-220-15-1</u>	<u>946-220-15 Financial Services—Investment Companies</u> <u>Income Statement—Reporting Comprehensive Income</u>

	<u>Scope and Scope Exceptions</u> >Overall Guidance This Subtopic follows the same Scope and Scope Exceptions as outlined in the Overall Subtopic, see Section 946-10-15. [Content moved from paragraph 946-225-15-1]
<u>946-220-45-1</u>	<u>946-220-45 Financial Services—Investment Companies</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Other Presentation Matters</u> >Statement of Operations The objective of the statement of operations is to present the increase or decrease in net assets resulting from all of the company's investment activities, by reporting investment income from dividends, interest, and other income less expenses, the amounts of realized gains or losses from investment and foreign currency transactions, and changes in unrealized appreciation or depreciation of investments and foreign-currency-denominated assets and liabilities for the period. That format helps the user understand the contribution of each aspect of investment activity to the company's overall operations. [Content moved from paragraph 946-225-45-1]
<u>946-220-45-2</u>	This following provides guidance on presentation of all of the following captioned items in an investment company's statement of operations: - Expenses - Taxes - Net investment income - Gain or loss from investments and foreign currency transactions - Net increase or decrease in net assets from operations. [Content moved from paragraph 946-225-45-2]
<u>946-220-45-3</u>	>>Expenses All of the following expenses are commonly reported separately: - Investment advisory (management) fees (or compensation) - Administration fees payable to an affiliate (if accrued under a separate agreement) - Shareholder service costs, including fees and expenses for the transfer agent and dividend disbursing agent - Distribution (12b-1) expenses - Custodian fees - Cost of reports to shareholders - Federal and state income taxes (these expenses shall be shown separately after the income category to which they apply, such as investment income and realized or unrealized gains) - Other taxes (foreign withholding taxes shall be deducted from the relevant income item and disclosed parenthetically or shown as a separate contra item in the income section) - Interest (including interest on debt, bank borrowings, and reverse repurchase agreements) - Dividends on securities sold short - Professional fees - Directors' or trustees' fees - Registration fees and expenses. [Content moved from paragraph 946-225-45-3]
<u>946-220-45-4</u>	>>Taxes Income tax expense shall be presented by investment companies under the separate income categories (such as investment income or realized and unrealized gains) to which it applies. Taxes in certain foreign jurisdictions may be based on the net investment income and realized gains of the fund within that jurisdiction; the guidance in Topic 740 is applicable to such taxes. [Content moved from paragraph 946-225-45-4]
<u>946-220-45-5</u>	>>Net Investment Income The excess of investment income over total expenses shall be shown as net investment income (or loss). [Content moved from paragraph 946-225-45-5]
<u>946-220-45-6</u>	>>Gain or Loss from Investments and Foreign Currency Transactions The following amounts related to gain or loss from investments and foreign currency transactions shall be disclosed: Net realized gain or loss from investments and foreign currency transactions.

	1. Investments. Net realized gains or losses resulting from sales or other disposals of investments shall be reported net of brokerage commissions. The net realized gains or losses from investments and net realized gains or losses from foreign currency transactions may be reported separately or may be combined. 2. Foreign currency transactions. Net gains or losses from assets or liabilities denominated in foreign currencies during the period shall be reported separately. If separate reporting of foreign currency effects on realized gains or losses from investments is elected, those effects shall be included in this caption. b. Net increase (decrease) in unrealized appreciation or depreciation on investments and translation of assets and liabilities in foreign currencies, which comprises both of the following: 1. Investments. Changes in net unrealized appreciation or depreciation during the period shall be reported in the statement of operations. The major components of unrealized appreciation or depreciation shall be disclosed in a manner that is consistent with the guidance provided in (a). Either combining the net unrealized gains or losses from investments with net unrealized gains or losses from foreign currency transactions or reporting them separately is permissible. Any provision for deferred taxes shall be reported separately. 2. Translation of assets and liabilities in foreign currencies. The net change during the period from translating assets and liabilities denominated in foreign currencies shall be reported under the caption "Net Increase (Decrease) in Unrealized Appreciation or Depreciation on Translation of Assets and Liabilities in Foreign Currencies." c. Net realized and unrealized gain or loss from investments and foreign currency. The sum of the net realized gain or loss and change in unrealized gain or loss on investments and foreign-currency-denominated assets and liabilities shall be presented in the statement of operations as a net gain or loss on investments and foreign currency. [Content moved from paragraph 946-225-45-6]
<u>946-220-45-7</u>	>Net Increase or Decrease in Net Assets from Operations The sum of net investment income or loss and net realized and unrealized gain or loss on investments and foreign currency shall be shown as a net increase or decrease in net assets resulting from operations. [Content moved from paragraph 946-225-45-7]
<u>946-220-45-8</u>	>Complex Capital Structures Management investment companies that have multiple classes of shares or master-feeder structures shall apply the following guidance when preparing a statement of operations. [Content moved from paragraph 946-225-45-8]
<u>946-220-45-9</u>	>>Multiple-Class Funds Class-specific expenses shall be reported for each class (or disclosed in the notes to financial statements). Reporting the amount of fund-level expenses allocated to each class is not required but disclosure of fund-level expenses by class in the statement of operations or in notes to financial statements is permitted. [Content moved from paragraph 946-225-45-9]
<u>946-220-45-10</u>	>>Master-Feeder Funds >>>Master Funds For master funds, the standard reporting format for investment companies with simple capital structures shall be used. [Content moved from paragraph 946-225-45-10]
<u>946-220-45-11</u>	>>>Feeder Funds The statement of operations shall report details of the feeder fund's allocated share of net investment income from the master fund (that is, disclose allocated interest, dividends, and expenses separately). [Content moved from paragraph 946-225-45-11]
<u>946-220-45-12</u>	The statement also shall report separately the feeder's allocated share of the master fund's realized and unrealized gains and losses. The total of all feeders' income, expense, and realized and unrealized gain or loss components shall agree to the corresponding totals of the master fund. Feeder funds shall disclose their fund-specific expenses, such as transfer agent, distribution, legal and audit expenses, and registration and directors' fees. Additionally, any fee waivers or reimbursements at the feeder-fund level shall be reported. [Content moved from paragraph 946-225-45-12]
<u>946-220-45-13</u>	>>Fund of Funds Income reflected on the statement of operations shall represent the net earnings received from investee funds. For example, if the investee funds are all registered

	investment companies the income would represent the dividends received from such investee funds. [Content moved from paragraph 946-225-45-13]
<u>946-220-45-14</u>	The investor fund shall not reflect any operating expenses if the investee funds have agreed to assume certain of the investor fund expenses. To the extent the investor fund has such agreements, they shall be disclosed in the notes. [Content moved from paragraph 946-225-45-14]
<u>946-220-45-15</u>	When investing in registered investment companies, distributions received from long-term capital gains shall be reported as realized gains together with gains realized on disposition of shares of investee entities. [Content moved from paragraph 946-225-45-15]
<u>946-220-45-16</u>	Expenses are those incurred only at the reporting fund level. Expenses of the investee funds are embedded in the net earnings from such funds. [Content moved from paragraph 946-225-45-16]
<u>946-220-45-17</u>	>Investment Partnerships Investment partnerships shall present their statements of operations in conformity with the requirements for statements of operations of management investment companies provided beginning in paragraph 946-225-45-8 946-220-45-8 . [Content amended as shown and moved from paragraph 946-220-45-17]
<u>946-220-50-1</u>	<u>946-220-50 Financial Services—Investment Companies</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Disclosure</u> >Net Investment Income Any income tax provision relating to net investment income shall be disclosed separately. [Content moved from paragraph 946-225-50-1]
<u>946-220-50-2</u>	>Net Realized Gain or Loss from Investments The statement of operations shall disclose net realized gains or losses. Gains or losses arising from in-kind redemptions shall be disclosed. Notes to financial statements shall state an entity's practice of either including or excluding that portion of realized and unrealized gains and losses from investments that result from foreign currency changes with or from other foreign currency gains and losses. [Content moved from 946-225-50-2]
<u>946-220-S45-1</u>	<u>946-220-S45 Financial Services—Investment Companies</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Other Presentation Matters</u> >Statements of Operations Format See paragraph 946-225-S99-1 946-220-S99-1, Regulation S-X Rule 6-07, for the required income statement presentation for registered investment companies. [Content amended as shown and moved from paragraph 946-225-S45-1]
<u>946-220-S45-2</u>	>Format for Statements of Operations of Issuers of Face-Amount Certificates See paragraph 946-225-S99-2 946-220-S99-2, Regulation S-X Rule 6-08, for the required income statement presentation for issuers of face-amount certificates. [Content amended as shown and moved from paragraph 946-225-S45-2]
<u>946-220-S45-3</u>	>Statements of Changes in Net Assets Format See paragraph 946-225-S99-3 946-220-S99-3, Regulation S-X Rule 6-09, for the required statement of changes in net assets format. [Content amended as shown and moved from paragraph 946-225-S45-3]
<u>946-220-S50-1</u>	<u>946-220-S50 Financial Services—Investment Companies</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Disclosure</u> >Expenses See paragraph 946-225-S99-1 946-220-S99-1, Regulation S-X Rule 6-07.2, for the required disclosures pertaining to expenses. [Content amended as shown and moved from paragraph 946-225-S50-1]
<u>946-220-S50-2</u>	>>Issuers of Face-Amount Certificates See paragraph 946-225-S99-2 946-220-S99-2, Regulation S-X Rule 6-08.2, for the required disclosures pertaining to expenses of issuers of face-amount certificates. [Content amended and moved from paragraph 946-225-S50-2]
<u>946-220-S50-3</u>	>Realized and Unrealized Gains (Losses) on Investments—Net

	See paragraph 946-225-S99-1 946-220-S99-1, Regulation S-X Rule 6-07.7(c), for the required disclosures pertaining to realized and unrealized gains (losses) on investments—net. [Content amended as shown and moved from paragraph 946-225-S50-3]
946-220-S99-1	<u>946-220-S99 Financial Services—Investment Companies</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>SEC Materials</u> >SEC Rules, Regulations, and Interpretations >>Regulation S-X >>>Regulation S-X Rule 6-07, Statements of Operations The following is the text of Regulation S-X Rule 6-07, Statements of Operations (<u>17 CFR 210.6-07</u>). Statements of operations filed by registered investment companies, other than issuers of face-amount certificates subject to the special provisions of § 210.6–08 and business development companies of this part, shall comply with the following provisions: STATEMENTS OF OPERATIONS 1. Investment income. State separately income from: (a) Dividends dividends; (b) interest on securities; and (c) other income. <u>Any other category of income which exceeds five percent of the total shown under this caption (e.g. income from non-cash dividends, income from payment-in-kind interest) shall be stated separately.</u> If income from investments in or indebtedness of affiliates is included hereunder, such income shall be segregated under an appropriate caption subdivided to show separately income from: (1) Controlled companies; and (2) other affiliates. If income from non-cash dividends or payment-in-kind interest are included in income, the bases of recognition and measurement used in respect to such amounts shall be disclosed. Any other category of income which exceeds five percent of the total shown under this caption shall be stated separately. 2. Expenses. (a) State separately the total amount of investment advisory, management and service fees, and expenses in connection with research, selection, supervision, and custody of investments. Amounts of expenses incurred from transactions with affiliated persons shall be disclosed together with the identity of and related amount applicable to each such person accounting for five percent or more of the total expenses shown under this caption together with a description of the nature of the affiliation. Expenses incurred within the person's own organization in connection with research, selection and supervision of investments shall be stated separately. Reductions or reimbursements of management or service fees shall be shown as a negative amount or as a reduction of total expenses shown under this caption. (b) State separately any other expense item the amount of which exceeds <u>exceeds</u> five percent of the total expenses shown under this caption. (c) A note to the financial statements shall include information concerning management and service fees, the rate of fee, and the base and method of computation. State separately the amount and a description of any fee reductions or reimbursements representing: (1) Expense limitation agreements or commitments; and (2) offsets received from broker-dealers showing separately for each amount received or due from (i) unaffiliated persons; and (ii) affiliated persons. If no management or service fees were incurred for a period, state the reason therefor. (d) If any expenses were paid otherwise than in cash, state the details in a note. (e) State in a note to the financial statements the amount of brokerage commissions (including dealer markups) paid to affiliated broker-dealers in connection with purchase and sale of investment securities. Open-end

	management companies shall state in a note the net amounts of sales charges deducted from the proceeds of sale of capital shares which were retained by any affiliated principal underwriter or other affiliated broker-dealerbrokerdealer. (f) State separately all amounts paid in accordance with a plan adopted under 17 CFR 270.12b-1 of this chapterrule 12b-1 of the Investment Company Act of 1940 [17 CFR 270.12b-1]. Reimbursement to the fund of expenses incurred under such plan (12b-1 expense reimbursement) shall be shown as a negative amount and deducted from current 12b-1 expenses. If 12b-1 expense reimbursements exceed current 12b-1 costs, such excess shall be shown as a negative amount used in the calculation of total expenses under this caption. (g)(1) Brokerage/Service Arrangements. If a broker-dealer or an affiliate of the broker-dealerbrokerdealer has, in connection with directing the person's brokerage transactions to the broker-dealer, provided, agreed to provide, paid for, or agreed to pay for, in whole or in part, services provided to the person (other than brokerage and research services as those terms are used in section 28(e) of the Securities Exchange Act of 1934 [15 U.S.C. 78bb(e)]), include in the expense items set forth under this caption the amount that would have been incurred by the person for the services had it paid for the services directly in an arms-length transaction. (2) Expense Offset Arrangements. If the person has entered into an agreement with any other person pursuant to which such other person reduces, or pays a third party which reduces, by a specified or reasonably ascertainable amount, its fees for services provided to the person in exchange for use of the person's assets, include in the expense items set forth under this caption the amount of fees that would have been incurred by the person if the person had not entered into the agreement. (3) Financial Statement Presentation. Show the total amount by which expenses are increased pursuant to paragraphs (1) and (2) of this paragraph (2)(g)2-(g) as a corresponding reduction in total expenses under this caption. In a note to the financial statements, state separately the total amounts by which expenses are increased pursuant to paragraphs (1) and (2) of this paragraph (2)(g)2-(g), and list each category of expense that is increased by an amount equal to at least 5 percent of total expenses. If applicable, the note should state that the person could have employed the assets used by another person to produce income if it had not entered into an arrangement described in paragraph (2)(g)(2)2-(g)(2) of this section. 3. Interest and amortization of debt discount and expense. Provide in the body of the statements or in the footnotes, the average dollar amount of borrowings and the average interest rate. 4. Investment income before income tax expense. 5. Income tax expense. Include under this caption only taxes based on income. 6. Investment income-net. 7. Realized and unrealized gain (loss) on investments-net. (a) State separately the net realized gain or loss on transactions from: (1) <u>Transactions in investment</u>Investment securities of unaffiliated issuers, (2) <u>transactions in investment securities of affiliated issuers, and</u> (3) <u>expiration or closing of option contracts written,</u>investments other than securities (4) <u>closed short positions in securities,</u> (5) <u>expiration or closing of futures contracts,</u> (6) <u>settlement of forward foreign currency contracts,</u> (7) <u>expiration or closing of swap contracts, and</u> (8) <u>transactions in other investments held during the period.</u> (b) Distributions of realized gains by other investment companies shall be shown separately under this caption.
--	--

	(c) State separately <u>the amount of the net increase or decrease during the period in the unrealized appreciation or depreciation in the value of:</u> (1) <u>Investment securities of unaffiliated issuers,</u> (2) <u>investment securities of affiliated issuers,</u> (3) <u>option contracts written,</u> (4) <u>short positions in securities,</u> (5) <u>futures contracts,</u> (6) <u>forward foreign currency contracts,</u> (7) <u>swap contracts, and</u> (8) <u>other investments held at the end of the period.</u> <u>The gain or loss from expiration or closing of option contracts written,</u> (2) <u>the gain or loss on closed short positions in securities, and</u> (3) <u>other realized gain or loss.</u> <u>Disclose in a note to the financial statements the number and associated dollar amounts as to option contracts written:</u> (i) <u>At the beginning of the period;</u> (ii) <u>during the period;</u> (iii) <u>expired during the period;</u> (iv) <u>closed during the period;</u> (v) <u>exercised during the period;</u> (vi) <u>balance at end of the period.</u> (d) State separately the amount of the net increase or decrease during the period in the unrealized appreciation or depreciation in the value of investment securities and other investments held at the end of the period. (e) State separately any: (1) Federal income taxes and (2) other income taxes applicable to realized and unrealized gain (loss) on investments, distinguishing taxes payable currently from deferred income taxes. 8. Net gain (loss) on investments. 9. Net increase (decrease) in net assets resulting from operations. [81 FR 82012, Nov. 18, 2016; 47 FR 56838, Dec. 21, 1982, as amended at 52 FR 23172, June 18, 1987; 59 FR 65636, Dec. 20, 1994; 60 FR 38923, July 28, 1995] [Content amended as shown and moved from paragraph 946-225-S99-1]
946-220-S99-2	>>>Regulation S-X Rule 6-08, Special Provisions Applicable to the Statements of Operations of Issuers of Face-Amount Certificates The following is the text of Regulation S-X Rule 6-08, Special Provisions Applicable to the Statements of Operations of Issuers of Face-Amount Certificates (<u>17 CFR 210.6-08</u>). Statements of operations filed by issuers of face-amount certificates shall comply with the following provisions: STATEMENTS OF OPERATIONS 1. Investment income. State separately income from: (a) Interest on mortgages; (b) interest on securities; (c) dividends; (d) rental income; and (e) other investment income. If income from investments in or indebtedness of affiliates is included hereunder, such income shall be segregated under an appropriate caption subdivided to show separately income from: (1) Controlled companies; and (2) other affiliates. If non-cash dividends are included in income, the bases of recognition and measurement used in respect to such amounts shall be disclosed. Any other category of income which exceeds five percent of the total shown under this caption shall be stated separately. 2. Investment expenses. (a) State separately the total amount of investment advisory, management and service fees, and expenses in connection with research, selection, supervision, and custody of investments. Amounts of expenses incurred from transactions with affiliated persons shall be disclosed together with the identity of and related amount applicable to each such person accounting for five percent or more of the total expenses shown under this caption together with a description of the nature of the affiliation. Expenses

	incurred within the person's own organization in connection with research, selection and supervision of investments shall be stated separately. Reductions or reimbursements of management or service fees shall be shown as a negative amount or as a reduction of total expenses shown under this caption. (b) State separately any other expense item the amount of which exceeds five percent of the total expenses shown under this caption. (c) A note to the financial statements shall include information concerning management and service fees, the rate of fee, and the base and method of computation. State separately the amount and a description of any fee reductions or reimbursements representing: (1) Expense limitation agreements or commitments; and (2) offsets received from broker-dealers showing separately for each amount received or due from: (i) Unaffiliated persons; and (ii) affiliated persons. If no management or service fees were incurred for a period, state the reason therefor. (d) If any expenses were paid otherwise than in cash, state the details in a note. (e) State in a note to the financial statements the amount of brokerage commissions (including dealer markups) paid to affiliated broker-dealers in connection with purchase and sale of investment securities. 3. Interest and amortization of debt discount and expense. 4. Provision for certificate reserves. State separately any provision for additional credits, or dividends, or interests, in addition to the minimum maturity or face amount specified in the certificates. State also in an appropriate manner reserve recoveries from surrenders or other causes. 5. Investment income before income tax expense. 6. Income tax expense. Include under this caption only taxes based on income. 7. Investment income-net. 8. Realized gain (loss) on investments-net. (a) State separately the net realized gain or loss on transactions in: (1) Investment securities of unaffiliated issuers, (2) investment securities of affiliated issuers, and (3) other investments. (b) Distributions of capital gains by other investment companies shall be shown separately under this caption. (c) State separately any: (1) Federal income taxes and (2) other income taxes applicable to realized gain (loss) on investments, distinguishing taxes payable currently from deferred income taxes. 9. Net income or loss. [Content amended as shown moved from paragraph 946-225-S99-2]
<u>946-220-S99-3</u>	>>>Regulation S-X Rule 6-09, Statements of Changes in Net Assets The following is the text of Regulation S-X Rule 6-09, Statements of Changes in Net Assets (17 CFR 210.6-09). Statements of changes in net assets filed for persons to whom this article is applicable shall comply with the following provisions: STATEMENTS OF CHANGES IN NET ASSETS 1. Operations. State separately: (a) Investment income-net as shown by § 210.6-07.6;SX 210.6-09.1 (b) realized gain (loss) on investments-net of any Federal or other income taxes applicable to such amounts; (c) increase (decrease) in unrealized appreciation or depreciation-net of any Federal or other income taxes applicable to such amounts; and (d) net increase (decrease) in net assets resulting from operations as shown by § 210.6-07.9. 2. Net equalization charges and credits. State the net amount of accrued undivided earnings separately identified in the price of capital shares issued and repurchased. 3. Distributions to shareholders. State separately distributions to shareholders from: (a) Investment income-net; (b) realized gain from investment transactions-net; and (c) other sources. 4. Capital share transactions.

	(a) State the increase or decrease in net assets derived from the net change in the number of outstanding shares or units. (b) Disclose in the body of the statements or in the notes, for each class of the person's shares, the number and value of shares issued in reinvestment of dividends as well as the number of dollar amounts received for shares sold and paid for shares redeemed. 5. Total increase (decrease). 6. Net assets at the beginning of the period. 7. Net assets at the end of the period. Disclose parenthetically the balance of undistributed net investment income included in net assets at the end of the period. [Content amended as shown and moved from paragraph 946-225-S99-3]
<u>954-220-05-1</u>	<u>954-220-05 Health Care Entities</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Overview and Background</u> This Subtopic provides guidance on the presentation of a statement of operations and a statement of changes in net assets by not-for-profit, business-oriented health care entities. [Content moved from paragraph 954-225-05-1]
<u>954-220-15-1</u>	<u>954-220-15 Health Care Entities</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Scope and Scope Exceptions</u> >Overall Guidance This Subtopic follows the same Scope and Scope Exceptions as outlined in the Overall Subtopic (see Section 954-10-15), with specific entity qualifications noted below. [Content moved from paragraph 954-225-15-1]
<u>954-220-15-2</u>	>Entities The guidance in this Subtopic applies only to not-for-profit, business-oriented health care entities. [Content moved from paragraph 954-225-15-2]
<u>954-220-45-1</u>	<u>954-220-45 Health Care Entities</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Other Presentation Matters</u> >Statement of Activities For not-for-profit, business-oriented health care entities, the statement of operations may be combined with the statement of changes in equity (net assets). [Content moved from paragraph 954-225-45-1]
<u>954-220-45-2</u>	>Equity Transfers Equity transfers are reported separately as changes in net assets, are excluded from the performance indicator, and do not result in any step-up in basis of the underlying assets transferred. Paragraph 958-720-30-3 provides guidance on services received from personnel of an affiliate that directly benefits the recipient not-for-profit, business-oriented health care entity and for which the affiliate does not charge the recipient entity. Paragraph 954-225-55-1 954-220-55-1 describes the difference between an equity transfer and an equity transaction. [Content amended as shown and moved from paragraph 954-225-45-2]
<u>954-220-45-2</u> Pending	<u>Transition Date: (P) December 16, 2017; (N) December 16, 2017</u> <u>Guidance: 958-10-65-1</u> Equity transfers are reported separately as changes in net assets, are excluded from the performance indicator, and do not result in any step-up in basis of the underlying assets transferred. Paragraph 958-720-30-3 provides guidance on services received from personnel of an affiliate that directly benefits the recipient not-for-profit, business-oriented health care entity and for which the affiliate does not charge the recipient entity. Paragraph 958-20-55-2B describes the difference between an equity transfer and an equity transaction. [Content moved from paragraph 954-225-45-2]
<u>954-220-45-3</u>	The increase in net assets associated with services received from personnel of an affiliate that directly benefit the recipient not-for-profit, business-oriented health care entity and for which the affiliate does not charge the recipient entity shall be reported as an equity transfer, regardless of whether those services are received from personnel of a not-for-profit affiliate or any other affiliate. The corresponding decrease in net assets or the creation or enhancement of an asset resulting from the use of services received

	from personnel of an affiliate shall be reported similar to how other such expenses or assets are reported. [Content moved from paragraph 954-225-45-2A]
<u>954-220-45-4</u>	>Functional Allocations Functional classification is a method of grouping expenses according to the purpose for which costs are incurred. The primary functional classifications are program services and supporting activities. The extent of classification and subclassification of expenses depends on many factors, such as the nature and complexity of the health care entity. For example, in complying with the requirements of paragraphs 958-205-45-6, 958-720-05-4, and 958-720-45-2, some not-for-profit health care entities may present only two categories: health services (including inpatient services, outpatient procedures, home health services, and so forth) and general and administrative. Others may present additional distinctions such as physician services, research, and teaching. Functional allocations shall be based on full cost allocations. [Content moved from paragraph 954-225-45-3]
<u>954-220-45-4</u> <u>Pending</u>	Transition Date: <i>(P) December 16, 2017; (N) December 16, 2017</i>Transition Guidance: 958-10-65-1 Functional expense classification is a method of grouping expenses according to the purpose for which costs are incurred. The primary functional expense classifications are program services and supporting activities. The extent of classification and subclassification of expenses depends on many factors, such as the nature and complexity of the health care entity. For example, in complying with the requirements of paragraphs 958-205-45-6, 958-720-05-4, and 958-720-45-2, some not-for-profit health care entities may present only two categories: health services (including inpatient services, outpatient procedures, home health services, and so forth) and general and administrative. Others may present additional distinctions such as physician services, research, and teaching. Functional allocations shall be based on full cost allocations. [Content moved from paragraph 954-225-45-3]
<u>954-220-45-5</u>	>Performance Indicator and Intermediate Operating Measures The statement of operations for not-for-profit, business-oriented health care entities shall include a performance indicator. Because of the importance of the performance indicator, it shall be clearly labeled with a descriptive term such as revenues over expenses, revenues and gains over expenses and losses, earned income, or performance earnings. Not-for-profit, business-oriented health care entities shall report the performance indicator in a statement that also presents the total changes in unrestricted net assets. Other changes in net assets may be presented separately or in the same statement. [Content moved from paragraph 954-225-45-4]
<u>954-220-45-5</u> <u>Pending</u>	Transition Date: <i>(P) December 16, 2017; (N) December 16, 2017</i>Transition Guidance: 958-10-65-1 The statement of operations for not-for-profit, business-oriented health care entities shall include a performance indicator. Because of the importance of the performance indicator, it shall be clearly labeled with a descriptive term such as revenues over expenses, revenues and gains over expenses and losses, earned income, or performance earnings. Not-for-profit, business-oriented health care entities shall report the performance indicator in a statement that also presents the total changes in net assets without donor restrictions. Other changes in net assets may be presented separately or in the same statement. [Content moved from paragraph 954-225-45-4]
<u>954-220-45-5</u> <u>Pending</u>	Transition Date: <i>(P) December 16, 2017; (N) December 16, 2018</i>Transition Guidance: 606-10-65-1 The statement of operations for not-for-profit, business-oriented health care entities shall include a performance indicator. Because of the importance of the performance indicator, it shall be clearly labeled with a descriptive term such as revenues over expenses, revenues and gains over expenses and losses, recognized income, or performance earnings. Not-for-profit, business-oriented health care entities shall report the performance indicator in a statement that also presents the total changes in net assets without donor restrictions. Other changes in net assets may be presented separately or in the same statement. [Content moved from paragraph 954-225-45-4]
<u>954-220-45-6</u>	Classifying revenues, expenses, gains, and losses within classes of net assets does not preclude incorporating additional classifications within the performance indicator. For example, within a class or classes of changes in net assets, an NFP may classify items

	as operating and nonoperating, expendable and nonexpendable, earned and unearned, recurring and nonrecurring, or in other ways. [Content moved from paragraph 954-225-45-5]
<u>954-220-45-6</u> <u>Pending</u>	<u>Transition Date:</u> <i>(P) December 16, 2017; (N) December 16, 2018</i> <u>Transition Guidance:</u> <u>606-10-65-1</u> Classifying revenues, expenses, gains, and losses within classes of net assets does not preclude incorporating additional classifications within the performance indicator. For example, within a class or classes of changes in net assets, an NFP may classify items as operating and nonoperating, expendable and nonexpendable, recognized and unrecognized, recurring and nonrecurring, or in other ways. [Content moved from paragraph 954-225-45-5]
<u>954-220-45-7</u>	This guidance neither requires nor precludes reporting such intermediate measures or subtotals. [Content moved from paragraph 954-225-45-6]
<u>954-220-45-7</u> <u>Pending</u>	<u>Transition Date:</u> <i>(P) December 16, 2017; (N) December 16, 2017</i> <u>Transition Guidance:</u> <u>958-10-65-1</u> This guidance neither requires nor precludes reporting such intermediate measures or subtotals. Guidance on the use of an intermediate measure of operations is discussed in paragraphs 958-225-45-11 958-220-45-11 through 45-12. [Content amended as shown and moved from paragraph 954-225-45-6]
<u>954-220-45-8</u>	Health care entities shall report the following items separately from the performance indicator: a. Transactions with owners acting in that capacity. b. Equity transfers involving other entities that control the reporting entity, are controlled by the reporting entity, or are under common control with the reporting entity. c. Receipt of restricted contributions , including temporary restrictions, such as time or purpose, or permanent restrictions. d. Contributions of, and assets released from donor restrictions related to, long-lived assets. e. Items that are required to be reported in or reclassified from other comprehensive income in accordance with paragraph 220-10-45-10A, which includes, but is not limited to, gains or losses, prior service costs or credits, and transition assets or obligations recognized in accordance with Topic 715; foreign currency translation adjustments; and the effective portion of the gain or loss on derivative instruments designated and qualifying as cash flow hedging instruments. f. Items that are required to be reported separately under specialized not-for-profit standards. These include the effect of discontinued operations, as discussed in paragraph 958-225-55-6 958-220-55-6. g. Unrealized gains and losses on investments on other than trading securities, in accordance with paragraph 954-320-45-1(b). h. Investment returns restricted by donors or by law. i. Investment losses that decrease unrestricted net assets if those losses reduce the assets of a donor-restricted endowment fund below the required level, as described in paragraph 958-205-45-22. j. Investment gains that increase unrestricted net assets if those gains restore the fair value of the assets of a donor-restricted endowment fund to the required level, as described in paragraph 958-205-45-22. k. An inherent contribution (see paragraph 958-805-25-31) that increases temporarily restricted or permanently restricted net assets, as described in paragraph 954-805-45-2. [Content amended as shown and moved from paragraph 954-225-45-7]
<u>954-220-45-8</u> <u>Pending</u>	<u>Transition Date:</u> <i>(P) December 16, 2017; (N) December 16, 2017</i> <u>Transition Guidance:</u> <u>958-10-65-1</u> Health care entities shall report the following items separately from the performance indicator: a. Transactions with owners acting in that capacity. b. Equity transfers involving other entities that control the reporting entity, are controlled by the reporting entity, or are under common control with the reporting entity. c. Receipt of donor-restricted contributions . d. Contributions of, and assets released from donor restrictions related to, long-lived assets.

	e. Items that are required to be reported in or reclassified from other comprehensive income in accordance with paragraph 220-10-45-10A, which includes, but is not limited to, gains or losses, prior service costs or credits, and transition assets or obligations recognized in accordance with Topic 715; foreign currency translation adjustments; and the effective portion of the gain or loss on derivative instruments designated and qualifying as cash flow hedging instruments. f. Items that are required to be reported separately under specialized not-for-profit standards. g. Unrealized gains and losses on investments on other than trading securities, in accordance with paragraph 954-320-45-1(b). h. Investment returns restricted by donors or by law. i. Subparagraph superseded by Accounting Standards Update No. 2016-14. j. Subparagraph superseded by Accounting Standards Update No. 2016-14. k. An inherent contribution (see paragraph 958-805-25-31) that increases net assets with donor restrictions, as described in paragraph 954-805-45-2. [Content moved from paragraph 954-225-45-7]
<u>954-220-45-8</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2018<u>Transition Guidance: 825-10-65-2</u> Health care entities shall report the following items separately from the performance indicator: a. Transactions with owners acting in that capacity. b. Equity transfers involving other entities that control the reporting entity, are controlled by the reporting entity, or are under common control with the reporting entity. c. Receipt of donor-restricted contributions. d. Contributions of, and assets released from donor restrictions related to, long-lived assets. e. Items that are required to be reported in or reclassified from other comprehensive income in accordance with paragraph 220-10-45-10A, which includes, but is not limited to, gains or losses, prior service costs or credits, and transition assets or obligations recognized in accordance with Topic 715; foreign currency translation adjustments; and the effective portion of the gain or loss on derivative instruments designated and qualifying as cash flow hedging instruments. f. Items that are required to be reported separately under specialized not-for-profit standards. g. Unrealized gains and losses on investments on other than trading debt securities, in accordance with paragraph 954-225-45-8954-220-45-9. h. Investment returns restricted by donors or by law. i. Subparagraph superseded by Accounting Standards Update No. 2016-14. j. Subparagraph superseded by Accounting Standards Update No. 2016-14. k. An inherent contribution (see paragraph 958-805-25-31) that increases net assets with donor restrictions, as described in paragraph 954-805-45-2. l. The portion of the total change in the fair value of the liability resulting from a change in the instrument-specific credit risk, in accordance with paragraph 825-10-45-5. [Content amended as shown and moved from paragraph 954-225-45-7]
<u>954-220-45-9</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2018<u>Transition Guidance: 825-10-65-2</u> Investment return (including realized and unrealized gains and losses) not restricted by donors or by law shall be classified as changes in net assets without donor restrictions as follows: a. Included in the performance indicator are: 1. Dividend, interest, and other similar investment income 2. Realized gains and losses 3. Unrealized gains and losses on trading debt securities (trading securities are defined in Topic 320) 4. Other than temporary impairment losses. 5. Unrealized gains and losses and impairments on equity investments accounted for under Topic 321.

	b. Excluded from the performance indicator are unrealized gains and losses on debt securities, unless the debt security is a trading debt security. [Content moved from paragraph 954-225-45-8]
<u>954-220-45-9</u> <u>Pending</u>	<u>Transition Date:</u> (P) December 16, 2019; (N) December 16, 2020<u>Transition Guidance: 326-10-65-1</u> Investment return (including realized and unrealized gains and losses) not restricted by donors or by law shall be classified as changes in net assets without donor restrictions as follows: a. Included in the performance indicator are: 1. Dividend, interest, and other similar investment income 2. Realized gains and losses 3. Unrealized gains and losses on trading debt securities (trading securities are defined in Topic 320) 4. Credit loss expense (see Topic 326) 5. Unrealized gains and losses and impairments on equity investments accounted for under Topic 321. b. Excluded from the performance indicator are unrealized gains and losses on debt securities, unless the debt security is a trading debt security. [Content moved from paragraph 954-225-45-8]
<u>954-220-45-10</u>	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2018<u>Transition Guidance: 825-10-65-2</u> If gains and investment income that are limited to specific uses by donor-imposed restrictions are reported as increases in net assets without donor restrictions in accordance with paragraph 958-225-45-6958-220-45-6, classification of those gains and investment income should be consistent with the previous paragraph. [Content amended as shown and moved from paragraph 954-225-45-9]
<u>954-220-45-11</u>	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2018<u>Transition Guidance: 825-10-65-2</u> See paragraphs 958-225-45-19958-220-45-23 through 45-2045-24 for additional guidance on reporting investment gains, losses, and income. [Content amended as shown moved from paragraph 954-225-45-10]
<u>954-220-50-1</u>	<u>954-220-50 Health Care Entities</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Disclosure</u> >Performance Indicator and Intermediate Operating Measures The notes to the financial statements shall include a description of the nature and composition of the performance indicator. [Content moved from paragraph 954-225-50-1]
<u>954-220-50-2</u>	Pursuant to paragraph 958-225-50-1958-220-50-1, because terms such as operating income are used with different meanings, if an intermediate measure of operations is reported and its use is not apparent from the details provided on the face of the statement, a note to the financial statements shall describe the nature of the reported measure of operations or the items excluded from operations. [Content amended as shown and moved from paragraph 954-225-50-2]
<u>954-220-55-1</u>	<u>954-220-55 Health Care Entities</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Implementation Guidance and Illustrations</u> >Implementation Guidance >>Difference between Equity Transfers and Equity Transactions An equity transaction differs from an equity transfer in that an equity transaction, as described in paragraph 958-20-25-4, involves a financially interrelated party either as a third party in a transfer from an entity to one of its affiliates or as a counterparty in a transfer from an entity to itself. In addition, an equity transaction is reciprocal; the health care entity or its affiliate named as the beneficiary receives an ongoing economic interest in the assets held by the recipient entity. [Content moved from paragraph 954-225-55-1]

<u>954-220-55-1</u> <u>Pending</u>	<u>Transition Date: (P) December 16, 2017; (N) December 16, 2017</u> <u>Transition Guidance: 958-10-65-1</u> <u>Editor’s Note: The content of paragraph 954-225-55-1954-220-55-1 will be superseded upon transition, together with its headings.</u> >Implementation Guidance >>Difference between Equity Transfers and Equity Transactions Paragraph superseded by Accounting Standards Update No. 2016-14. [Content amended as shown and moved from paragraph 954-225-55-1]																												
<u>954-220-55-2</u> <u>Pending</u>	<u>Transition Date: (P) December 16, 2017; (N) December 16, 2018</u> <u>Transition Guidance: 825-10-65-2</u> >Illustrations >>Example 1: Other-than-Trading Debt Securities This Example illustrates the accounting treatment and financial statement presentation for other-than-trading debt securities of a not-for-profit health care entity. [Content moved from paragraph 954-225-55-2]																												
<u>954-220-55-3</u> <u>Pending</u>	<u>Transition Date: (P) December 16, 2017; (N) December 16, 2018</u> <u>Transition Guidance: 825-10-65-2</u> Other-than-trading debt securities are purchased in Year 1 at a cost of \$100. At the end of Year 1, the fair value of the securities is \$300. In Year 2, the securities are sold for \$400. [Content moved from paragraph 954-225-55-3]																												
<u>954-220-55-4</u> <u>Pending</u>	<u>Transition Date: (P) December 16, 2017; (N) December 16, 2018</u> <u>Transition Guidance: 825-10-65-2</u> The journal entries are as follows: Entry at the end of Year 1 to adjust the recorded value of the securities to fair value. <table><tr><td>Investments</td><td>\$</td><td>200</td><td></td></tr><tr><td>Change in net unrealized gains and losses on investments</td><td></td><td></td><td>\$ 200</td></tr></table> Entry at the end of Year 2 to record the sale of the securities. <table><tr><td>Cash</td><td>\$</td><td>400</td><td></td></tr><tr><td>Realized gain</td><td></td><td></td><td>\$ 300</td></tr><tr><td>Investments</td><td></td><td></td><td>100</td></tr><tr><td>Change in net unrealized gains and losses on investments</td><td></td><td>200</td><td></td></tr><tr><td>Investments</td><td></td><td></td><td>200</td></tr></table> [Content moved from paragraph 954-225-55-4]	Investments	\$	200		Change in net unrealized gains and losses on investments			\$ 200	Cash	\$	400		Realized gain			\$ 300	Investments			100	Change in net unrealized gains and losses on investments		200		Investments			200
Investments	\$	200																											
Change in net unrealized gains and losses on investments			\$ 200																										
Cash	\$	400																											
Realized gain			\$ 300																										
Investments			100																										
Change in net unrealized gains and losses on investments		200																											
Investments			200																										
<u>954-220-55-5</u> <u>Pending</u>	<u>Transition Date: (P) December 16, 2017; (N) December 16, 2018</u> <u>Transition Guidance: 825-10-65-2</u> As discussed in paragraph 954-225-45-8 954-220-45-9, unrealized gains and losses on debt securities (except for trading debt securities) are reported in the statement of operations outside of the performance indicator and realized gains and losses are reported in the statement of operations within the performance indicator. [Content amended as shown and moved from paragraph 954-225-55-5]																												
<u>954-220-55-6</u> <u>Pending</u>	<u>Transition Date: (P) December 16, 2017; (N) December 16, 2018</u> <u>Transition Guidance: 825-10-65-2</u> Two possible presentations of net investment return on the statement of operations of a not-for-profit health care entity that presents a performance indicator in accordance with the information and illustration in paragraphs 954-225-55-3 954-220-55-3 through 55-5 are as follows.																												

	Format 1: Year 1 Presentation of Net Investment Return <table> <tr> <td>Revenue</td><td>\$ X,XXX</td></tr> <tr> <td>Expenses</td><td>XXX</td></tr> <tr> <td>Excess of revenues over expenses</td><td>XXX</td></tr> <tr> <td>Investment return, net</td><td>XXX</td></tr> <tr> <td>Less:</td><td></td></tr> <tr> <td>Unrealized gains (losses) on other than trading debt securities excluded from performance indicator</td><td>(200)</td></tr> <tr> <td>Performance indicator</td><td>XXX</td></tr> <tr> <td>Add:</td><td></td></tr> <tr> <td>Unrealized gains (losses) on other than trading debt securities excluded from performance indicator</td><td>200</td></tr> <tr> <td>Change in net assets without donor restrictions</td><td>\$ XXX</td></tr> </table> Format 2: Year 1 Presentation of Net Investment Return <table> <tr> <td>Revenue</td><td>\$ X,XXX</td></tr> <tr> <td>Expenses</td><td>XXX</td></tr> <tr> <td>Excess of revenues over expenses</td><td>XXX</td></tr> <tr> <td>Investment return, net, excluding unrealized gains (losses) on debt</td><td>XXX</td></tr> <tr> <td>Performance indicator</td><td>XXX</td></tr> <tr> <td>Unrealized gains (losses) on other than trading debt securities excluded from performance indicator</td><td>200</td></tr> <tr> <td>Change in net assets without donor restrictions</td><td>\$ XXX</td></tr> </table> [Content amended as shown and moved from paragraph 954-225-55-6]	Revenue	\$ X,XXX	Expenses	XXX	Excess of revenues over expenses	XXX	Investment return, net	XXX	Less:		Unrealized gains (losses) on other than trading debt securities excluded from performance indicator	(200)	Performance indicator	XXX	Add:		Unrealized gains (losses) on other than trading debt securities excluded from performance indicator	200	Change in net assets without donor restrictions	\$ XXX	Revenue	\$ X,XXX	Expenses	XXX	Excess of revenues over expenses	XXX	Investment return, net, excluding unrealized gains (losses) on debt	XXX	Performance indicator	XXX	Unrealized gains (losses) on other than trading debt securities excluded from performance indicator	200	Change in net assets without donor restrictions	\$ XXX
Revenue	\$ X,XXX																																		
Expenses	XXX																																		
Excess of revenues over expenses	XXX																																		
Investment return, net	XXX																																		
Less:																																			
Unrealized gains (losses) on other than trading debt securities excluded from performance indicator	(200)																																		
Performance indicator	XXX																																		
Add:																																			
Unrealized gains (losses) on other than trading debt securities excluded from performance indicator	200																																		
Change in net assets without donor restrictions	\$ XXX																																		
Revenue	\$ X,XXX																																		
Expenses	XXX																																		
Excess of revenues over expenses	XXX																																		
Investment return, net, excluding unrealized gains (losses) on debt	XXX																																		
Performance indicator	XXX																																		
Unrealized gains (losses) on other than trading debt securities excluded from performance indicator	200																																		
Change in net assets without donor restrictions	\$ XXX																																		
958-220-05-1	<u>Not-for-Profit Entities</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Overview and Background</u> This Subtopic provides guidance on a statement of activities for not-for-profit entities (NFPs). A statement of activities for NFPs is the financial statement that an NFP issues instead of a business entity's income statement. [Content moved from paragraph 958-225-05-1]																																		
958-220-05-2	The primary purpose of a statement of activities is to provide relevant information about all of the following items: - The effects of transactions and other events and circumstances that change the amount and nature of net assets - The relationships of those transactions and other events and circumstances to each other																																		

	c. How the NFP's resources are used in providing various programs or services. [Content moved from paragraph 958-225-05-2]
<u>958-220-05-3</u>	The information provided in a statement of activities, used with related disclosures and information in the other financial statements, helps donors, creditors, and others to do all of the following: a. Evaluate the NFP's performance during a period b. Assess an NFP's service efforts and its ability to continue to provide services c. Assess how an NFP's managers have discharged their stewardship responsibilities and other aspects of their performance. [Content moved from paragraph 958-225-05-3]
<u>958-220-15-1</u>	<u>Not-for-Profit Entities</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Scope and Scope Exceptions</u> >Overall Guidance This Subtopic follows the same Scope and Scope Exceptions as outlined in the Overall Subtopic, see Section 958-10-15. It addresses how to report revenues, expenses, gains, and losses in financial statements; however, it does not specify when to recognize or how to measure those elements. [Content moved from paragraph 958-225-15-1]
<u>958-220-15-2</u>	>Entities The application of this Subtopic by not-for-profit, business-oriented health care entities as described in Section 954-10-05 is subject to additional guidance in Subtopic 954-225 <u>954-220</u> . [Content amended as shown and moved from paragraph 958-225-15-2]
<u>958-220-45-1</u>	<u>Not-for-Profit Entities</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Other Presentation Matters</u> >Totals and Format A statement of activities provided by a not-for-profit entity (NFP) shall focus on the entity as a whole and shall report the following amounts for the period: a. The change in net assets b. The change in permanently restricted net assets c. The change in temporarily restricted net assets d. The change in unrestricted net assets . [Content moved from paragraph 958-225-45-1]
<u>958-220-45-1</u> <u>Pending</u>	<u>Transition Date: (P) December 16, 2017; (N) December 16, 2017</u> <u>Guidance: 958-10-65-1</u> A statement of activities provided by a not-for-profit entity (NFP) shall focus on the entity as a whole and shall report the following amounts for the period: a. The change in net assets b. The change in net assets with donor restrictions c. The change in net assets without donor restrictions d. Subparagraph superseded by Accounting Standards Update No. 2016-14. [Content moved from paragraph 958-225-45-1]
<u>958-220-45-2</u>	The change in net assets shall articulate to the net assets or equity reported in the statement of financial position and it shall be referred to using a descriptive term such as change in net assets or change in equity. [Content moved from paragraph 958-225-45-2]
<u>958-220-45-3</u>	Revenues, expenses, gains, and losses increase or decrease net assets and shall be classified as provided in paragraphs 958-225-45-4 <u>958-220-45-4</u> through 45-8. Reclassifications , such as expirations of donor-imposed restrictions, shall be reported as separate items. [Content amended as shown and moved from paragraph 958-225-45-2]
<u>958-220-45-3</u> <u>Pending</u>	<u>Transition Date: (P) December 16, 2017; (N) December 16, 2017</u> <u>Guidance: 958-10-65-1</u> Revenues, expenses, gains, and losses increase or decrease net assets and shall be classified as provided in paragraphs 958-225-45-4 <u>958-220-45-4</u> through 45-12. Reclassification of net assets , such as expirations of donor-imposed

	restrictions , shall be reported as separate items. [Content amended as shown and moved from paragraph 958-225-45-3]
<u>958-220-45-4</u>	>Classification of Revenues, Expenses, Gains, and Losses Information about revenues, expenses, gains, losses, and reclassifications generally is provided by aggregating items that possess similar characteristics into reasonably homogeneous groups. [Content moved from paragraph 958-225-45-4]
<u>958-220-45-4</u> Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 Information about revenues, expenses, gains, losses, and reclassification of net assets generally is provided by aggregating items that possess similar characteristics into reasonably homogeneous groups. [Content moved from paragraph 958-225-45-4]
<u>958-220-45-5</u>	A statement of activities shall report revenues as increases in unrestricted net assets unless the use of the assets received is limited by donor-imposed restrictions. For example, fees from rendering services and income from investments generally are unrestricted; however, income from donor-restricted permanent or term endowments may be donor restricted and increase either temporarily restricted net assets or permanently restricted net assets. [Content moved from paragraph 958-225-45-5]
<u>958-220-45-5</u> Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 A statement of activities shall report revenues as increases in net assets without donor restrictions unless the use of the assets received is limited by donor-imposed restrictions. For example, fees from rendering services and income from investments generally are without donor restrictions; however, income from donor-restricted perpetual or term endowments generally would increase net assets with donor restrictions. [Content moved from paragraph 958-225-45-5]
<u>958-220-45-6</u>	Pursuant to the Contributions Received Subsections of Subtopic 958-605, in the absence of a donor's explicit stipulation or circumstances surrounding the receipt of the contribution that make clear the donor's implicit restriction on use, contributions are reported as unrestricted revenues or gains (unrestricted support), which increase unrestricted net assets. The classification of contributions received as revenues or gains depends on whether the transactions are part of the NFP's ongoing major or central activities (revenues), or are peripheral or incidental to the NFP (gains). Donor-restricted contributions are reported as restricted revenues or gains (restricted support), which increase temporarily restricted net assets or permanently restricted net assets depending on the type of restriction. However, donor-restricted contributions whose restrictions are met in the same reporting period may be reported as unrestricted support provided that an NFP has a similar policy for reporting investment gains and income, reports consistently from period to period, and discloses its accounting policy. [Content moved from paragraph 958-225-45-6]
<u>958-220-45-6</u> Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 Pursuant to the Contributions Received Subsections of Subtopic 958-605, in the absence of a donor's explicit stipulation or circumstances surrounding the receipt of the contribution that make clear the donor's implicit restriction on use, contributions are reported as revenues or gains without donor restrictions, which increase net assets without donor restrictions. The classification of contributions received as revenues or gains depends on whether the transactions are part of the NFP's ongoing major or central activities (revenues), or are peripheral or incidental to the NFP (gains). Donor-restricted contributions are reported as restricted revenues or gains (donor-restricted support), which increase net assets with donor restrictions. However, donor-restricted contributions whose restrictions are met in the same reporting period may be reported as support in net assets without donor restrictions, provided that an NFP has a similar policy for reporting investment gains and income, reports consistently from period to period, and discloses its accounting policy. [Content moved from paragraph 958-225-45-6]
<u>958-220-45-7</u>	A statement of activities shall report expenses as decreases in unrestricted net assets (see Subtopic 958-720). [Content moved from paragraph 958-225-45-7]

<u>958-220-45-7</u> Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 A statement of activities shall report expenses as decreases in net assets without donor restrictions, with the exception of investment expenses, which shall be netted against investment return and reported in the net asset category in which the net investment return is reported (see Subtopic 958-720). [Content moved from paragraph 958-225-45-7]
<u>958-220-45-8</u>	A statement of activities shall report gains and losses recognized on investments and other assets (or liabilities) as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or by law. For example, net gains on investment assets, to the extent recognized in financial statements, are reported as increases in unrestricted net assets unless their use is restricted to a specified purpose or future period. See Section 958-320-45 for additional guidance about reporting investment gains and losses, and paragraphs 958-205-45-13 through 45-27 for additional guidance about reporting gains and losses on endowment funds. See paragraph 958-310-45-3 for additional guidance about bad debt expenses and losses. [Content moved from paragraph 958-225-45-8]
<u>958-220-45-8</u> Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 A statement of activities shall report gains and losses recognized on investments and other assets (or liabilities) as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law that gains and losses, and paragraphs 958-205-45-13 through 45-13H for additional guidance extends donor restrictions. For example, net gains on investment assets, to the extent recognized in financial statements, are reported as increases in net assets without donor restrictions unless their use is restricted by a donor to a specified purpose or future period or by law that extends donor restrictions. See Section 958-320-45 for additional guidance about reporting investment about reporting gains and losses on endowment funds. See paragraph 958-310-45-3 for additional guidance about bad debt expenses and losses. [Content moved from paragraph 958-225-45-8]
<u>958-220-45-8</u> Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2018Transition Guidance: 825-10-65-2 A statement of activities shall report gains and losses recognized on investments and other assets (or liabilities) as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law that extends donor restrictions. For example, net gains on investment assets, to the extent recognized in financial statements, are reported as increases in net assets without donor restrictions unless their use is restricted by a donor to a specified purpose or future period or by law that extends donor restrictions. See paragraphs 958-225-45-48<u>958-220-45-22</u> through 45-26<u>45-30</u> for additional guidance about reporting investment gains and losses, and paragraphs 958-205-45-13 through 45-13H for additional guidance about reporting gains and losses on endowment funds. See paragraph 958-310-45-3 for additional guidance about bad debt expenses and losses. [Content amended as shown and moved from paragraph 958-225-45-8]
<u>958-220-45-9</u>	>Measure of Operations Classifying revenues, expenses, gains, and losses within classes of net assets does not preclude incorporating additional classifications within a statement of activities. For example, within a class or classes of changes in net assets, an NFP may classify items as follows: a. Operating and nonoperating b. Expendable and nonexpendable c. Earned and unearned d. Recurring and nonrecurring e. In other ways. [Content moved from paragraph 958-225-45-9]
<u>958-220-45-9</u> Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2018Transition Guidance: 606-10-65-1 Classifying revenues, expenses, gains, and losses within classes of net assets does not preclude incorporating additional classifications within a statement of activities. For

	example, within a class or classes of changes in net assets, an NFP may classify items as follows: - Operating and nonoperating - Expendable and nonexpendable - Recognized and unrecognized - Recurring and nonrecurring - In other ways. [Content moved from paragraph 958-225-45-9]
<u>958-220-45-10</u>	This Subtopic neither encourages nor discourages those further classifications. However, because terms such as operating income, operating profit, operating surplus, operating deficit, and results of operations are used with different meanings, if an intermediate measure of operations (for example, excess or deficit of operating revenues over expenses) is reported, it shall be in a financial statement that, at a minimum, reports the change in unrestricted net assets for the period. Example 1 (see paragraph 958-225-55-5 958-220-55-5) illustrates a statement of unrestricted revenues, expenses, and other changes in unrestricted net assets that subdivides all transactions and other events and circumstances to make an operating and nonoperating distinction. [Content amended as shown and moved from paragraph 958-225-45-10]
<u>958-220-45-10</u> <u>Pending</u>	<u>Transition Date:</u> (P) <i>December 16, 2017</i>; (N) <i>December 16, 2017</i> <u>Transition Guidance:</u> 958-10-65-1 This Subtopic neither encourages nor discourages those further classifications. However, because terms such as operating income, operating profit, operating surplus, operating deficit, and results of operations are used with different meanings, if an intermediate measure of operations (for example, excess or deficit of operating revenues over expenses) is reported, it shall be in a financial statement that, at a minimum, reports the change in net assets without donor restrictions for the period. Example 1 (see paragraph 958-225-55-5 958-220-55-5) illustrates a statement of revenues, expenses, and other changes in net assets without donor restrictions that subdivides all transactions and other events and circumstances to make an operating and nonoperating distinction. [Content amended as shown and moved from paragraph 958-225-45-10]
<u>958-220-45-11</u>	Some limitations on an NFP's use of an intermediate measure of operations are imposed by other Subtopics. If a subtotal such as income from operations is presented, it shall include the following amounts: - An impairment loss recognized for a long-lived asset (asset group) to be held and used, pursuant to paragraph 360-10-45-4 - Costs associated with an exit or disposal activity that does not involve a discontinued operation, pursuant to paragraph 420-10-45-3 - A gain or loss recognized on the sale of a long-lived asset (disposal group) that is not a component of an entity, pursuant to paragraph 360-10-45-5. [Content moved from paragraph 958-225-45-11]
<u>958-220-45-11</u> <u>Pending</u>	<u>Transition Date:</u> (P) <i>December 16, 2017</i>; (N) <i>December 16, 2017</i> <u>Transition Guidance:</u> 958-10-65-1 Some limitations on an NFP's use of an intermediate measure of operations are imposed by other Subtopics. If a subtotal such as income from operations is presented, it shall include the following amounts: - An impairment loss recognized for a long-lived asset (asset group) to be held and used, pursuant to paragraph 360-10-45-4 - Costs associated with an exit or disposal activity that does not involve a discontinued operation, pursuant to paragraph 420-10-45-3 - A gain or loss recognized on the sale of a long-lived asset (disposal group) that is not a component of an entity that qualifies for discontinued operations treatment, as defined in Subtopic 205-20, and pursuant to paragraph 360-10-45-5. [Content moved from paragraph 958-225-45-11]
<u>958-220-45-11</u> <u>Pending</u>	<u>Transition Date:</u> (P) <i>December 16, 2017</i>; (N) <i>December 16, 2018</i> <u>Transition Guidance:</u> 715-20-65-3 Some limitations on an NFP's use of an intermediate measure of operations are imposed by other Subtopics. If a subtotal such as income from operations is presented, it shall include the following amounts:

	a. An impairment loss recognized for a long-lived asset (asset group) to be held and used, pursuant to paragraph 360-10-45-4 b. Costs associated with an exit or disposal activity that does not involve a discontinued operation, pursuant to paragraph 420-10-45-3 c. A gain or loss recognized on the sale of a long-lived asset (disposal group) that is not a component of an entity that qualifies for discontinued operations treatment, as defined in Subtopic 205-20, and pursuant to paragraph 360-10-45-5. In addition, the subtotal such as income from operations shall exclude the components of net periodic pension cost and net periodic postretirement benefit cost other than the service cost component, pursuant to paragraph 958-715-45-3. [Content moved from paragraph 958-225-45-11]
<u>958-220-45-12</u>	Pursuant to paragraph 958-225-50-1 958-220-50-1, if an NFP's use of the term <i>operations</i> is not apparent from the details provided on the face of the statement, a note to financial statements shall describe the nature of the reported measure of operations or the items excluded from operations. [Content amended as shown and moved from paragraph 958-225-45-12]
<u>958-220-45-12</u> Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 Pursuant to paragraph 958-225-50-1 958-220-50-1, if an NFP's use of the term <i>operations</i> is not apparent from the details provided on the face of the statement, a note to financial statements shall describe the nature of the reported measure of operations or the items excluded from operations. If an NFP presents internal board designations, appropriations, and similar actions on the face of the financial statements, a note to financial statements shall provide an appropriate disaggregation and description by type of these actions if not provided on the face of the financial statements. [Content amended as shown and moved from paragraph 958-225-45-12]
<u>958-220-45-13</u>	>Reclassifications Reclassifications of net assets—that is, simultaneous increases in one net asset class and decreases in another—shall be made if any of the following events occur: - The NFP fulfills the purposes for which the net assets were restricted. - Donor-imposed restrictions expire with the passage of time or with the death of a split-interest agreement beneficiary (if the net assets are not otherwise restricted). - A donor withdraws, or court action removes, previously imposed restrictions. - A donor imposes restrictions on otherwise unrestricted net assets. For example, a donor may make a restricted contribution that is conditioned on the NFP restricting a stated amount of its unrestricted net assets. Such restrictions that are not reversible without donors' consent result in a reclassification of unrestricted net assets to restricted net assets. See paragraphs 958-205-45-9 through 45-12 for additional information about the expiration of donor-imposed restrictions. [Content moved from paragraph 958-225-45-13]
<u>958-220-45-13</u> Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 Reclassifications of net assets—that is, simultaneous increases in one net asset class and decreases in another—shall be made if any of the following events occur: - The NFP fulfills the purposes for which the net assets were restricted. Donor-imposed restrictions expire with the passage of time or with the death of a split-interest agreement beneficiary (if the net assets are not otherwise restricted). - A donor withdraws, or court action removes, previously imposed restrictions. - A donor imposes restrictions on net assets without donor restrictions. For example, a donor may make a restricted contribution that is conditioned on the NFP restricting a stated amount of its net assets without donor restrictions. Such restrictions that are not reversible without donors' consent result in a reclassification of net assets without donor restrictions to net assets with donor restrictions. See paragraphs 958-205-45-9 through 45-12 for additional information about the expiration of donor-imposed restrictions. [Content moved from paragraph 958-225-45-13]
<u>958-220-45-14</u>	>Gross versus Net Reporting of Amounts

	To help explain the relationships of an NFP's ongoing major or central operations and activities, a statement of activities shall report the gross amounts of revenues and expenses. However, investment revenues may be reported net of related expenses, such as custodial fees and internal and external investment advisory costs, provided that the amount of the expenses is disclosed either on the face of the statement of activities or in notes to financial statements. [Content moved from paragraph 958-225-45-14]
<u>958-220-45-14</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017 <u>Transition Guidance:</u> 958-10-65-1 To help explain the relationships of an NFP's ongoing major or central operations and activities, a statement of activities generally shall report the gross amounts of revenues and expenses. However, investment return (related to total return investing and not programmatic investing) shall be reported net of external and direct internal investment expenses. An NFP may present the amounts of net investment return from portfolios that are managed differently or derived from different sources as separate, appropriately labeled line items on the statement of activities. For example, if an NFP has net investment return generated from operating cash, it may present that return separately from net investment return generated from its endowment. In addition, if appropriately labeled, an NFP may present the amounts of net investment return appropriated for spending separate from net investment return in excess of amounts appropriated for spending. [Content moved from paragraph 958-225-45-14]
<u>958-220-45-15</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017 <u>Transition Guidance:</u> 958-10-65-1 Direct internal investment expenses involve the direct conduct or direct supervision of the strategic and tactical activities involved in generating investment return. These include, but are not limited to, both of the following: a. Salaries, benefits, travel, and other costs associated with the officer and staff responsible for the development and execution of investment strategy b. Allocable costs associated with internal investment management and supervising, selecting, and monitoring of external investment management firms. [Content moved from paragraph 958-225-45-14A]
<u>958-220-45-16</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017 <u>Transition Guidance:</u> 958-10-65-1 Direct internal investment expenses do not include items that are not associated with generating investment return. For example, the costs associated with unitization and other such aspects of endowment management would not be allocated. [Content moved from paragraph 958-225-45-14B]
<u>958-220-45-17</u>	A statement of activities may report gains and losses as net amounts if they result from peripheral or incidental transactions or from other events and circumstances that may be largely beyond the control of the NFP and its management. Information about their net amounts generally is adequate to understand the NFP's activities. For example, an entity that sells land and buildings no longer needed for its ongoing activities commonly reports that transaction as a net gain or loss, rather than as gross revenues for the sales value and expense for the carrying value of the land and buildings sold. The net amount of those peripheral transactions, used with information in a statement of cash flows, usually is adequate to help assess how an entity uses its resources and how managers discharge their stewardship responsibilities. [Content moved from paragraph 958-225-45-15]
<u>958-220-45-18</u>	The frequency of the events and the significance of the gross revenues and expenses distinguish major or central events from peripheral or incidental events. Events are ongoing major and central activities if they are normally part of an NFP's strategy and it normally carries on such activities or if the event's gross revenues or expenses are significant in relation to the NFP's annual budget. Events are peripheral or incidental if they are not an integral part of an NFP's usual activities or if their gross revenues or expenses are not significant in relation to the NFP's annual budget. Accordingly, similar events may be reported differently by different NFPs based on the NFP's overall activities. [Content moved from paragraph 958-225-45-16]
<u>958-220-45-19</u>	An NFP may report net amounts for its special events if they result from peripheral or incidental transactions. However, so-called special events often are ongoing and major

	activities; if so, an NFP shall report the gross revenues and expenses of those activities. Costs netted against receipts from peripheral or incidental special events shall be limited to direct costs. See Example 4 (paragraph 958-225-55-10 958-220-55-10) for three possible methods of complying with this requirement. [Content amended as shown and moved from paragraph 958-225-45-17]
<u>958-220-45-19</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017 <u>Transition Guidance:</u> <u>958-10-65-1</u> An NFP may report net amounts for its special events if they result from peripheral or incidental transactions. However, so-called special events can be ongoing and major activities; if so, an NFP shall report the gross revenues and expenses of those activities. Costs netted against receipts from peripheral or incidental special events shall be limited to direct costs. See Example 4 (paragraph 958-225-55-11 958-220-55-11) for three possible methods of complying with this requirement. [Content amended as shown and moved from paragraph 958-225-45-17]
<u>958-220-45-20</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017 <u>Transition Guidance:</u> <u>958-10-65-1</u> >Equity Transfers Equity transfers are reported separately as changes in net assets and do not result in any step-up in basis of the underlying assets transferred. However, a service received from personnel of an affiliate that directly benefits the recipient NFP and for which the affiliate does not charge the recipient NFP may be recorded at the fair value of that service in the circumstances indicated in paragraph 958-720-30-3. Paragraph 958-20-55-2B describes the difference between an equity transfer and an equity transaction. Paragraph 954-225-45-2 954-220-45-2 provides additional guidance on the reporting of equity transfers for not-for-profit, business-oriented health care entities. [Content amended as shown and moved from paragraph 958-225-45-17A]
<u>958-220-45-21</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017 <u>Transition Guidance:</u> <u>958-10-65-1</u> The increase in net assets associated with services received from personnel of an affiliate that directly benefit the recipient NFP and for which the affiliate does not charge the recipient NFP shall be reported as an equity transfer, regardless of whether those services are received from personnel of a not-for-profit affiliate or any other affiliate. The corresponding decrease in net assets or the creation or enhancement of an asset resulting from the use of services received from personnel of an affiliate shall be reported similar to how other such expenses or assets are reported. Paragraphs 954-225-45-2 through 45-2A 954-220-45-2 through 45-3 provide additional guidance for not-for-profit, business-oriented health care entities. [Content amended as shown and moved from paragraph 958-225-45-17B]
<u>958-220-45-22</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2018 <u>Transition Guidance:</u> <u>825-10-65-2</u> >Reporting Investment Gains, Losses, and Income Pursuant to paragraph 958-225-45-8 958-220-45-8, gains and losses on investments and dividends, interest, and other investment income shall be reported in the statement of activities as increases or decreases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions or by law that extends donor restrictions, in which case those amounts shall be reported as increases or decreases in net assets with donor restrictions . [Content amended as shown and moved from paragraph 958-225-45-18]
<u>958-220-45-23</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017 <u>Transition Guidance:</u> <u>958-10-65-1</u> Paragraph superseded by Accounting Standards Update No. 2016-14. [Content moved from paragraph 958-225-45-19]
<u>958-220-45-23</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2018 <u>Transition Guidance:</u> <u>825-10-65-2</u> Editor's Note: Although this paragraph is superseded by ASU 2016-14, it is shown here for context.

	Pursuant to paragraph 958-225-45-5958-220-45-5, dividend, interest, and other investment income shall be reported in the period earned as increases in unrestricted net assets unless the use of the assets received is limited by donor-imposed restrictions. Donor-restricted investment income shall be reported as an increase in temporarily restricted net assets or permanently restricted net assets, depending on the type of restriction. [Content moved from paragraph 958-225-45-19]
958-220-45-24 Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2018Transition Guidance: 825-10-65-2 Gains and investment income that are limited to specific uses by donor-imposed restrictions may be reported as increases in net assets without donor restrictions if the restrictions are met in the same reporting period as the gains and income are recognized, provided that the not-for-profit entity (NFP) has a similar policy for reporting contributions received (see paragraphs 958-605-45-3 through 45-5), reports consistently from period to period, and discloses its accounting policy. [Content moved from paragraph 958-225-45-20]
958-220-45-25 Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2018Transition Guidance: 825-10-65-2 Pursuant to paragraphs 958-225-45-14958-220-45-14 through 45-14B45-16, investment return, other than that which is programmatic in nature, shall be reported net of external and direct internal investment expenses. [Content amended as shown and moved from paragraph 958-225-45-21]
958-220-45-26 Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2018Transition Guidance: 825-10-65-2 Gains and losses on the investments of a donor-restricted endowment fund are classified in accordance with paragraphs 958-205-45-13 through 45-13H. [Content moved from paragraph 958-225-45-22]
958-220-45-27 Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2018Transition Guidance: 825-10-65-2 > Presentation in a Statement of Activities with an Operating Measure Some NFPs, primarily health care entities, would like to compare their results to business entities in the same industry. An NFP with those comparability concerns may report in a manner similar to business entities by classifying debt securities as available for sale or held to maturity as described in paragraphs 320-10-25-1 through 25-6 and excluding the unrealized gains and losses on those securities (which are recognized in accordance with Subtopic 958-320) from an operating measure within the statement of activities. Not-for-profit, business-oriented health care entities, however, are required to exclude certain gains and losses from a performance measure (see paragraph 954-225-45-8954-220-45-9). [Content amended as shown and moved from paragraph 958-225-45-23]
958-220-45-28 Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2018Transition Guidance: 825-10-65-2 In general, amounts reported in an NFP's financial statements shall be based on the nature of the underlying transactions rather than on budgetary designations. [Content moved from paragraph 958-225-45-24]
958-220-45-29 Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2018Transition Guidance: 825-10-65-2 Amounts of investment return based on budgetary designations may be displayed. However, in accordance with paragraph 958-225-45-14958-220-45-14, investment return, other than that which is programmatic in nature, shall be displayed net of external and direct internal investment expenses. Paragraph 958-320-55-7 provides an example of how an NFP could present net investment return. [Content amended as shown and moved from paragraph 958-225-45-25]
958-220-45-30 Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2018Transition Guidance: 825-10-65-2

	Some NFPs, in managing their endowment funds, use a spending-rate or total return policy. Those policies consider total investment return—investment income (interest, dividends, rents, and so forth) plus net realized and unrealized gains (or minus net losses). Typically, spending-rate or total return policies emphasize the use of prudence and a rational and systematic formula to determine the portion of cumulative investment return that can be used to support operations of the current period and the protection of endowment gifts from a loss of purchasing power as a consideration in determining the formula to be used. Example 1 (see paragraph 958-320-55-4) illustrates a statement of activities and example disclosures of an NFP that uses a spending-rate policy to include only a portion of its investment return in its operating measure. [Content moved from paragraph 958-225-45-26]
<u>958-220-50-1</u>	<u>958-220-50 Not-for-Profit Entities</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Disclosure</u> A not-for-profit entity (NFP) shall disclose the following information in the notes to financial statements: a. If an NFP's use of the term <i>operations</i> is not apparent from the details provided on the face of the statement of activities, a description of the nature of the reported measure of operations or the items excluded from operations b. The amount of investment-related expenses, such as custodial fees and investment advisory fees, netted against investment revenues if that amount is not disclosed on the face of the statement of activities pursuant to paragraph 958-225-45-14958-220-45-14. [Content amended as shown and moved from paragraph 958-225-50-1]
<u>958-220-50-1</u> <u>Pending</u>	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017<u>Transition Guidance: 958-10-65-1</u> A not-for-profit entity (NFP) shall disclose the following information in the notes to financial statements: a. If an NFP's use of the term <i>operations</i> is not apparent from the details provided on the face of the statement of activities, a description of the nature of the reported measure of operations or the items excluded from operations (see Example 5 in paragraph 958-225-55-16958-220-55-16 for a case in which this information is apparent on the face of the statement of activities and a case in which this information is disclosed in the notes to the financial statements). aa. If an NFP presents internal board designations, appropriations, and similar actions on the face of the financial statements, an appropriate disaggregation and description by type of these actions if not provided on the face of the financial statements (see Example 5 in paragraph 958-225-55-16958-220-55-16 for a case in which this information is apparent on the face of the financial statements and a case in which this information is disclosed in the notes to the financial statements). b. Subparagraph superseded by Accounting Standards Update No. 2016-14. c. If not provided on the face of the statement of activities or as a separate statement, all expenses in one location. The relationship between functional and natural classification for all expenses shall be presented in an analysis that disaggregates functional expense classifications by their natural expense classifications. Investment expenses that are netted against investment return shall not be included (see paragraph 958-720-45-15). d. A qualitative description of the methods used to allocate costs among program and support functions (see paragraph 958-720-50-1). [Content amended as shown and moved from paragraph 958-225-50-1]
<u>958-220-55-1</u>	<u>958-220-55 Not-for-Profit Entities</u> <u>Income Statement—Reporting Comprehensive Income</u> <u>Implementation Guidance and Illustrations</u> This Section, which is an integral part of the requirements of this Subtopic, provides general guidance to be used in the presentation of a statement of activities by a not-for-profit entity (NFP). [Content moved from paragraph 958-225-55-1]
<u>958-220-55-2</u>	>Implementation Guidance >> Entitywide Totals versus Disaggregated Information Entitywide totals are not necessary for individual line items of revenues, expenses, gains, or losses. Information about reasonably homogeneous components of revenues,

	such as unrestricted contributions available to support current expenses and restricted contributions to be used to acquire land and buildings, generally is more meaningful than the aggregated total of those components. [Content moved from paragraph 958-225-55-2]
<u>958-220-55-2</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017 <u>Transition Guidance:</u> 958-10-65-1 Entitywide totals are not necessary for individual line items of revenues, expenses, gains, or losses. Information about reasonably homogeneous components of revenues, such as contributions without donor restrictions that are available to support current expenses and donor-restricted contributions that are restricted to acquiring land and buildings, generally is more meaningful than the aggregated total of those components. [Content moved from paragraph 958-225-55-2]
<u>958-220-55-3</u>	Disaggregated information that permits users of financial information to relate components of revenues to components of expenses also is often preferable to information provided by their aggregated amounts. For example, information that permits analysis of the levels of revenues from tuition in relation to expenses for instruction and other academic services and of revenues from room and board fees in relation to expenses for housing and food services generally is more meaningful than totals of aggregated items of revenues, such as student tuition and fees, or aggregated items of expenses, such as salaries, heat, electricity, or supplies. Those who prepare financial statements generally are best able to make judgments about the extent to which financial statements or notes to financial statements should provide disaggregated information about various items of revenues or expenses and this Subtopic need not limit those judgments. [Content moved from paragraph 958-225-55-3]
<u>958-220-55-4</u>	>Illustrations In addition to the following illustrations, guidance in paragraphs 958-205-55-10 through 55-17 illustrates three formats of statements of activities. Paragraph 958-205-55-5 provides the facts and transactions that are reflected in those illustrative statements. [Content moved from paragraph 958-225-55-4]
<u>958-220-55-5</u>	>>Example 1: Intermediate Measure of Operations This Example illustrates a statement of unrestricted revenues, expenses, and other changes in unrestricted net assets that subdivides all transactions and other events and circumstances to make an operating and nonoperating distinction pursuant to paragraph 958-225-45-9 958-220-45-9. This Example uses part 1 of 2 of Format C in paragraph 958-205-55-15 to show a measure of operations—change in unrestricted net assets from operations. [Content amended as shown and moved from paragraph 958-225-55-5]
<u>958-220-55-5</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017 <u>Transition Guidance:</u> 958-10-65-1 This Example illustrates a statement of revenues, expenses, and other changes in net assets without donor restrictions that subdivides all transactions and other events and circumstances to make an operating and nonoperating distinction pursuant to paragraphs 958-225-45-9 958-220-45-9 through 45-12. This Example uses part 1 of 2 of Format C in paragraph 958-205-55-15 to show a measure of operations—change in net assets without donor restrictions from operations. [Content amended as shown and moved from paragraph 958-225-55-5]
<u>958-220-55-6</u>	The shaded areas depict the constraints imposed by this Subtopic and by generally accepted accounting principles (GAAP) to report appropriately labeled subtotals for changes in classes of net assets before the effects of discontinued operating segments, if any. The unshaded areas depict areas within the statement for which there is latitude to sequence and classify items of revenues and expenses. Other formats also may be used. For example, the single-statement Format B approach of paragraph 958-205-55-14 may be helpful in describing an NFP's ongoing major or central operations if that NFP's view of operating activities includes receiving donor-restricted revenues from contributions and investment income.

	Other Not-for-Profit Organization Statement of Unrestricted Revenues, Expenses, and Other Changes in Unrestricted Net Assets Year Ended June 30, 19X1 (in thousands) <table> <tr> <td>Operating revenues and support:</td><td></td></tr> <tr> <td> Fees from providing services</td><td style="text-align: right;">\$ X,XXX</td></tr> <tr> <td> Operating support</td><td style="text-align: right;">X,XXX</td></tr> <tr> <td> Net assets released from restrictions</td><td style="text-align: right;">X,XXX</td></tr> <tr> <td> Total operating revenues and support</td><td style="text-align: right;"><u>XX,XXX</u></td></tr> <tr> <td>Operating expenses:</td><td></td></tr> <tr> <td> Programs</td><td style="text-align: right;">XX,XXX</td></tr> <tr> <td> Management and general</td><td style="text-align: right;">X,XXX</td></tr> <tr> <td> Fund raising</td><td style="text-align: right;">X,XXX</td></tr> <tr> <td> Total operating expenses</td><td style="text-align: right;"><u>XX,XXX</u></td></tr> <tr> <td> Change in unrestricted net assets from operations</td><td style="text-align: right;">X,XXX</td></tr> <tr> <td>Other changes:</td><td></td></tr> <tr> <td> <i>[Items considered to be nonoperating]</i></td><td style="text-align: right;"><u>X,XXX</u></td></tr> <tr> <td> Change in net assets before effects of discontinued operating segments</td><td style="text-align: right;">XX,XXX</td></tr> <tr> <td>Discontinued operations</td><td style="text-align: right;">X,XXX</td></tr> <tr> <td>Change in net assets</td><td style="text-align: right;">XX,XXX</td></tr> <tr> <td>Net assets at beginning of year</td><td style="text-align: right;">XXX,XXX</td></tr> <tr> <td>Net assets at end of year</td><td style="text-align: right;"><u>\$XXX,XXX</u></td></tr> </table> [Content moved from paragraph 958-225-55-6]	Operating revenues and support:		Fees from providing services	\$ X,XXX	Operating support	X,XXX	Net assets released from restrictions	X,XXX	Total operating revenues and support	<u>XX,XXX</u>	Operating expenses:		Programs	XX,XXX	Management and general	X,XXX	Fund raising	X,XXX	Total operating expenses	<u>XX,XXX</u>	Change in unrestricted net assets from operations	X,XXX	Other changes:		<i>[Items considered to be nonoperating]</i>	<u>X,XXX</u>	Change in net assets before effects of discontinued operating segments	XX,XXX	Discontinued operations	X,XXX	Change in net assets	XX,XXX	Net assets at beginning of year	XXX,XXX	Net assets at end of year	<u>\$XXX,XXX</u>
Operating revenues and support:																																					
Fees from providing services	\$ X,XXX																																				
Operating support	X,XXX																																				
Net assets released from restrictions	X,XXX																																				
Total operating revenues and support	<u>XX,XXX</u>																																				
Operating expenses:																																					
Programs	XX,XXX																																				
Management and general	X,XXX																																				
Fund raising	X,XXX																																				
Total operating expenses	<u>XX,XXX</u>																																				
Change in unrestricted net assets from operations	X,XXX																																				
Other changes:																																					
<i>[Items considered to be nonoperating]</i>	<u>X,XXX</u>																																				
Change in net assets before effects of discontinued operating segments	XX,XXX																																				
Discontinued operations	X,XXX																																				
Change in net assets	XX,XXX																																				
Net assets at beginning of year	XXX,XXX																																				
Net assets at end of year	<u>\$XXX,XXX</u>																																				
958-220-55-6 Pending	Transition Date: <i>(P) December 16, 2017; (N) December 16, 2017</i>Transition Guidance: 958-10-65-1 The shaded areas depict the constraints imposed by this Subtopic and by generally accepted accounting principles (GAAP) to report appropriately labeled subtotals for changes in classes of net assets before the effects of discontinued operating segments, if any. The unshaded areas depict areas within the statement for which there is latitude to sequence and classify items of revenues and expenses. Other formats also may be used. For example, the single-statement Format B approach of paragraph 958-205-55-14 may be helpful in describing an NFP's ongoing major or central operations if that NFP's view of operating activities includes receiving donor-restricted revenues from contributions and investment income.																																				

	Other Not-for-Profit Organization Statement of Revenues, Expenses, and Other Changes in Net Assets without Donor Restrictions Year Ended June 30, 20X1 (in thousands) Operating revenues and support: Fees from providing services Operating support Net assets released from restrictions Total operating revenues and support \$ X,XXX X,XXX X,XXX XX,XXX Operating expenses: Programs Management and general Fund raising Total operating expenses Change in net assets from operations XX,XXX X,XXX X,XXX XX,XXX X,XXX Other changes: [Items considered to be nonoperating] X,XXX Change in net assets before effects of discontinued operating segments Discontinued operations Change in net assets Net assets at beginning of year Net assets at end of year XX,XXX X,XXX XX,XXX XXX,XXX XXX,XXX
958-220-55-7	>>Example 2: Discontinued Operations This Example illustrates the application of paragraph 958-205-45-5, as generally accepted accounting principles (GAAP) requires the display of an appropriately labeled subtotal for change in a class of net assets before the effects of a discontinued operation (see paragraphs 205-20-45-1A through 45-1D). For instance, using the columnar Format B of paragraph 958-205-55-14, a statement of activities would report the effects of a discontinued operation as follows. Unrestricted Temporarily Restricted Permanently Restricted Total Change in net assets before discontinued operations Discontinued operations (Note X) Change in net assets \$ 11,558 XXX \$ XX,XXX \$ (1,128) XXX \$ (X,XXX) \$ 5,020 XXX \$ X,XXX \$ 15,450 XXX \$ XX,XXX
958-220-55-7 Pending	>>Example 2: Discontinued Operations This Example illustrates the application of paragraph 958-205-45-5, as generally accepted accounting principles (GAAP) requires the display of an appropriately labeled subtotal for change in a class of net assets before the effects of a discontinued operation (see paragraph 205-20-45-1A). For instance, using the columnar format, a statement of activities would report the effects of a discontinued operation as follows.

		<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
	Change in net assets before discontinued operations	\$ 11,558	\$ 3,892	\$ 15,450
	Discontinued operations (Note X)	XXX	XXX	XXX
	Change in net assets	<u>\$ XX,XXX</u>	<u>\$ X,XXX</u>	<u>\$ XX,XXX</u>
	[Content moved from paragraph 958-225-55-7]			
<u>958-220-55-8</u>	>>Example 3: Displaying Fundraising Efforts This Example provides three possible methods of displaying fundraising efforts in the revenue section of the statement of activities, while still conforming to the requirements of paragraph 958-605-45-10. Methods 2 and 3 display the total amounts raised. [Content moved from paragraph 958-225-55-8]			
<u>958-220-55-9</u>	Entity A raises \$6,000 of contributions, \$100 of other support, and \$4,000 accounted for as agent, trustee, or intermediary transactions because donors have specified beneficiaries without granting variance power . Of the \$4,000 accounted for as agent, trustee, or intermediary transactions, Entity A pays out \$3,600 to specified beneficiaries and retains \$400 as its administrative fee. [Content moved from paragraph 958-225-55-9]			
<u>958-220-55-9</u> Pending	<u>Transition Date: (P) December 16, 2017; (N) December 16, 2017</u> <u>Guidance: 958-10-65-1</u> Entity A raises \$6,000 of contributions , \$100 of other support, and \$4,000 accounted for as agent, trustee, or intermediary transactions because donors have specified beneficiaries without granting variance power . Of the \$4,000 accounted for as agent, trustee, or intermediary transactions, Entity A pays out \$3,600 to specified beneficiaries and retains \$400 as its administrative fee. [Content moved from paragraph 958-225-55-9]			
<u>958-220-55-10</u>	Each of the methods reports Entity A's revenues (\$6,500) in a way that is both easily understood by users of the financial statements and representationally faithful.			

	Method 1 <table> <tr> <td>Contributions</td><td>\$ 6,000</td></tr> <tr> <td>Other support</td><td>100</td></tr> <tr> <td>Total support</td><td>6,100</td></tr> <tr> <td>Administrative fees retained on amounts designated by donors for specific organizations</td><td>400</td></tr> <tr> <td>Total support and revenue</td><td><u>\$ 6,500</u></td></tr> </table> Method 2 <table> <tr> <td>Contributions</td><td>\$ 6,000</td></tr> <tr> <td>Other support</td><td>100</td></tr> <tr> <td>Total support</td><td>6,100</td></tr> <tr> <td>Other revenue:</td><td></td></tr> <tr> <td> Amounts designated by donors for specific organizations</td><td>\$4,000</td></tr> <tr> <td> Less: Amounts held for or remitted to those organizations</td><td><u>3,600</u></td></tr> <tr> <td> Administrative fees retained on amounts designated by donors for specific organizations</td><td>400</td></tr> <tr> <td>Total support and revenue</td><td><u>\$ 6,500</u></td></tr> </table> Method 3 <table> <tr> <td>Total amounts raised ^(a)</td><td>\$10,000</td></tr> <tr> <td>Less: Amounts designated by donors for specific organizations</td><td><u>4,000</u></td></tr> <tr> <td>Total contributions</td><td>6,000</td></tr> <tr> <td>Other revenue:</td><td></td></tr> <tr> <td> Other support</td><td>100</td></tr> <tr> <td> Administrative fees retained on amounts designated by donors for specific organizations</td><td>400</td></tr> <tr> <td>Total support and revenue</td><td><u>\$ 6,500</u></td></tr> </table> (a) Other terms, such as <i>campaign results</i> or <i>campaign efforts</i>, may be used. [Content moved from paragraph 958-225-55-11]	Contributions	\$ 6,000	Other support	100	Total support	6,100	Administrative fees retained on amounts designated by donors for specific organizations	400	Total support and revenue	<u>\$ 6,500</u>	Contributions	\$ 6,000	Other support	100	Total support	6,100	Other revenue:		Amounts designated by donors for specific organizations	\$4,000	Less: Amounts held for or remitted to those organizations	<u>3,600</u>	Administrative fees retained on amounts designated by donors for specific organizations	400	Total support and revenue	<u>\$ 6,500</u>	Total amounts raised ^(a)	\$10,000	Less: Amounts designated by donors for specific organizations	<u>4,000</u>	Total contributions	6,000	Other revenue:		Other support	100	Administrative fees retained on amounts designated by donors for specific organizations	400	Total support and revenue	<u>\$ 6,500</u>
Contributions	\$ 6,000																																								
Other support	100																																								
Total support	6,100																																								
Administrative fees retained on amounts designated by donors for specific organizations	400																																								
Total support and revenue	<u>\$ 6,500</u>																																								
Contributions	\$ 6,000																																								
Other support	100																																								
Total support	6,100																																								
Other revenue:																																									
Amounts designated by donors for specific organizations	\$4,000																																								
Less: Amounts held for or remitted to those organizations	<u>3,600</u>																																								
Administrative fees retained on amounts designated by donors for specific organizations	400																																								
Total support and revenue	<u>\$ 6,500</u>																																								
Total amounts raised ^(a)	\$10,000																																								
Less: Amounts designated by donors for specific organizations	<u>4,000</u>																																								
Total contributions	6,000																																								
Other revenue:																																									
Other support	100																																								
Administrative fees retained on amounts designated by donors for specific organizations	400																																								
Total support and revenue	<u>\$ 6,500</u>																																								
<u>958-220-55-11</u>	>>Displaying Special Events This Example illustrates the guidance in paragraph 958-225-45-17958-220-45-19. It provides three possible methods to display in the statement of activities a special event that is an ongoing and major activity. [Content amended as shown and moved from paragraph 958-225-55-11]																																								
<u>958-220-55-12</u>	Cases A, B, and C share the following assumptions: - Not-for-Profit Entity B (NFP B) has a special event that is an ongoing and major activity with ticket revenue of \$100. - The activity does not meet the audience criterion in paragraphs 958-720-45-48 through 45-49, and, therefore, all costs of the activity, other than the direct donor benefits, should be reported as fundraising. - The event includes a dinner that costs NFP B \$25 and that has a fair value of \$30. - In addition, NFP B incurs other direct costs of the event of \$15 in connection with promoting and conducting the event, including incremental direct costs incurred in transactions with independent third parties and the payroll and payroll-related costs for the activities of employees who are directly associated with, and devote time to, the event. The other direct costs are unrelated to the direct benefits to donors and, accordingly, should not be included as costs of benefits to donors. The other direct costs include \$5 that otherwise might be considered management and general costs if they had been incurred in a different activity, and fundraising costs of \$10. - In addition, NFP B has all of the following transactions, which are unrelated to the special event: - Unrestricted contributions of \$200 - Program expenses of \$60 - Management and general expenses of \$20 - Fundraising expenses of \$20. [Content moved from paragraph 958-225-55-12]																																								
<u>958-220-55-12</u> Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 Cases A, B, and C share the following assumptions:																																								

	a. Not-for-Profit Entity B (NFP B) has a special event that is an ongoing and major activity with ticket revenue of \$100. b. The activity does not meet the audience criterion in paragraphs 958-720-45-48 through 45-49, and, therefore, all costs of the activity, other than the direct donor benefits, should be reported as fundraising. c. The event includes a dinner that costs NFP B \$25 and that has a fair value of \$30. d. In addition, NFP B incurs other direct costs of the event of \$15 in connection with promoting and conducting the event, including incremental direct costs incurred in transactions with independent third parties and the payroll and payroll-related costs for the activities of employees who are directly associated with, and devote time to, the event. These other direct costs have been included in fundraising expenses. The other direct costs are unrelated to the direct benefits to donors and, accordingly, should not be included as costs of benefits to donors. The other direct costs include \$5 that otherwise might be considered management and general costs if they had been incurred in a different activity, and fundraising costs of \$10. e. In addition, NFP B has all of the following transactions, which are unrelated to the special event: 1. Contributions without donor restrictions of \$200 2. Program expenses of \$60 3. Management and general expenses of \$20 4. Fundraising expenses of \$20. [Content moved from paragraph 958-225-55-12]																																				
<u>958-220-55-13</u>	>>> Case A: Direct Benefits to Donors Displayed on a Line below Gross Revenue from the Special Event NFP B may report the gross revenues of special events and other fundraising activities with the cost of direct benefits to donors (meals and facilities rental) displayed as a line item deducted from the special event revenues, as follows: <table><tr><td colspan="3">Changes in unrestricted net assets:</td></tr><tr><td>Contributions</td><td></td><td>\$ 200</td></tr><tr><td>Special event revenue</td><td>100</td><td></td></tr><tr><td>Less: Costs of direct benefits to donors</td><td>(25)</td><td></td></tr><tr><td>Net revenues from special events</td><td></td><td>75</td></tr><tr><td>Contributions and net revenues from special events</td><td></td><td>275</td></tr><tr><td colspan="3">Other expenses:</td></tr><tr><td>Program</td><td></td><td>60</td></tr><tr><td>Management and general</td><td></td><td>20</td></tr><tr><td>Fundraising</td><td></td><td>35</td></tr><tr><td>Total other expenses</td><td></td><td>115</td></tr><tr><td>Increase in unrestricted net assets</td><td></td><td>\$ 160</td></tr></table> [Content moved from paragraph 958-225-55-13]	Changes in unrestricted net assets:			Contributions		\$ 200	Special event revenue	100		Less: Costs of direct benefits to donors	(25)		Net revenues from special events		75	Contributions and net revenues from special events		275	Other expenses:			Program		60	Management and general		20	Fundraising		35	Total other expenses		115	Increase in unrestricted net assets		\$ 160
Changes in unrestricted net assets:																																					
Contributions		\$ 200																																			
Special event revenue	100																																				
Less: Costs of direct benefits to donors	(25)																																				
Net revenues from special events		75																																			
Contributions and net revenues from special events		275																																			
Other expenses:																																					
Program		60																																			
Management and general		20																																			
Fundraising		35																																			
Total other expenses		115																																			
Increase in unrestricted net assets		\$ 160																																			
<u>958-220-55-13</u> <u>Pending</u>	Transition Date: (P) <i>December 16, 2017</i>; (N) <i>December 16, 2017</i>Transition Guidance: 958-10-65-1 NFP B may report the gross revenues of special events and other fundraising activities with the cost of direct benefits to donors (meals and facilities rental) displayed as a line item deducted from the special event revenues, as follows:																																				

	Changes in net assets without donor restrictions: <table><tr><td>Contributions</td><td></td><td>\$ 200</td></tr><tr><td>Special event revenue</td><td>100</td><td></td></tr><tr><td>Less: Costs of direct benefits to donors</td><td>(25)</td><td></td></tr><tr><td>Net revenues from special events</td><td></td><td>75</td></tr><tr><td>Contributions and net revenues from special events</td><td></td><td>275</td></tr><tr><td>Other expenses:</td><td></td><td></td></tr><tr><td>Program</td><td></td><td>60</td></tr><tr><td>Management and general</td><td></td><td>20</td></tr><tr><td>Fundraising</td><td></td><td>35</td></tr><tr><td>Total other expenses</td><td></td><td>115</td></tr><tr><td>Increase in net assets without donor restrictions</td><td></td><td>\$ 160</td></tr></table>	Contributions		\$ 200	Special event revenue	100		Less: Costs of direct benefits to donors	(25)		Net revenues from special events		75	Contributions and net revenues from special events		275	Other expenses:			Program		60	Management and general		20	Fundraising		35	Total other expenses		115	Increase in net assets without donor restrictions		\$ 160
Contributions		\$ 200																																
Special event revenue	100																																	
Less: Costs of direct benefits to donors	(25)																																	
Net revenues from special events		75																																
Contributions and net revenues from special events		275																																
Other expenses:																																		
Program		60																																
Management and general		20																																
Fundraising		35																																
Total other expenses		115																																
Increase in net assets without donor restrictions		\$ 160																																
<u>958-220-55-14</u>	>>> Case B: Direct Benefits to Donors Displayed as a Line with Other Expenses NFP B may report the gross revenues of special events and other fundraising activities with the cost of direct benefits to donors (meals and facilities rental) displayed in the same section of the statement of activities as are other programs or supporting services and allocated, if necessary, among those various functions, as follows: Changes in unrestricted net assets: Revenues: <table><tr><td>Contributions</td><td>\$ 200</td></tr><tr><td>Special event revenue</td><td>100</td></tr><tr><td>Total revenues</td><td>300</td></tr></table> Expenses: <table><tr><td>Program</td><td>60</td></tr><tr><td>Costs of direct benefits to donors</td><td>25</td></tr><tr><td>Management and general</td><td>20</td></tr><tr><td>Fundraising</td><td>35</td></tr><tr><td>Total other expenses</td><td>140</td></tr><tr><td>Increase in unrestricted net assets</td><td>\$ 160</td></tr></table>	Contributions	\$ 200	Special event revenue	100	Total revenues	300	Program	60	Costs of direct benefits to donors	25	Management and general	20	Fundraising	35	Total other expenses	140	Increase in unrestricted net assets	\$ 160															
Contributions	\$ 200																																	
Special event revenue	100																																	
Total revenues	300																																	
Program	60																																	
Costs of direct benefits to donors	25																																	
Management and general	20																																	
Fundraising	35																																	
Total other expenses	140																																	
Increase in unrestricted net assets	\$ 160																																	
<u>958-220-55-14</u> <u>Pending</u>	[Content moved from paragraph 958-225-55-14] Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 NFP B may report the gross revenues of special events and other fundraising activities with the cost of direct benefits to donors (meals and facilities rental) displayed in the same section of the statement of activities as are other programs or supporting services and allocated, if necessary, among those various functions, as follows:																																	

	Changes in net assets without donor restrictions: Revenues: <table><tr><td>Contributions</td><td>\$ 200</td></tr><tr><td>Special event revenue</td><td>100</td></tr><tr><td>Total revenues</td><td><u>300</u></td></tr></table> Expenses: <table><tr><td>Program</td><td>60</td></tr><tr><td>Costs of direct benefits to donors</td><td>25</td></tr><tr><td>Management and general</td><td>20</td></tr><tr><td>Fundraising</td><td>35</td></tr><tr><td>Total other expenses</td><td><u>140</u></td></tr></table> Increase in net assets without donor restrictions <table><tr><td></td><td><u>\$ 160</u></td></tr></table>	Contributions	\$ 200	Special event revenue	100	Total revenues	<u>300</u>	Program	60	Costs of direct benefits to donors	25	Management and general	20	Fundraising	35	Total other expenses	<u>140</u>		<u>\$ 160</u>												
Contributions	\$ 200																														
Special event revenue	100																														
Total revenues	<u>300</u>																														
Program	60																														
Costs of direct benefits to donors	25																														
Management and general	20																														
Fundraising	35																														
Total other expenses	<u>140</u>																														
	<u>\$ 160</u>																														
<u>958-220-55-15</u>	[Content moved from paragraph 958-225-55-14] >>>Case C: Special Event Revenues Reported as Part Exchange and Part Contribution NFP B may report the gross revenue from special events and other fundraising activities as part exchange (for the fair value the participant received) and part contribution (for the excess of the payment over that fair value), as follows: Changes in unrestricted net assets: <table><tr><td>Contributions</td><td></td><td>\$ 270</td></tr><tr><td>Dinner sales</td><td>30</td><td></td></tr><tr><td>Less: Costs of direct benefits to donors</td><td><u>(25)</u></td><td></td></tr><tr><td>Gross profit on special events</td><td></td><td><u>5</u></td></tr><tr><td>Contributions and net revenues from special events</td><td></td><td><u>275</u></td></tr></table> Other expenses: <table><tr><td>Program</td><td></td><td>60</td></tr><tr><td>Management and general</td><td></td><td>20</td></tr><tr><td>Fundraising</td><td></td><td>35</td></tr><tr><td>Total other expenses</td><td></td><td><u>115</u></td></tr><tr><td>Increase in unrestricted net assets</td><td></td><td><u>\$ 160</u></td></tr></table>	Contributions		\$ 270	Dinner sales	30		Less: Costs of direct benefits to donors	<u>(25)</u>		Gross profit on special events		<u>5</u>	Contributions and net revenues from special events		<u>275</u>	Program		60	Management and general		20	Fundraising		35	Total other expenses		<u>115</u>	Increase in unrestricted net assets		<u>\$ 160</u>
Contributions		\$ 270																													
Dinner sales	30																														
Less: Costs of direct benefits to donors	<u>(25)</u>																														
Gross profit on special events		<u>5</u>																													
Contributions and net revenues from special events		<u>275</u>																													
Program		60																													
Management and general		20																													
Fundraising		35																													
Total other expenses		<u>115</u>																													
Increase in unrestricted net assets		<u>\$ 160</u>																													
<u>958-220-55-15</u> Pending	[Content moved from paragraph 958-225-55-15] <u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017 <u>Guidance:</u> 958-10-65-1 NFP B may report the gross revenue from special events and other fundraising activities as part exchange (for the fair value the participant received) and part contribution (for the excess of the payment over that fair value), as follows:																														

	Changes in net assets without donor restrictions: <table><tr><td>Contributions</td><td></td><td>\$ 270</td></tr><tr><td>Dinner sales</td><td>30</td><td></td></tr><tr><td>Less: Costs of direct benefits to donors</td><td>(25)</td><td></td></tr><tr><td>Gross profit on special events</td><td></td><td>5</td></tr><tr><td>Contributions and net revenues from special events</td><td></td><td>275</td></tr><tr><td>Other expenses:</td><td></td><td></td></tr><tr><td>Program</td><td></td><td>60</td></tr><tr><td>Management and general</td><td></td><td>20</td></tr><tr><td>Fundraising</td><td></td><td>35</td></tr><tr><td>Total other expenses</td><td></td><td>115</td></tr><tr><td>Increase in net assets without donor restrictions</td><td></td><td>\$ 160</td></tr></table>	Contributions		\$ 270	Dinner sales	30		Less: Costs of direct benefits to donors	(25)		Gross profit on special events		5	Contributions and net revenues from special events		275	Other expenses:			Program		60	Management and general		20	Fundraising		35	Total other expenses		115	Increase in net assets without donor restrictions		\$ 160
Contributions		\$ 270																																
Dinner sales	30																																	
Less: Costs of direct benefits to donors	(25)																																	
Gross profit on special events		5																																
Contributions and net revenues from special events		275																																
Other expenses:																																		
Program		60																																
Management and general		20																																
Fundraising		35																																
Total other expenses		115																																
Increase in net assets without donor restrictions		\$ 160																																
<u>958-220-55-16</u> Pending	[Content moved from paragraph 958-225-55-15] <u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017<u>Transition Guidance:</u> 958-10-65-1 >>Example 5: Disclosure on Measure of Operations This Example illustrates the disclosures required in accordance with paragraph 958-225-50-1(a)<u>958-220-50-1(a)</u> through (aa) if an entity elects to present a measure of operations. It provides a case in which the disclosures are apparent on the face of the statement of activities and a case in which the disclosures are provided in the notes to the financial statements. There are multiple ways in which an NFP could present this information. The cases provided are two alternatives presented for illustration purposes. [Content amended as shown and moved from paragraph 958-225-55-16]																																	
<u>958-220-55-17</u> Pending	<u>Transition Date:</u> (P) December 16, 2017; (N) December 16, 2017<u>Transition Guidance:</u> 958-10-65-1 >>>Case A: Disclosures on Measure of Operations Apparent on the Face of the Statement of Activities The following Case is an example of a statement of activities of Not-for-Profit Entity A (NFP A) in which the disclosures required in paragraph 958-225-50-1(a)<u>958-220-50-1(a)</u> through (aa) are apparent from the details provided on the face of the statement of activities. This Case illustrates one way in which an NFP can present governing board actions on a statement of activities and is not meant to be prescriptive of a specific format.																																	

	Not-for-Profit Entity A Statement of Activities Year Ended June 30, 20X1 <table><tr><th></th><th>Without Donor Restrictions</th><th>With Donor Restrictions</th><th>Total</th></tr><tr><td>Operating revenues, gains, and other support:</td><td></td><td></td><td></td></tr><tr><td> Contributions</td><td>\$X,XXX</td><td>\$ X,XXX</td><td>\$XX,XXX</td></tr><tr><td> Less:</td><td></td><td></td><td></td></tr><tr><td> Contributions designated by board for capital projects</td><td>(3,000)</td><td></td><td>(3,000)</td></tr><tr><td> Contributions and bequests designated by board for quasi-endowment</td><td>(5,000)</td><td></td><td>(5,000)</td></tr><tr><td> Investment returns appropriated from quasi-endowment</td><td>1,025</td><td></td><td>1,025</td></tr><tr><td> Programmatic investing return</td><td>XX</td><td></td><td>XX</td></tr><tr><td> Other</td><td>XXX</td><td></td><td>XXX</td></tr><tr><td> Net assets released from restrictions</td><td></td><td></td><td></td></tr><tr><td> Investment return appropriated and released for current operations from donor-restricted endowment</td><td>X,XXX</td><td>(X,XXX)</td><td></td></tr><tr><td> [Other net assets released from restrictions]</td><td>X,XXX</td><td>(X,XXX)</td><td></td></tr><tr><td> Total operating revenues, gains, and other support</td><td>XX,XXX</td><td>X,XXX</td><td>XX,XXX</td></tr><tr><td>Operating expenses:</td><td></td><td></td><td></td></tr><tr><td> Program A</td><td>XX,XXX</td><td></td><td></td></tr><tr><td> Program B</td><td>X,XXX</td><td></td><td></td></tr><tr><td> Program C</td><td>X,XXX</td><td></td><td></td></tr><tr><td> Management and general</td><td>X,XXX</td><td></td><td></td></tr><tr><td> Fundraising</td><td>X,XXX</td><td></td><td></td></tr><tr><td> Total operating expenses</td><td>XX,XXX</td><td></td><td>XX,XXX</td></tr><tr><td> Operating revenues and support in excess of operating expenses</td><td>XX,XXX</td><td>X,XXX</td><td>X,XXX</td></tr><tr><td>Investment return, net</td><td>X,XXX</td><td>XX,XXX</td><td>XX,XXX</td></tr><tr><td>[Other items considered to be nonoperating]</td><td>X,XXX</td><td>X,XXX</td><td>X,XXX</td></tr><tr><td>Investment returns appropriated for current operations from quasi-endowment</td><td>(1,025)</td><td></td><td>(1,025)</td></tr><tr><td>Contributions designated by board for capital projects</td><td>3,000</td><td></td><td>3,000</td></tr><tr><td>Contributions and bequests designated by board for quasi-endowment</td><td>5,000</td><td></td><td>5,000</td></tr><tr><td>Loss on extinguishment of debt</td><td>(X,XXX)</td><td></td><td>(X,XXX)</td></tr><tr><td>Change in fair value of interest rate swap</td><td>X,XXX</td><td></td><td>X,XXX</td></tr><tr><td>Change in net assets</td><td>\$XX,XXX</td><td>\$ X,XXX</td><td>\$XX,XXX</td></tr></table> [Content amended as shown and moved from paragraph 958-225-55-17]		Without Donor Restrictions	With Donor Restrictions	Total	Operating revenues, gains, and other support:				Contributions	\$X,XXX	\$ X,XXX	\$XX,XXX	Less:				Contributions designated by board for capital projects	(3,000)		(3,000)	Contributions and bequests designated by board for quasi-endowment	(5,000)		(5,000)	Investment returns appropriated from quasi-endowment	1,025		1,025	Programmatic investing return	XX		XX	Other	XXX		XXX	Net assets released from restrictions				Investment return appropriated and released for current operations from donor-restricted endowment	X,XXX	(X,XXX)		[Other net assets released from restrictions]	X,XXX	(X,XXX)		Total operating revenues, gains, and other support	XX,XXX	X,XXX	XX,XXX	Operating expenses:				Program A	XX,XXX			Program B	X,XXX			Program C	X,XXX			Management and general	X,XXX			Fundraising	X,XXX			Total operating expenses	XX,XXX		XX,XXX	Operating revenues and support in excess of operating expenses	XX,XXX	X,XXX	X,XXX	Investment return, net	X,XXX	XX,XXX	XX,XXX	[Other items considered to be nonoperating]	X,XXX	X,XXX	X,XXX	Investment returns appropriated for current operations from quasi-endowment	(1,025)		(1,025)	Contributions designated by board for capital projects	3,000		3,000	Contributions and bequests designated by board for quasi-endowment	5,000		5,000	Loss on extinguishment of debt	(X,XXX)		(X,XXX)	Change in fair value of interest rate swap	X,XXX		X,XXX	Change in net assets	\$XX,XXX	\$ X,XXX	\$XX,XXX
	Without Donor Restrictions	With Donor Restrictions	Total																																																																																																																		
Operating revenues, gains, and other support:																																																																																																																					
Contributions	\$X,XXX	\$ X,XXX	\$XX,XXX																																																																																																																		
Less:																																																																																																																					
Contributions designated by board for capital projects	(3,000)		(3,000)																																																																																																																		
Contributions and bequests designated by board for quasi-endowment	(5,000)		(5,000)																																																																																																																		
Investment returns appropriated from quasi-endowment	1,025		1,025																																																																																																																		
Programmatic investing return	XX		XX																																																																																																																		
Other	XXX		XXX																																																																																																																		
Net assets released from restrictions																																																																																																																					
Investment return appropriated and released for current operations from donor-restricted endowment	X,XXX	(X,XXX)																																																																																																																			
[Other net assets released from restrictions]	X,XXX	(X,XXX)																																																																																																																			
Total operating revenues, gains, and other support	XX,XXX	X,XXX	XX,XXX																																																																																																																		
Operating expenses:																																																																																																																					
Program A	XX,XXX																																																																																																																				
Program B	X,XXX																																																																																																																				
Program C	X,XXX																																																																																																																				
Management and general	X,XXX																																																																																																																				
Fundraising	X,XXX																																																																																																																				
Total operating expenses	XX,XXX		XX,XXX																																																																																																																		
Operating revenues and support in excess of operating expenses	XX,XXX	X,XXX	X,XXX																																																																																																																		
Investment return, net	X,XXX	XX,XXX	XX,XXX																																																																																																																		
[Other items considered to be nonoperating]	X,XXX	X,XXX	X,XXX																																																																																																																		
Investment returns appropriated for current operations from quasi-endowment	(1,025)		(1,025)																																																																																																																		
Contributions designated by board for capital projects	3,000		3,000																																																																																																																		
Contributions and bequests designated by board for quasi-endowment	5,000		5,000																																																																																																																		
Loss on extinguishment of debt	(X,XXX)		(X,XXX)																																																																																																																		
Change in fair value of interest rate swap	X,XXX		X,XXX																																																																																																																		
Change in net assets	\$XX,XXX	\$ X,XXX	\$XX,XXX																																																																																																																		
958-220-55-18 Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 >>>Case B: Disclosures on Measure of Operations Provided in the Notes to the Financial Statements The following Case is an example of a statement of activities of NFP A in which the disclosures required in paragraph 958-225-50-1(a)958-220-50-1(a) through (aa) are not apparent from the details provided on the face of the statement of activities.																																																																																																																				

	Not-for-Profit Entity A Statement of Activities Year Ended June 30, 20X1 <table><tr><th></th><th>Without Donor Restrictions</th><th>With Donor Restrictions</th><th>Total</th></tr><tr><td>Operating revenues, gains, and other support:</td><td></td><td></td><td></td></tr><tr><td>Contributions</td><td>\$X,XXX</td><td>\$ X,XXX</td><td>\$XX,XXX</td></tr><tr><td>Fees</td><td>X,XXX</td><td></td><td>X,XXX</td></tr><tr><td>Programmatic investing return</td><td>XX</td><td></td><td>XX</td></tr><tr><td>Other</td><td>XXX</td><td></td><td>XXX</td></tr><tr><td>Net assets released from restrictions</td><td></td><td></td><td></td></tr><tr><td>Investment return appropriated and released for current operations from donor-restricted endowment</td><td>X,XXX</td><td>(X,XXX)</td><td></td></tr><tr><td>[Other net assets released from restrictions]</td><td>X,XXX</td><td>(X,XXX)</td><td></td></tr><tr><td>Total operating revenues, gains, and other support</td><td>XX,XXX</td><td>X,XXX</td><td>XX,XXX</td></tr><tr><td>Operating expenses:</td><td></td><td></td><td></td></tr><tr><td>Program A</td><td>XX,XXX</td><td></td><td></td></tr><tr><td>Program B</td><td>X,XXX</td><td></td><td></td></tr><tr><td>Program C</td><td>X,XXX</td><td></td><td></td></tr><tr><td>Management and general</td><td>X,XXX</td><td></td><td></td></tr><tr><td>Fundraising</td><td>X,XXX</td><td></td><td></td></tr><tr><td>Total operating expenses</td><td>XX,XXX</td><td></td><td>XX,XXX</td></tr><tr><td>Net transfer of funds from operations</td><td>(6,975)</td><td></td><td>(6,975)</td></tr><tr><td>Operating revenues in excess of operating expenses and transfers</td><td>XX,XXX</td><td>X,XXX</td><td>XX,XXX</td></tr><tr><td>Other changes:</td><td></td><td></td><td></td></tr><tr><td>Investment return, net</td><td>X,XXX</td><td>X,XXX</td><td>X,XXX</td></tr><tr><td>Contributions</td><td>X,XXX</td><td></td><td>X,XXX</td></tr><tr><td>Other</td><td>X,XXX</td><td></td><td>X,XXX</td></tr><tr><td>Net transfer of funds to operations</td><td>6,975</td><td></td><td>6,975</td></tr><tr><td>Change in net assets</td><td>\$XX,XXX</td><td>\$ X,XXX</td><td>\$XX,XXX</td></tr></table>		Without Donor Restrictions	With Donor Restrictions	Total	Operating revenues, gains, and other support:				Contributions	\$X,XXX	\$ X,XXX	\$XX,XXX	Fees	X,XXX		X,XXX	Programmatic investing return	XX		XX	Other	XXX		XXX	Net assets released from restrictions				Investment return appropriated and released for current operations from donor-restricted endowment	X,XXX	(X,XXX)		[Other net assets released from restrictions]	X,XXX	(X,XXX)		Total operating revenues, gains, and other support	XX,XXX	X,XXX	XX,XXX	Operating expenses:				Program A	XX,XXX			Program B	X,XXX			Program C	X,XXX			Management and general	X,XXX			Fundraising	X,XXX			Total operating expenses	XX,XXX		XX,XXX	Net transfer of funds from operations	(6,975)		(6,975)	Operating revenues in excess of operating expenses and transfers	XX,XXX	X,XXX	XX,XXX	Other changes:				Investment return, net	X,XXX	X,XXX	X,XXX	Contributions	X,XXX		X,XXX	Other	X,XXX		X,XXX	Net transfer of funds to operations	6,975		6,975	Change in net assets	\$XX,XXX	\$ X,XXX	\$XX,XXX
	Without Donor Restrictions	With Donor Restrictions	Total																																																																																																		
Operating revenues, gains, and other support:																																																																																																					
Contributions	\$X,XXX	\$ X,XXX	\$XX,XXX																																																																																																		
Fees	X,XXX		X,XXX																																																																																																		
Programmatic investing return	XX		XX																																																																																																		
Other	XXX		XXX																																																																																																		
Net assets released from restrictions																																																																																																					
Investment return appropriated and released for current operations from donor-restricted endowment	X,XXX	(X,XXX)																																																																																																			
[Other net assets released from restrictions]	X,XXX	(X,XXX)																																																																																																			
Total operating revenues, gains, and other support	XX,XXX	X,XXX	XX,XXX																																																																																																		
Operating expenses:																																																																																																					
Program A	XX,XXX																																																																																																				
Program B	X,XXX																																																																																																				
Program C	X,XXX																																																																																																				
Management and general	X,XXX																																																																																																				
Fundraising	X,XXX																																																																																																				
Total operating expenses	XX,XXX		XX,XXX																																																																																																		
Net transfer of funds from operations	(6,975)		(6,975)																																																																																																		
Operating revenues in excess of operating expenses and transfers	XX,XXX	X,XXX	XX,XXX																																																																																																		
Other changes:																																																																																																					
Investment return, net	X,XXX	X,XXX	X,XXX																																																																																																		
Contributions	X,XXX		X,XXX																																																																																																		
Other	X,XXX		X,XXX																																																																																																		
Net transfer of funds to operations	6,975		6,975																																																																																																		
Change in net assets	\$XX,XXX	\$ X,XXX	\$XX,XXX																																																																																																		
958-220-55-19 Pending	[Content amended as shown and moved from paragraph 958-225-55-18] Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 NFP A would add the following illustrative text to its note to financial statements that describes the nature of the reported measure of operations or the items excluded from operations and provides an appropriate disaggregation and description by type of internal board designations, appropriations, and similar actions. Measure of Operations NFP A's operating revenues in excess of expenses and transfers include all operating revenues and expenses that are an integral part of its programs and supporting activities, net assets released from donor restrictions to support operating expenditures, and transfers from Board-designated and other nonoperating funds to support current operating activities. The measure of operations includes support for operating activities from both donor-restricted net assets and net assets without donor restrictions designated for long-term investment (the donor-restricted and quasi-endowment) according to NFP A's spending policy, which is detailed in Note X. The measure of operations excludes investment return in excess of (less than) amounts made available for current support, gains and losses on extinguishment of debt, and changes in fair value of the interest rate swap. Included in the line items <i>net transfer of funds to operations</i> and <i>net transfer of funds from operations</i> is investment return appropriated from quasi-endowment to operations of \$1,025, contributions designated by the Board of Trustees for capital projects from operations of \$3,000, and contributions and bequests designated by the Board of Trustees for quasi-endowment from operations of \$5,000. [Content moved from paragraph 958-225-55-19]																																																																																																				
958-220-55-20 Pending	Transition Date: (P) December 16, 2017; (N) December 16, 2017Transition Guidance: 958-10-65-1 >>Example 6: Presentation of Net Investment Return in Separate Line Items																																																																																																				

	The following is an Example of a statement of activities in which NFP A presents net investment return in separate, appropriately labeled line items in accordance with paragraph 958-225-45-14 958-220-45-14. In this Example, NFP A presents net investment return in two separate line items to distinguish net investment return appropriated for current operations from net investment return for use in future periods. There may be other cases in which an NFP may present net investment return in separate line items in accordance with paragraph 958-225-45-14 958-220-45-14. <table><tr><th colspan="4">Not-for-Profit Entity A Statement of Activities Year Ended June 30, 20X1</th></tr><tr><th></th><th>Without Donor Restrictions</th><th>With Donor Restrictions</th><th>Total</th></tr><tr><td>Operating revenues, gains, and other support:</td><td></td><td></td><td></td></tr><tr><td> Contributions</td><td>\$X,XXX</td><td>\$ X,XXX</td><td>\$XX,XXX</td></tr><tr><td> Other</td><td>XXX</td><td></td><td>XXX</td></tr><tr><td> Investment return, net, appropriated for spending</td><td>X,XXX</td><td>X,XXX</td><td>X,XXX</td></tr><tr><td> Net assets released from restrictions</td><td><u>X,XXX</u></td><td><u>(X,XXX)</u></td><td></td></tr><tr><td> Total operating revenues, gains, and other support</td><td><u>XX,XXX</u></td><td><u>X,XXX</u></td><td><u>XX,XXX</u></td></tr><tr><td>Operating expenses</td><td><u>XX,XXX</u></td><td></td><td><u>XX,XXX</u></td></tr><tr><td> Total operating revenues, gains, and other support in excess of operating expenses</td><td>XX,XXX</td><td>X,XXX</td><td>XX,XXX</td></tr><tr><td>Other changes:</td><td></td><td></td><td></td></tr><tr><td> Investment return, net, in excess of amounts appropriated for spending</td><td>X,XXX</td><td>X,XXX</td><td>X,XXX</td></tr><tr><td> Other</td><td><u>X,XXX</u></td><td></td><td><u>X,XXX</u></td></tr><tr><td> Change in net assets</td><td><u>\$XX,XXX</u></td><td><u>\$ X,XXX</u></td><td><u>\$XX,XXX</u></td></tr></table> [Content amended as shown and moved from paragraph 958-225-55-20]	Not-for-Profit Entity A Statement of Activities Year Ended June 30, 20X1					Without Donor Restrictions	With Donor Restrictions	Total	Operating revenues, gains, and other support:				Contributions	\$X,XXX	\$ X,XXX	\$XX,XXX	Other	XXX		XXX	Investment return, net, appropriated for spending	X,XXX	X,XXX	X,XXX	Net assets released from restrictions	<u>X,XXX</u>	<u>(X,XXX)</u>		Total operating revenues, gains, and other support	<u>XX,XXX</u>	<u>X,XXX</u>	<u>XX,XXX</u>	Operating expenses	<u>XX,XXX</u>		<u>XX,XXX</u>	Total operating revenues, gains, and other support in excess of operating expenses	XX,XXX	X,XXX	XX,XXX	Other changes:				Investment return, net, in excess of amounts appropriated for spending	X,XXX	X,XXX	X,XXX	Other	<u>X,XXX</u>		<u>X,XXX</u>	Change in net assets	<u>\$XX,XXX</u>	<u>\$ X,XXX</u>	<u>\$XX,XXX</u>
Not-for-Profit Entity A Statement of Activities Year Ended June 30, 20X1																																																									
	Without Donor Restrictions	With Donor Restrictions	Total																																																						
Operating revenues, gains, and other support:																																																									
Contributions	\$X,XXX	\$ X,XXX	\$XX,XXX																																																						
Other	XXX		XXX																																																						
Investment return, net, appropriated for spending	X,XXX	X,XXX	X,XXX																																																						
Net assets released from restrictions	<u>X,XXX</u>	<u>(X,XXX)</u>																																																							
Total operating revenues, gains, and other support	<u>XX,XXX</u>	<u>X,XXX</u>	<u>XX,XXX</u>																																																						
Operating expenses	<u>XX,XXX</u>		<u>XX,XXX</u>																																																						
Total operating revenues, gains, and other support in excess of operating expenses	XX,XXX	X,XXX	XX,XXX																																																						
Other changes:																																																									
Investment return, net, in excess of amounts appropriated for spending	X,XXX	X,XXX	X,XXX																																																						
Other	<u>X,XXX</u>		<u>X,XXX</u>																																																						
Change in net assets	<u>\$XX,XXX</u>	<u>\$ X,XXX</u>	<u>\$XX,XXX</u>																																																						
980-20-50-2	The disclosure requirements of Subtopic 225-20 220-20 for unusual or infrequently occurring items apply to the net adjustment reported in the statement of operations as a result of applying this Subtopic.																																																								
225	Supersede Topic 225, including SEC Sections, with no link to a transition paragraph.																																																								
912-225	Supersede Subtopic 912-225, with no link to a transition paragraph.																																																								
932-225	Supersede Subtopic 932-225, with no link to a transition paragraph.																																																								
942-225	Supersede Subtopic 942-225, including SEC Sections, with no link to a transition paragraph.																																																								
944-225	Supersede Subtopic 944-225, including SEC Sections, with no link to a transition paragraph.																																																								
946-225	Supersede Subtopic 946-225, including SEC Sections, with no link to a transition paragraph.																																																								
954-225	Supersede Subtopic 954-225, with no link to a transition paragraph.																																																								
958-225	Supersede Subtopic 958-225, with no link to a transition paragraph.																																																								

3. Updates to the Status (00) Sections in the Subtopics amended by paragraph 2 of this maintenance update.

Paragraph	Superseded/Amended/Added			
220-10-00-1	Paragraph/Glossary Term	Action	Accounting Standards Update	Date
	<u>220-10-05-1</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-10-05-2 through 05-5</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-10-15-1</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>220-10-15-2</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-10-15-5</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-10-45-7A</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
225-10-00-1	Paragraph/Glossary Term	Action	Accounting Standards Update	Date
	<u>225-10-05-1 through 05-5</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-10-15-1 through 15-3</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-10-45-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
225-10-S00-1	Paragraph/Glossary Term	Action	Accounting Standards Update	Date
	<u>225-10-S15-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-10-S25-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-10-S25-2</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-10-S30-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-10-S45-1 through S45-8</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-10-S50-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-10-S99-1 through S99-8</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
225-20-00-1	Paragraph/Glossary Term	Action	Accounting Standards Update	Date
	<u>Infrequency of Occurrence</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Unusual Nature</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-20-05-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-20-15-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>225-20-45-16</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-20-50-3</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-20-55-1 through 55-3</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-20-60-3</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
225-30-00-1	<u>Business Interruption Insurance</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Gross Margin</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-30-05-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-30-05-2</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-30-15-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-30-45-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>225-30-50-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
470-60-00-1	<u>470-60-35-3</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
505-30-00-1	<u>505-30-60-1</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
605-40-00-1	<u>605-40-45-1</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
610-30-00-1	<u>610-30-45-1</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
830-30-00-1	<u>830-30-40-4</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
852-10-00-1	<u>852-10-45-21</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>852-10-45-29</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
912-225-00-1	<u>912-225-05-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>912-225-15-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>912-225-45-1 through 45-4</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
942-225-S00-1	<u>942-225-S25-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-225-S45-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-225-S45-2</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-225-S50-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-225-S50-2</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-225-S99-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-225-S99-2</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
944-225-S00-1	<u>944-225-S45-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>944-225-S50-1 through S50-5</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>944-225-S99-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
944-360-00-1	<u>944-360-40-3</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
954-225-00-1	<u>Affiliate</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Contribution</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Donor-Imposed Restriction</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Equity Transfer</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Functional Expense Classification</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Inherent Contribution</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Net Assets with Donor Restrictions</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Net Assets without Donor Restrictions</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>Performance Indicator</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-225-05-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-225-15-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-225-15-2</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-225-45-1 through 45-10</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-225-50-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-225-50-2</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-225-55-1 through 55-6</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
958-225-00-1	<u>Affiliate</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Agent</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Bankruptcy Code</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Board-Designated Endowment Fund</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Chapter 11</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Contribution</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Disposal Group</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Donor-Imposed Restriction</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Donor-Restricted Endowment Fund</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Donor-Restricted Support</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Endowment Fund</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Equity Transfer</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>Functional Expense Classification</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Funds Functioning as Endowment</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Inherent Contribution</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Intermediary</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Lead Interest</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Natural Expense Classification</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Net Assets</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Net Assets with Donor Restrictions</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Net Assets without Donor Restrictions</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Not-for-Profit Entity</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Programmatic Investing</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Reclassification of Net Assets</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Remainder Interest</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Spending Rate</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Split-Interest Agreement</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Stipulation</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Total Return</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Trustee</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Variance Power</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>958-225-05-1 through 05-3</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>958-225-15-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>958-225-15-2</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>958-225-45-1 through 45-26</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>958-225-50-1</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>958-225-55-1 through 55-20</u>	<u>Superseded</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
980-20-00-1	<u>980-20-50-2</u>	<u>Amended</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

4. Addition of new Status (00) Sections in the Subtopics amended by paragraph 2 of this Maintenance Update.

<u>220-10-S00-1</u>	The following table identifies the changes made to this Subtopic.			
	<u>Paragraph/Glossary Term</u>	<u>Action</u>	<u>Accounting Standards Update</u>	<u>Date</u>
	<u>220-10-S15-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-10-S25-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-10-S25-2</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-10-S30-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-10-S45-1 through S45-8</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-10-S50-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
220-20-00-1	The following table identifies the changes made to this Subtopic.			
	<u>Paragraph/Glossary Term</u>	<u>Action</u>	<u>Accounting Standards Update</u>	<u>Date</u>
	<u>Infrequency of Occurrence</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Unusual Nature</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-20-05-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>220-20-15-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-20-45-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-20-50-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-20-55-1 through 55-3</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-20-60-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
220-30-00-1	The following table identifies the changes made to this Subtopic.			
	<u>Paragraph/Glossary Term</u>	<u>Action</u>	<u>Accounting Standards Update</u>	<u>Date</u>
	<u>Business Interruption Insurance</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Gross Margin</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-30-05-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-30-05-2</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-30-15-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-30-45-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>220-30-50-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
912-220-00-1	The following table identifies the changes made to this Subtopic.			
	<u>Paragraph/Glossary Term</u>	<u>Action</u>	<u>Accounting Standards Update</u>	<u>Date</u>
	<u>912-220-05-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>912-220-15-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>912-220-45-1 through 45-4</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
932-220-00-1	The following table identifies the changes made to this Subtopic.			
	<u>Paragraph/Glossary Term</u>	<u>Action</u>	<u>Accounting Standards Update</u>	<u>Date</u>
	<u>932-220-05-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>932-220-15-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>932-220-50-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>932-220-55-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
942-220-S00-1	The following table identifies the changes made to this Subtopic.			
	<u>Paragraph/Glossary Term</u>	<u>Action</u>	<u>Accounting Standards Update</u>	<u>Date</u>
	<u>942-220-S25-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-220-S45-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-220-S45-2</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-220-S50-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-220-S50-2</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-220-S99-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>942-220-S99-2</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
944-220-S00-1	The following table identifies the changes made to this Subtopic.			
	<u>Paragraph/Glossary Term</u>	<u>Action</u>	<u>Accounting Standards Update</u>	<u>Date</u>
	<u>944-220-S45-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>944-220-S50-1 through S50-5</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
946-220-00-1	<u>944-220-S99-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	The following table identifies the changes made to this Subtopic.			
	<u>Paragraph/Glossary Term</u>	<u>Action</u>	<u>Accounting Standards Update</u>	<u>Date</u>
	<u>12b-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>946-220-05-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>946-220-15-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>946-220-45-1 through 45-17</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>946-220-50-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>946-220-50-2</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
946-220-S00-1	The following table identifies the changes made to this Subtopic.			
	<u>Paragraph/Glossary Term</u>	<u>Action</u>	<u>Accounting Standards Update</u>	<u>Date</u>
	<u>946-220-S45-1 through S45-3</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>946-220-S50-1 through S50-3</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>946-220-S99-1 through S99-3</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
954-220-00-1	The following table identifies the changes made to this Subtopic.			
	<u>Paragraph/Glossary Term</u>	<u>Action</u>	<u>Accounting Standards Update</u>	<u>Date</u>
	<u>Affiliate</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Contribution</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Donor-Imposed Restriction</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Equity Transfer</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Functional Expense Classification</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Inherent Contribution</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Net Assets with Donor Restrictions</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Net Assets without Donor Restrictions</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Performance Indicator</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-220-05-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-220-15-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>954-220-15-2</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-220-45-1 through 45-11</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-220-50-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-220-50-2</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>954-220-55-1 through 55-6</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
958-220-00-1	The following table identifies the changes made to this Subtopic.			
	<u>Paragraph/Glossary Term</u>	<u>Action</u>	<u>Accounting Standards Update</u>	<u>Date</u>
	<u>Affiliate</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Agent</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Bankruptcy Code</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Board-Designated Endowment Fund</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Chapter 11</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Contribution</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Disposal Group</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Donor-Imposed Restriction</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Donor-Restricted Endowment Fund</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Donor-Restricted Support</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Endowment Fund</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Equity Transfer</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Functional Expense Classification</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Funds Functioning as Endowment</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>Inherent Contribution</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Intermediary</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Lead Interest</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Natural Expense Classification</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Net Assets</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Net Assets with Donor Restrictions</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Net Assets without Donor Restrictions</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Not-for-Profit Entity</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Permanently Restricted Net Assets</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Programmatic Investing</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Reclassification</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Reclassification of Net Assets</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Remainder Interest</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Restricted Support</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Spending Rate</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Split-Interest Agreement</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Stipulation</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Temporarily Restricted Net Assets</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Total Return</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Trustee</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>

	<u>Unrestricted Net Assets</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Unrestricted Support</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>Variance Power</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>958-220-05-1 through 05-3</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>958-220-15-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>958-220-15-2</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>958-220-45-1 through 45-30</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>958-220-50-1</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>
	<u>958-220-55-1 through 55-20</u>	<u>Added</u>	<u>Maintenance Update 2017-19</u>	<u>11/15/2017</u>