

## PCA-CX-13: Disclosure Requirements

### PCA-CX-13.1: Disclosure Requirements for Financial Statements of Issuers

Company: \_\_\_\_\_ Balance Sheet Date: \_\_\_\_\_

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_

#### Explanation

The following is a list of the primary disclosure requirements for financial statements required by accounting principles generally accepted in the United States of America (GAAP) and the Securities and Exchange Commission. The disclosure requirements apply to larger domestic issuers and smaller reporting companies as follows.

In most cases, the disclosures apply to both larger domestic issuers and smaller reporting companies, as those issuers are defined below. Most checklist questions also include the relevant citation of the FASB Accounting Standards Codification. The Codification represents the single source of nongovernmental authoritative U.S. accounting and reporting standards (other than SEC guidance). Much (though not all) authoritative SEC content is included for reference in the Codification, such as relevant portions of Regulation S-X, Financial Reporting and Accounting Series Releases, and Staff Accounting Bulletins. While citations to both the Codification and the original SEC material have been provided in this checklist for codified SEC material, SEC material contained in the FASB Codification does not supersede SEC rules or regulations and is not the authoritative source for SEC content. For more information on the FASB Accounting Standards Codification, refer to section 1002, the FASB website at [www.fasb.org](http://www.fasb.org), and to SEC Interpretation (Release No. 33-9062A) at [www.sec.gov/rules/interp/2009/33-9062a.pdf](http://www.sec.gov/rules/interp/2009/33-9062a.pdf). In some cases, while the disclosures apply to both larger domestic issuers and smaller reporting companies, relevant citations to the FASB Accounting Standards Codification or SEC material support the disclosure requirement for larger domestic issuers; however, the disclosure is considered to be “accepted practice” for smaller reporting companies.

The *Jumpstart Our Business Startups Act* (JOBS Act) affects the accounting and reporting of new equity issuers that meet the definition of an *emerging growth company*. Among other things, the JOBS Act amended Section 7(a) of the Securities Act of 1933 and Section 13(a) of the Securities Exchange Act of 1934 to exempt emerging growth companies from adopting new or revised accounting standards until the effective date of such standards for nonpublic companies. (An emerging growth company can, however, elect to adopt new and revised standards on the effective date for public companies.) This checklist does not consider the effects, if any, of the exemption of emerging growth companies from the adoption of new or revised accounting standards. The annual gross revenue threshold for emerging growth companies is \$1.235 billion as of the date of this checklist.

According to FASB ASC 105-10-05-3, “Sources of nonauthoritative accounting guidance and literature include . . . practices that are widely recognized and prevalent either generally or in the industry . . . . The appropriateness of other sources of accounting guidance depends on its relevance to particular circumstances, the specificity of the guidance, the general recognition of the issuer or author as an authority, and the extent of its use in practice.” Many issuers disclose that information, even though a specific requirement in the authoritative literature cannot be identified. In addition, in some cases, the disclosures apply equally to both larger domestic issuers and smaller reporting companies, but the requirement does not cite a specific authoritative reference; instead, it indicates that the disclosure is “accepted practice.” Where disclosures for larger domestic issuers differ from those for smaller reporting companies, the disclosure is prefaced as applying to either “larger domestic issuers” or “smaller reporting companies,” and the relevant citations to authoritative content are provided as appropriate.

This checklist has considered relevant sections of SEC Regulation S-X, Staff Accounting Bulletin (SAB) Topics, Financial Reporting Releases (FRR), SEC Speeches, Division of Corporation Finance publications, and Accounting Standards Updates (ASUs) of the FASB (ASCs).

An occasional reference is made to a PCAOB Auditing Standard (AS). Disclosure guidelines for certain financial statement items are in auditing pronouncements.

**Disclosures relating to Schedules—Form 10-K, Item 15, which are subject to audit, are included in Part II of this practice aid.**

**See PCA-IR-5, “Interim Disclosure Requirements for Financial Statements of Issuers,” for disclosure requirements for unaudited interim financial information of issuers other than smaller reporting companies.**

This checklist is divided into two parts: Part I—Most Frequent Disclosures, and Part II—Other Disclosures. See separate instructions for Part I and Part II.

**Additional disclosures may be required for companies in certain industries or for other specialized areas of accounting as discussed in the Specialized Accounting and Reporting Principles section in Part I of this checklist.**

### Update Information

Except as indicated below in the Recent Developments discussion of ASU 2023-06, this checklist has been updated through June 20, 2024, and is current through ASU 2024-02, *Codification Improvements—Amendments to Remove References to the Concept Statements*. This checklist is updated four times throughout the year. Checkpoint Engage users can access the updated checklists directly within Checkpoint Engage. The most recent edition is also available at [www.thomsonreuters.com/en-us/help/ppc-and-quickfinder-updates/ppc-aa-updates.html](http://www.thomsonreuters.com/en-us/help/ppc-and-quickfinder-updates/ppc-aa-updates.html).

### Definitions

Larger Domestic Issuers—Companies with a public float of \$250 million or more.

Smaller Reporting Companies—SEC Regulation S-K defines a smaller reporting company as one that meets all of the following criteria:

- Is not an investment company or an asset-backed issuer.
- If a majority-owned subsidiary, has a parent that is also a smaller reporting company.
- Had a public float of—
  - Less than \$250 million on the last day of its most recently completed second fiscal quarter.
  - If public float was not calculable or less than \$700 million, had annual revenues of less than \$100 million during the most recently completed fiscal year.

Financial statement requirements for smaller reporting companies are in Article 8 of Regulation S-X, which provides a scaled disclosure option for smaller reporting companies and a requirement for two years of balance sheet data. Smaller reporting companies have the option of complying with the scaled financial disclosures on an item-by-item (or *a la carte*) basis. That is, companies may elect to comply with the scaled requirements, or with the more detailed requirements for larger companies included in this practice aid, on an item-by-item basis. Under various sections of the Securities Act and the Exchange Act, issuers are required to disclose all material facts that are necessary to make the financial statements not misleading, which may require disclosures in excess of line item requirements. However, if a scaled disclosure requirement is more rigorous than the same larger company requirement, smaller reporting companies must comply with the more rigorous requirement.

SEC Regulation S-X sets forth the financial statement requirements for smaller reporting companies. **Smaller reporting company financial statements must be prepared in accordance with the requirements of GAAP and consider related SEC Staff Interpretations of those requirements.** As discussed in greater detail in Exhibit 10-3, SEC Regulation S-X does not apply to smaller reporting companies, *except* for the following:

- Article 2 dealing with the report and qualifications of accountants.
- Article 8 dealing with financial statements of smaller reporting companies.
- Rule 4-08(n) dealing with the description of accounting policies for derivative instruments.
- Rule 4-10 dealing with accounting for oil and gas producing activities.

To the extent that Article 11-01 of this part (Pro Forma Presentation Requirements) offers enhanced guidelines for the preparation, presentation, and disclosure of pro forma financial information, smaller reporting companies may wish to consider these items.

### Recent SEC Developments

In July 2023, the SEC issued a final rule in SEC Release No. 33-11216, *Cybersecurity Risk Management, Strategy, Governance, and Incident Disclosure*, that requires public companies to disclose material cybersecurity breaches in a more timely manner. Companies are generally required to disclose on Form 8-K a cybersecurity incident within four business days after determining that they have experienced a material incident. Form 8-K would be amended for the disclosure, and any subsequent material changes, additions, or updates would be disclosed on Form 10-Q or Form 10-K (for the fourth quarter). In addition, a new Regulation S-K Item 106 requires, among other things, companies to describe their processes for assessing, identifying, and managing material risks from cybersecurity threats, as well as whether any risks from cybersecurity threats, including those arising from prior cybersecurity incidents, have materially affected or are reasonably likely to materially affect the company. This disclosure is required in the annual report on Form 10-K beginning with annual reports for fiscal years ending on or after December 15, 2023. The new Form 8-K requirements are effective December 18, 2023, except for smaller reporting companies, which are effective on June 15, 2024. The disclosures required by the new final rule are beyond the scope of this checklist.

On July 17, 2023, the SEC's Division of Corporation Finance issued a sample comment letter to companies regarding China-specific disclosures. The statements in the sample letter represent the views of the staff of the Division of Corporation Finance and are not a rule, regulation, or statement of the SEC. The authors believe that following this guidance is a best practice; however, staff guidance has no legal force or effect and does not alter or amend applicable law or create new or additional obligations. The sample letter addresses matters reported on Item 9C of Form 10-K, "Disclosure Regarding Foreign Jurisdictions that Prevent Inspections;" the impact of risks of intervention or control by the People's Republic of China discussed in Item 105 of Regulation S-K, "Risk Factors;" and the Uyghur Forced Labor Prevention Act addressed in Item 303 of Regulation S-K, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

In October 2023, the FASB issued ASU 2023-06, *Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*, to incorporate several SEC disclosure requirements into a variety of Topics in the FASB Codification. When effective, ASU 2023-06 will not significantly affect the disclosure requirements for entities subject to SEC's existing disclosure requirements, given those entities' requirement to comply with Regulation S-X. The effective date of each amendment of the ASU will be the date of the SEC's removal of the related disclosure from its regulations, to prevent duplication. (If the SEC has not removed the related requirement from Regulation S-X by June 30, 2027, the amendments of the ASU will be removed from the FASB Codification.) Early adoption is prohibited. This checklist will be updated to incorporate the FASB ASC references as the amendments become effective.

In January 2024, the SEC issued a final rule in SEC Release 33-11265, *Special Purpose Acquisition Companies, Shell Companies, and Projections*, that provides enhanced disclosures and investor protection in initial public offerings by special purpose acquisition companies (SPACs) and in later business combination transactions between a SPAC and target company (de-SPAC). Among other things, the final rule results in a new Rule 15-01 of Regulation S-X, "Acquisitions of Businesses by a Shell Company (Other Than a Business Combination Related Shell Company)," a new Subpart 229.1600 of Regulation S-K, "Special Purpose Acquisition Companies," and various amendments to rules, items, and forms of the Securities Act of 1933, Securities Exchange Act of 1934, and Regulations S-K, S-X, and S-T. The final rules are effective on July 1, 2024. Disclosures and reporting specific to SPACs are beyond the scope of this disclosure checklist.

In March 2024, a new final rule was issued in SEC Release No. 33-11275, *The Enhancement and Standardization of Climate-Related Disclosures for Investors*, which requires the inclusion of climate-related information in registration statements and annual reports. Among other things, the new rule requires disclosure of material climate-related risks, activities related to adapting to or mitigating such risks, related oversight activities, and information on climate-related targets or goals. Information is also required of certain greenhouse gas emissions. The rules are effective 60 days after publication in the *Federal Register*. However, the rules have various phase-in dates dependent on whether the registrant is a larger accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. The first disclosure requirements are effective for large accelerated filers in 2025. In April 2024, the SEC issued a voluntary stay (SEC Release No. 33-11280) in response to pending litigation. Therefore, the implementation dates are currently on hold. This edition of the checklist does not incorporate the disclosure requirements under the final rule. Future editions will be updated as relevant.

**PART I—MOST FREQUENT DISCLOSURES****Instructions**

Part I should be completed in its entirety. A block  has been provided for each major disclosure caption. If the major caption is not applicable to your client, simply place a (✓) in the block. It will then not be necessary to check N/A for each question under the major caption. Otherwise, respond to each question with a (✓) in the appropriate column: (1) Yes—disclosure made; (2) No—item present but no disclosure made (any item checked “No” should be explained in the checklist or in a separate memorandum); or (3) N/A—either the item is not present or it is immaterial to the financial statements.

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**Disclosure Made?**

**Yes      No      N/A**

**GENERAL REQUIREMENTS**

- |  |       |       |       |
|--|-------|-------|-------|
| 1. Do the financial statements present audited consolidated balance sheets for the two most recent fiscal years? If so:  | _____ | _____ | _____ |
| a. For larger domestic issuers, audited statements of income, cash flows, comprehensive income, and changes in shareholders' equity for each of the latest three years? (S-X 3-01, 3-02, 3-04) | _____ | _____ | _____ |
| b. For smaller reporting companies, audited statements of income, cash flows, comprehensive income, and changes in shareholders' equity for each of the latest two years? (S-X 8.02)           | _____ | _____ | _____ |
| 2. If the entity has changed its fiscal year, is the following financial information presented: (S-X 3-06, FRR 35)   |       |       |       |
| a. Disclosure of summarized financial information for the short period, if the statement of comprehensive income presents a full year?   | _____ | _____ | _____ |
| b. Disclosure of summarized financial information for the full year ended as of the balance sheet date, if the statement of comprehensive income presents a short period?                      | _____ | _____ | _____ |
| c. Current period financial statements that cover at least a nine-month period?  | _____ | _____ | _____ |
| d. Full 12-month periods for all prior years presented?  | _____ | _____ | _____ |

**BALANCE SHEET**

**GENERAL PRESENTATION REQUIREMENTS**

- |   |       |       |       |
|---|-------|-------|-------|
| 1. For larger domestic issuers, are the following line items separately disclosed on the face of the balance sheet or in the related notes unless (a) the amount that otherwise would be shown is immaterial, (b) the items and conditions are not present, or (c) specialized industry practices specify a different presentation: (Other accepted terminology may be used, when appropriate, to identify balance sheet line items.) (S-X 4-01, 4-02, 4-03, 5-01, and 5-02) (FASB ASC 205-10-S99; 210-10-S99) (Smaller reporting companies often present these captions, when applicable.) |       |       |       |
| a. Cash and cash items?   | _____ | _____ | _____ |
| b. Marketable securities?   | _____ | _____ | _____ |
| c. Accounts and notes receivable?   | _____ | _____ | _____ |
| d. Allowances for doubtful accounts and notes receivable?   | _____ | _____ | _____ |
| e. Unearned income?   | _____ | _____ | _____ |
| f. Inventories?   | _____ | _____ | _____ |
| g. Prepaid expenses?  | _____ | _____ | _____ |
| h. Other current assets, stating separately on the balance sheet or in a note any items in excess of 5% of total current assets? (S-X 5-02.8) (FASB ASC 210-10-S99-1)   | _____ | _____ | _____ |
| i. Total current assets, when appropriate?  | _____ | _____ | _____ |
| j. Securities of related parties?   | _____ | _____ | _____ |

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**Disclosure Made?**

**Yes      No      N/A**

k. Indebtedness of related parties, noncurrent?	_____	_____	_____
l. Other investments?	_____	_____	_____
m. Property, plant, and equipment?	_____	_____	_____
n. Accumulated depreciation, depletion, and amortization of property, plant, and equipment?	_____	_____	_____
o. Intangible assets?	_____	_____	_____
p. Accumulated depreciation and amortization of intangible assets?	_____	_____	_____
q. Other assets, separately stating on the balance sheet or in a note any items in excess of 5% of total assets? (S-X 5-02.17) (FASB ASC 210-10-S99-1)	_____	_____	_____
r. Total assets?	_____	_____	_____
s. Accounts and notes payable?	_____	_____	_____
t. Other current liabilities, stating separately on the balance sheet or in a note any items in excess of 5% of total current liabilities? (S-X 5-02.20) (FASB ASC 210-10-S99-1)	_____	_____	_____
u. Total current liabilities, when appropriate? (FASB ASC 210-10-45-5)	_____	_____	_____
v. Bonds, mortgages, and other long-term debt, including capitalized leases?	_____	_____	_____
w. Indebtedness to related parties, noncurrent?	_____	_____	_____
x. Other liabilities, stating separately on the balance sheet or in a note any items in excess of 5% of total liabilities? (S-X 5-02.24) (FASB ASC 210-10-S99-1)	_____	_____	_____
y. Commitments and contingent liabilities? [The balance sheet must include this caption (or some variation thereof) referenced to the relevant footnote(s), even if there are no balance sheet amounts that correspond with the caption.]	_____	_____	_____
z. Deferred credits?	_____	_____	_____
aa. Preferred stocks subject to mandatory redemption requirements or whose redemption is outside the control of the issuer? (See also REDEEMABLE PREFERRED STOCK AND OTHER FINANCIAL INSTRUMENTS WITH CHARACTERISTICS OF LIABILITIES AND EQUITY.)	_____	_____	_____
ab. Preferred stocks that are not redeemable or are redeemable solely at the option of the issuer?	_____	_____	_____
ac. Common stocks?	_____	_____	_____
ad. Other stockholders' equity?	_____	_____	_____
ae. Noncontrolling interests in consolidated subsidiaries?	_____	_____	_____
af. Total liabilities and equity?	_____	_____	_____

**CURRENT ASSETS**

1. For smaller reporting companies:

a. If a classified balance sheet is used, is a total of current assets presented? (Accepted practice)	_____	_____	_____
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**Disclosure Made?**

**Yes      No      N/A**

- b. Are significant categories segregated, e.g., cash and cash equivalents, marketable securities, accounts receivable, notes receivable, unearned income, inventories, prepaid expenses? (Accepted practice)

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**CASH**

1. Are restricted amounts of cash appropriately segregated from other cash items and classified as a noncurrent asset, if appropriate; and are provisions of restrictions described? [(FASB ASC 210-10-45-4); (SAB T.6H) (FASB ASC 210-10-S99-2); FRR 203] [For larger domestic issuers, (S-X 5-02.1) (FASB ASC 210-10-S99-1)]
2. Are cash deposits in connection with repurchase agreements shown as restricted cash? {For larger domestic issuers, [S-X 4-08(m)] (FASB ASC 235-10-S99-1)} (Accepted practice for smaller reporting companies)
3. For compensating balances, have the following been disclosed?
  - a. Arrangements that do not legally restrict the use of cash and the related amounts, if determinable? [(SAB T.6H) (FASB ASC 210-10-S99-2); FRR 203] [For larger domestic issuers, also (S-X 5-02.1) (FASB ASC 210-10-S99-1)]
  - b. If compensating balances were materially greater during the period than at the end of the period, any changes in the arrangement (e.g., the required compensating balance percentage) and changes in borrowing levels? (SAB T.6H) (FASB ASC 210-10-S99-2)
  - c. For larger domestic issuers, the amounts and terms of agreements where compensating balances are maintained to assure future credit availability? (S-X 5-02) (FASB ASC 210-10-S99-1)
4. Are material bank overdrafts presented as a separate caption among current liabilities? Similarly, are material dollar amounts of held checks (checks on the bank reconciliation but not released until after the balance sheet date) reclassified as accounts payable? (Accepted practice)
5. Are significant concentrations of credit risk arising from cash deposits in excess of federally insured limits disclosed? (See FINANCIAL INSTRUMENTS—Concentrations of Credit Risk.)

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**NOTES AND ACCOUNTS RECEIVABLE**

1. For periods prior to adoption of ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, are all significant categories of receivables presented separately in the balance sheet or disclosed, including receivables from (a) customers; (b) related parties, e.g., officers, directors, stockholders, affiliates; (c) underwriters, promoters, and employees; and (d) others, including tax refunds, contract termination claims, advance payments on purchases? (Amounts for accounts and notes receivable may be combined if notes receivable are 10% or less of total receivables.) (FASB ASC 310-10-45-2 and 45-13; 310-10-50-3) (S-X 5-02.3) (FASB ASC 210-10-S99-1)
2. For periods prior to adoption of ASU 2016-13, are trade receivables held for sale separately disclosed? (FASB ASC 310-10-45-2)

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**Disclosure Made?**  
**Yes**    **No**    **N/A**

3. For periods after the adoption of ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, are all significant categories of receivables presented separately in the balance sheet or disclosed, including receivables from (a) customers; (b) related parties, e.g., officers, directors, stockholders, and affiliates; (c) underwriters, promoters, and employees; and (d) others, including major categories of nonmortgage loans or trade receivables, receivables held for sale, tax refunds, contract termination claims, advance payments on purchases, etc.? (Amounts for accounts and notes receivable may be combined if notes receivable are 10% or less of total receivables.) (FASB ASC 310-10-45-2; 310-10-45-13; 310-10-50-3; 850-10-50-2) (S-X 5-02.3) (FASB ASC 210-10-S99-1)

Practical Consideration:

- The presentation requirements in FASB ASC 310-10-45-2 in Question No. 3 were amended by ASU 2019-04, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments*. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective date and transition provisions of the ASU.

4. Are amounts due from officers, employees, affiliates, and others classified as current only if they are collectible in the ordinary course of business within a year? (FASB ASC 310-10-45-9; 210-10-45-1)

5. Is the allowance for credit losses (also referred to as doubtful accounts prior to the adoption of ASU 2016-13) disclosed? (FASB ASC 310-10-50-4; 310-10-50-14) [For larger domestic issuers, also (S-X 5-02.4) (FASB ASC 210-10-S99-1)]

6. For periods prior to adoption of ASU 2016-13, has an analysis been presented (by class of financing receivable) of the age of the recorded investment in financing receivables at the end of the reporting period that are past due, as determined by the entity's policy? (This disclosure does not apply to trade accounts receivable, other than credit card receivables, with a contractual maturity of one year or less that arose from the sale of goods or services; receivables measured at fair value with changes in fair value reported in earnings; receivables measured at lower of cost or fair value; participant loans in defined contribution plans; or loans acquired with deteriorated credit quality.) (FASB ASC 310-10-50-5A and 50-5B; 310-10-50-7A and 50-7B) [NOTE: The disclosure requirement in Question No. 6 is superseded after the adoption of ASU 2016-13. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates of ASU 2016-13 and subsequent ASUs.]

7. Is the aggregate amount of gains or losses on sales of loans or trade receivables [including adjustments to record loans held for sale at the lower of amortized cost basis (or, prior to adoption of ASU 2016-13, cost) or fair value] presented separately in the financial statements or disclosed in the notes to the financial statements? (FASB ASC 860-20-50-5)

8. Are foreclosed and repossessed assets not subsequently to be used in operations presented separately in the financial statements or disclosed in the notes to the financial statements? (FASB ASC 310-10-45-3; 310-10-50-11)

9. Has disclosure been made of the following: (FASB ASC 310-10-50-11 and 50-35)

- The carrying amount of foreclosed residential real estate properties held at the reporting date where physical possession has been obtained?

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**Disclosure Made?**

**Yes      No      N/A**

- |   |              |              |              |
|---|--------------|--------------|--------------|
| <p>b. The recorded investment in consumer mortgage loans secured by residential real estate properties where formal foreclosure procedures are in process?</p>  | <p>_____</p> | <p>_____</p> | <p>_____</p> |
| <p>10. For periods prior to adoption of ASU 2016-13, is the following disclosed about nonaccrual and past-due financing receivables as of each balance sheet date presented: (This disclosure should be presented by class of financing receivable, except for trade accounts receivable, other than credit card receivables, with a contractual maturity of one year or less that arose from the sale of goods or services; receivables measured at fair value with changes in fair value reported in earnings; receivables measured at lower of cost or fair value; and participants loans in defined contribution plans. This disclosure does not apply to loans acquired with deteriorated credit quality.) (FASB ASC 310-10-50-5A and 50-5B; 310-10-50-7) [NOTE: The disclosure requirement in Question No. 10 is superseded after the adoption of ASU 2016-13. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates of ASU 2016-13 and subsequent ASUs.]</p> |              |              |              |
| <p>a. Recorded investment in financing receivables on nonaccrual status?</p>  | <p>_____</p> | <p>_____</p> | <p>_____</p> |
| <p>b. Recorded investment in financing receivables past due ninety days or more and still accruing?</p>   | <p>_____</p> | <p>_____</p> | <p>_____</p> |
| <p>11. For periods after the adoption of ASU 2016-13, <i>Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments</i>, for amounts reversed or established for a valuation allowance and the allowance for credit losses related to the transfer of nonmortgage loans between the held-for-sale and not-held-for-sale classifications, have such amounts been reflected on a gross basis and presented in the income statement or disclosed? (FASB ASC 310-10-45-2)</p>   | <p>_____</p> | <p>_____</p> | <p>_____</p> |
| <p>Practical Consideration:</p> <ul style="list-style-type: none"> <li>• The presentation requirements in Question No. 11 were added by ASU 2019-04, <i>Codification Improvements to Topic 326, Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments</i>. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective date and transition provisions of the ASU.</li> </ul>  |              |              |              |
| <p>12. Is the carrying amount and classification of receivables that serve as collateral for borrowings disclosed? (FASB ASC 310-10-50-5, 860-30-50-1A)</p>   | <p>_____</p> | <p>_____</p> | <p>_____</p> |
| <p>13. If a note is noninterest bearing or has an unreasonable stated interest rate, is the face amount of the note disclosed in the financial statements or in the notes to the financial statements and does the description of the note include the effective interest rate? (FASB ASC 835-30-50-1)</p>  | <p>_____</p> | <p>_____</p> | <p>_____</p> |
| <p>14. Are unearned income, unamortized discounts and premiums, net unamortized deferred fees and costs, and imputed interest related to receivables appropriately presented or disclosed? (FASB ASC 310-10-50-4; 835-30-45-1A)</p>   | <p>_____</p> | <p>_____</p> | <p>_____</p> |
| <p>15. Is the amortization of any discounts or premiums reported as interest income in the statement of comprehensive income? (FASB ASC 835-30-45-3)</p>  | <p>_____</p> | <p>_____</p> | <p>_____</p> |
| <p>16. For transfers of receivables with recourse reported as sales, do the transferor's financial statements disclose the proceeds to the transferor during each period for which a statement of comprehensive income is presented? (Accepted practice)</p>  | <p>_____</p> | <p>_____</p> | <p>_____</p> |

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**Disclosure Made?**

**Yes      No      N/A**

- |  |       |       |       |
|--|-------|-------|-------|
| 17. Are contingent liabilities associated with sold or discounted receivables disclosed (guarantees to repurchase receivables or related property)? (FASB ASC 460-10-50-2)   | _____ | _____ | _____ |
| 18. Are significant concentrations of credit risk arising from receivables disclosed? (See FINANCIAL INSTRUMENTS—Concentrations of Credit Risk.)   | _____ | _____ | _____ |
| 19. For periods prior to the implementation of ASU 2022-02, <i>Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures</i> , if impairment of loans has been recognized, have the appropriate disclosures been made? (See LENDING ACTIVITIES, LOAN PURCHASES, AND MODIFICATIONS FOR DEBTORS EXPERIENCING FINANCIAL DIFFICULTIES—Impaired Loans.) | _____ | _____ | _____ |

**INVESTMENTS IN DEBT AND EQUITY SECURITIES**

**Investments in Debt and Equity Securities—General**

- |  |       |       |       |
|--|-------|-------|-------|
| 1. For investments other than marketable equity securities, is the basis of determining the aggregate amount shown in the balance sheet, along with the alternatives of the aggregate cost or the aggregate market value at the balance sheet date, disclosed? [For larger domestic issuers, (S-X 5-02.2 and 5-02.12) (FASB ASC 210-10-S99-1)] (Accepted practice for smaller reporting companies) | _____ | _____ | _____ |
|--|-------|-------|-------|

**Investments in Debt Securities—Available-for-sale, Held-to-maturity, and Trading Securities**

- |   |       |       |       |
|---|-------|-------|-------|
| 2. For periods prior to adoption of ASU 2016-13, <i>Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments</i> , are separate disclosures of the following made by major security type for securities classified as available-for-sale as of each date for which a balance sheet is presented: (FASB ASC 320-10-50-2) [NOTE: The disclosures in FASB ASC 320-10-50 are not required for interim periods if the entity provides summarized interim financial information in accordance with FASB ASC 270-10-50-1. (FASB ASC 320-10-50-1A)] |       |       |       |
| a. Amortized cost basis?  | _____ | _____ | _____ |
| b. Aggregate fair value?  | _____ | _____ | _____ |
| c. Total other-than-temporary impairment recognized in accumulated other comprehensive income?  | _____ | _____ | _____ |
| d. Total gains for securities with net gains in accumulated other comprehensive income?   | _____ | _____ | _____ |
| e. Total losses for securities with net losses in accumulated other comprehensive income?   | _____ | _____ | _____ |

Practical Consideration:

- Major security type should be determined based on the nature and risks of the security and considering the activity or business sector, vintage, geographic concentration, credit quality, and economic characteristic for particular security types. (FASB ASC 320-10-50-1B)



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**Disclosure Made?**

**Yes      No      N/A**

- f. Total other-than-temporary impairment recognized in accumulated other comprehensive income? \_\_\_\_\_
- g. Gross gains and losses in accumulated other comprehensive income for any derivatives that hedged the forecasted acquisition of the held-to-maturity securities? \_\_\_\_\_

Practical Consideration:

- FASB ASC 320-10-50-1B provides guidance on determining major security types.

6. For periods after the adoption of ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, are separate disclosures of the following made by major security type for securities classified as held-to-maturity as of each date for which a balance sheet is presented: (FASB ASC 320-10-50-5 and 50-5A) [NOTE: The disclosures in FASB ASC 320-10-50 are not required for interim periods if the entity provides summarized interim financial information in accordance with FASB ASC 270-10-50-1. (FASB ASC 320-10-50-1A)]

- a. Amortized cost basis? \_\_\_\_\_
- b. Aggregate fair value? \_\_\_\_\_
- c. Gross unrecognized holding gains? \_\_\_\_\_
- d. Gross unrecognized holding losses? \_\_\_\_\_
- e. Total allowance for credit losses? \_\_\_\_\_
- f. Net carrying amount? \_\_\_\_\_
- g. Gross gains and losses in accumulated other comprehensive income for any derivatives that hedged the forecasted acquisition of the held-to-maturity securities? \_\_\_\_\_

Practical Considerations:

- FASB ASC 320-10-50-1B provides guidance on determining major security types.
- The disclosure requirements in Question No. 6 include the amendments of ASU 2016-13 and ASU 2019-04, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments*. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective date and transition provisions of ASU 2019-04.

7. For periods after the adoption of ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, if applicable accrued interest included in the amortized cost basis of held-to-maturity securities is excluded from the disclosures in Question No. 6 as a practical expedient, has disclosure been made of the total amount of accrued interest, net of any allowance for credit losses, excluded from the disclosed amortized cost basis? (FASB ASC 320-10-50-5C) \_\_\_\_\_

Practical Consideration:

- The presentation requirements in Question No. 7 were added by ASU 2019-11, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective date and transition provisions of the ASU.

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**Disclosure Made?**

**Yes      No      N/A**

8. For periods after the adoption of ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, have amounts reversed or established for the allowance for credit losses due to the transfer of debt securities between available-for-sale and held-to-maturity categories been reflected on a gross basis in the income statement and presented either on the income statement or in the notes to financial statements? (FASB ASC 320-10-45-8B)

\_\_\_\_\_

Practical Consideration:

- The presentation requirements in Question No. 8 were added by ASU 2019-04, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments*. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective date and transition provisions of the ASU.

9. If individual amounts for the three categories of investments are not presented on the balance sheet, are they disclosed in the notes and reconciled to the reporting classifications used in the balance sheet? (FASB ASC 320-10-45-13)

\_\_\_\_\_

10. Have investments in available-for-sale securities and trading securities been reported separately on the face of the balance sheet from similar assets that are not subsequently measured at fair value by either (a) presenting the aggregate of those fair value and non-fair-value amounts in the same line item and parenthetically disclosing the amount of fair value included in the aggregate amount or (b) presenting two separate line items to display the fair value and non-fair-value carrying amounts? (FASB ASC 320-10-45-1)

\_\_\_\_\_

11. Are separate disclosures of the following made by major security type for securities classified as available for sale or as held to maturity: (FASB ASC 320-10-50-2, 50-3, 50-5, and 50-5B) [NOTE: The disclosures in FASB ASC 320-10-50 are not required for interim periods if the entity provides summarized interim financial information in accordance with FASB ASC 270-10-50-1. (FASB ASC 320-10-50-1A)]

a. Information about the contractual maturities as of the date of the most recent balance sheet presented (disclosure can be by appropriate maturity groups)?

\_\_\_\_\_

b. Method used to allocate securities into maturity groups, if necessary?

\_\_\_\_\_

c. For financial institutions, the fair value and net carrying amount (if different from fair value) of the securities based on at least four maturity groupings: (1) within one year, (2) after one year through five years, (3) after five years through 10 years, and (4) after 10 years?

\_\_\_\_\_

Practical Consideration:

- The term *financial institutions* includes banks, savings and loan associations, savings banks, credit unions, finance companies, and insurance companies.

12. For each period for which a statement of comprehensive income is presented, have the following been disclosed: (FASB ASC 320-10-50-9) [NOTE: The disclosures in FASB ASC 320-10-50 are not required for interim periods if the entity provides summarized interim financial information in accordance with FASB ASC 270-10-50-1. (FASB ASC 320-10-50-1A)]

a. Proceeds from sales of securities available for sale?

\_\_\_\_\_

b. Gross realized gains and losses that have been included in earnings as a result of sales of securities available for sale?

\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- c. Method used to determine the cost of a security sold or the amount reclassified out of accumulated other comprehensive income into earnings (average cost or other method)? \_\_\_\_\_
- d. Gross gains and gross losses included in earnings from transfers of securities from the available-for-sale category into the trading category? \_\_\_\_\_
- e. Amount of the net unrealized holding gain or loss on securities available for sale that has been included in accumulated other comprehensive income for the period? \_\_\_\_\_
- f. Amount of gains and losses on available-for-sale securities reclassified out of accumulated other comprehensive income into earnings for the period? \_\_\_\_\_
- g. Portion of trading gains and losses for the period that relates to trading securities still held at the balance sheet date? \_\_\_\_\_
- 13. For each period for which a statement of comprehensive income is presented, have the following for sales of or transfers from securities classified as held to maturity been disclosed: (FASB ASC 320-10-50-10) (See also Question No. 1 in REFERENCE RATE REFORM.) [NOTE: The disclosures in FASB ASC 320-10-50 are not required for interim periods if the entity provides summarized interim financial information in accordance with FASB ASC 270-10-50-1. (FASB ASC 320-10-50-1A)]
  - a. Net carrying amount of the sold or transferred security? \_\_\_\_\_
  - b. Net gain or loss in accumulated other comprehensive income for any derivative that hedged the forecasted acquisition of the held-to-maturity security? \_\_\_\_\_
  - c. Related realized or unrealized gain or loss? \_\_\_\_\_
  - d. Circumstances leading to the decision to sell or transfer the security? \_\_\_\_\_

**Investments in Debt Securities—Impaired Securities**



NOTE: The disclosure requirements in Question Nos. 14 and 15 are superseded by ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The effective dates and disclosure requirements of ASU 2016-13 and related subsequent ASUs are indicated in FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13.

- 14. For periods prior to adoption of ASU 2016-13, have the following been disclosed if a loss has not been recognized in earnings for impaired available-for-sale securities and held-to-maturity securities: (FASB ASC 320-10-50-6 and 50-7) (NOTE: The following disclosures are also required when a portion of the other-than-temporary impairment has not been recognized in earnings and a portion has been recognized in other comprehensive income.) [NOTE: The disclosures in FASB ASC 320-10-50 are not required for interim periods if the entity provides summarized interim financial information in accordance with FASB ASC 270-10-50-1. (FASB ASC 320-10-50-1A)]
  - a. As of each date for which a balance sheet is presented, quantitative information aggregated by major security type, presented in tabular form and segregated by investments that have been in a loss position for less than 12 months and those that have been in a loss position for 12 months or longer, that includes—
    - (1) Aggregate amount of unrealized losses? \_\_\_\_\_
    - (2) Aggregate fair value of investments with unrealized losses? \_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

<p>b. As of the date of the most recent balance sheet presented, narrative information that was considered in reaching the conclusion that the impairments are not other-than-temporary, including (1) the nature of the investment, (2) the cause of the impairment, (3) the number of investment positions in an unrealized loss position, (4) the severity and duration of the impairment, and (5) other evidence considered relevant?</p>	_____	_____	_____
<p>15. For periods prior to adoption of ASU 2016-13, when an other-than-temporary impairment of a debt security is recognized and only the amount related to a credit loss is recognized in earnings, have the following been disclosed: (FASB ASC 320-10-50-8A and 50-8B) [NOTE: The disclosures in FASB ASC 320-10-50 are not required for interim periods if the entity provides summarized interim financial information in accordance with FASB ASC 270-10-50-1. (FASB ASC 320-10-50-1A)]</p>			
<p>a. Methodology and significant inputs used to measure the credit loss by major security type?</p>	_____	_____	_____
<p>b. A tabular rollforward of the amount related to credit losses recognized in earnings that includes, at a minimum—</p>			
<p>(1) The beginning balance of the amount related to credit losses on debt securities held at the beginning of the period for which a portion of an other-than-temporary impairment was recognized in other comprehensive income?</p>	_____	_____	_____
<p>(2) Additions for the amount related to the credit loss for which an other-than-temporary impairment was not previously recognized?</p>	_____	_____	_____
<p>(3) Reductions for securities sold during the period (realized)?</p>	_____	_____	_____
<p>(4) Reductions for securities where the amount previously recognized in other comprehensive income was recognized in earnings because the investor intends to sell the security or more likely than not will be required to sell the security before recovery of its amortized cost basis?</p>	_____	_____	_____
<p>(5) Additional increases to the amount related to the credit loss for which an other-than-temporary impairment was previously recognized when the investor does not intend to sell the security and it is <i>not</i> more likely than not that the investor will be required to sell the security before recovery of its amortized cost basis?</p>	_____	_____	_____
<p>(6) Reductions for increases in cash flows expected to be collected that are recognized over the remaining life of the security?</p>	_____	_____	_____
<p>(7) The ending balance of the amount related to credit losses on debt securities held at the end of the period for which a portion of an other-than-temporary impairment was recognized in other comprehensive income?</p>	_____	_____	_____

**Investments in Equity Securities**

To the extent that the disclosures in Question Nos. 16 and 17 achieve the fair value disclosure requirements as noted in FAIR VALUE MEASUREMENTS, such disclosures do not need to be duplicated. (FASB ASC 321-10-50-2B)

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**Disclosure Made?**  
**Yes      No      N/A**

- |  |   |   |   |
|--|---|---|---|
| <p>16. If the entity elects to measure equity securities without readily determinable fair values at cost, less any impairment, and plus or minus changes resulting from observable price changes, have the following been disclosed: (FASB ASC 321-10-50-3)</p> <p>a. Carrying amount of the investments?</p> <p>b. Amount of any impairments and downward adjustments, both cumulative and annual?</p> <p>c. Amount of any upward adjustments, both cumulative and annual?</p> <p>d. As of the date of the most recent balance sheet presented, narrative information that permits users of the financial statements to understand the quantitative disclosures and the information the entity considered in determining the carrying amounts, and upward or downward adjustments resulting from observable price changes?</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> |
| <p>17. For each period for which a statement of comprehensive income is presented, has the portion of unrealized gains and losses for the period relating to equity securities still held at the reporting date been disclosed? (FASB ASC 321-10-50-4)</p>   | <p>_____</p>  | <p>_____</p>  | <p>_____</p>  |

**FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13**

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. In November 2019, the FASB amended the effective dates of ASU 2016-13 for certain entities through the issuance of ASU 2019-10, *Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*. As amended, ASU 2016-13 and any related amending ASUs are effective for entities qualifying as smaller reporting companies for fiscal years beginning after December 15, 2022, including interim periods within those years. For other public business entities, the ASU is effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Such entities may apply the ASU earlier, for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Users should refer to the ASU for additional information about specific transition requirements.

In addition, the FASB subsequently issued the following ASUs that amend or clarify certain matters relating to FASB ASC 326:

- ASU 2019-04, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments*.
- ASU 2019-05, *Financial Instruments—Credit Losses (Topic 326): Targeted Transition Relief*.
- ASU 2019-10, *Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*.
- ASU 2019-11, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*.
- ASU 2020-03, *Codification Improvements to Financial Instruments*
- ASU 2022-02, *Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures*

Index \_\_\_\_\_

**Disclosure Made?**

**Yes      No      N/A**

For public business entities that have not yet adopted ASU 2016-13, the effective date and transition method of the subsequently issued ASUs are the same as the effective dates and transition method of ASU 2016-13. For entities that have adopted ASU 2016-13, ASUs 2019-04, 2019-11, and 2020-03 are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For entities that have adopted ASU 2016-13, ASU 2022-02 is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early adoption, including adoption in an interim period, is permitted if ASU 2016-13 has been applied. Users should refer to the ASUs for additional information about specific transition requirements. Where applicable, the disclosure requirements included in this part of the checklist incorporate the provisions of these subsequent ASUs, as well as the disclosure requirements in ASU 2016-13 related to measurement of credit losses.

**General—Credit Losses on Financial Instruments Measured at Amortized Cost**



NOTE: The following sections apply to financial assets measured at amortized cost basis, including (1) financing receivables, (2) held-to-maturity debt securities, (3) receivables resulting from revenue transactions under FASB ASC 606 or other income under FASB ASC 610, and (4) receivables relating to repurchase agreements and securities lending agreements. It also applies to a lessor’s net investments in leases under FASB ASC 842, off-balance-sheet credit exposures not accounted for as insurance, and reinsurance recoverables within the scope of FASB ASC 944. (FASB ASC 326-20-15-2)

1. For financial assets measured at amortized cost, is the allowance for credit losses that is deducted from the amortized cost basis of the asset presented separately on the balance sheet? (FASB ASC 326-20-45-1)
2. Has the estimate of expected credit losses for off-balance-sheet credit exposures been presented as a liability and recorded separately from the allowance for credit losses related to a recognized financial instrument on the balance sheet? (FASB ASC 326-20-45-2)


NOTE: For financing receivables and net investment in leases, the disclosures required by FASB ASC 326-20-50, as detailed in the following sections, should be provided either by portfolio segment or class of financing receivable. For held-to-maturity debt securities, disclosures should be provided by major security type. Consideration should be given to the amount of detail needed to satisfy the disclosure requirements. (FASB ASC 326-20-50-3)

Question Nos. 3 through 6 result from the issuance of ASU 2019-04. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective date and transition provisions of the ASU.

3. If an accounting policy election has been made, at the class of financing receivable or major security-type level, to present within another balance sheet line item the accrued interest receivable balance, net of any allowance for credit losses, have the amount of the net accrued interest and the line item in the balance sheet in which it is presented been disclosed? (FASB ASC 326-20-50-3A)
4. If, as a practical expedient, the accrued interest receivable balance that is included in the amortized cost basis of financing receivables and held-to-maturity securities is excluded from the disclosures in Question Nos. 7 through 19, has the total amount of accrued interest excluded been disclosed? (FASB ASC 326-20-50-3B)


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	<b>Disclosure Made?</b>		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
5. If an accounting policy election has been made to not measure an allowance for credit losses for accrued interest receivables if uncollectible accrued interest receivable balances are written off in a timely manner, has disclosure been made of the accounting policy, including information about what time period(s), at the class of financing receivable or major security-type level, are considered timely? (FASB ASC 326-20-50-3C)	_____	_____	_____
6. If an accounting policy election has been made to write off accrued interest receivables through a reversal of interest income or recognition of credit loss expense (or a combination of both), has disclosure been made of the accounting policy, along with the amount of accrued interest receivables written off by reversing interest income by portfolio segment or major security type? (FASB ASC 326-20-50-3D)	_____	_____	_____

**Credit Quality Information—Financial Instruments Measured at Amortized Cost**

7. Is there disclosure of quantitative and qualitative information by class of financing receivable and major security type about the credit quality of financial assets (excluding off-balance-sheet credit exposures and repurchase agreements and securities lending agreements), including: (NOTE: The disclosure requirements do not apply to receivables measured at the lower of amortized cost basis or fair value, or trade receivables due in one year or less, except for credit card receivables, resulting from revenue transactions with customers.) (FASB ASC 326-20-50-5 and 50-9)			
a. A description of the credit quality indicator(s)?	_____	_____	_____
b. Amortized cost basis by credit quality indicator?	_____	_____	_____
c. For each credit quality indicator, the date or date range that the information was last updated?	_____	_____	_____
8. For financing receivables and net investment in leases (except for reinsurance recoverables and funded or unfunded amounts of line-of-credit arrangements), have the following been disclosed: (FASB ASC 326-20-50-6)			
a. The amortized cost basis within each credit quality indicator by year of origination (vintage year)? (NOTE: Purchased financing receivables and net investment in leases must use the initial date of issuance for determining the year origination. For origination years before the fifth annual period, the amortized cost basis may be presented in aggregate. For interim period disclosures, current year-to-date originations in the current reporting period are considered current-period originations.)	_____	_____	_____
b. For periods after the adoption of ASU 2022-02, the gross current-year write-offs for financing receivables and net investments in leases by origination year, on a year-to-date basis? (NOTE: For origination years before the fifth annual period, gross write-offs in the current period may be presented in the aggregate.)	_____	_____	_____
Practical Consideration:			
• In the year of adoption of ASU 2016-13, a public business entity that does not meet the definition of a SEC filer may phase-in the disclosure of credit quality indicators by year of origination, presenting only the three most recent origination years (including the year of adoption). In each subsequent fiscal year, the current origination year is added until a total of five years is presented. (FASB ASC 326-10-65-1)			
9. If internal risk ratings are disclosed, has qualitative information been provided on how such ratings relate to the likelihood of loss? (FASB ASC 326-20-50-8)	_____	_____	_____

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**Disclosure Made?**  
**Yes      No      N/A**

10. If the disclosures in Question Nos. 7–9 are not sufficient to enable financial statement users to (a) understand how the credit quality of financial assets is monitored by management and (b) assess the quantitative and qualitative risks arising from the credit quality of such assets, has additional disclosure been made as necessary? (FASB ASC 326-20-50-4)

\_\_\_\_\_

**Allowance for Credit Losses—Financial Instruments Measured at Amortized Cost**

11. Is there disclosure of the following by portfolio segment and major security type: (FASB ASC 326-20-50-11)

a. A description of the method used to develop expected loss estimates? \_\_\_\_\_

b. A description of the accounting policies and methodology to estimate the allowance for credit losses? \_\_\_\_\_

c. A discussion of the factors that influenced the current estimate of expected credit losses including (1) past events, (2) current conditions, and (3) reasonable and supportable forecasts concerning the future? \_\_\_\_\_

d. A discussion of the relevant risk characteristics for each segment of the portfolio? \_\_\_\_\_

e. A discussion of the changes in the factors that influenced the current estimate of expected credit losses and the reasons for such changes? \_\_\_\_\_

f. Identification of changes in accounting policies, methodology changes from the prior period, the reasons for the changes, and the quantitative effect of the changes? \_\_\_\_\_

g. The reasons for significant changes in writeoff amounts? \_\_\_\_\_

h. A discussion of the reversion method that was applied for periods after the reasonable and supportable forecast period? \_\_\_\_\_

i. During each reporting period, the following amounts:  
 (1) Significant purchases of financial assets? \_\_\_\_\_  
 (2) Significant sales of financial assets? \_\_\_\_\_  
 (3) Significant reclassifications of loans held for sale? \_\_\_\_\_

12. If the change in present value attributable to the passage of time is reported as interest income (versus reporting it as credit loss expense or reversal of credit loss expense), has the amount recorded to interest income representing the change in present value attributable to the passage of time been disclosed? (FASB ASC 326-20-50-12)

\_\_\_\_\_

13. Is there disclosure of quantitative information about the activity in the allowance for credit losses for financial assets, provided separately by portfolio segment and major security type, including the following: (FASB ASC 326-20-50-13)

a. The beginning allowance for credit losses balance? \_\_\_\_\_

b. The provision for expected credit losses for the current period? \_\_\_\_\_

c. If applicable, the preliminary allowance for credit losses recognized on financial assets accounted for as purchased financial assets with credit deterioration (including certain beneficial interests)? \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

- d. Writeoffs charged against the allowance? \_\_\_\_\_
  - e. Recoveries collected? \_\_\_\_\_
  - f. The ending allowance for credit losses balance? \_\_\_\_\_
14. If the disclosures in Question Nos. 11 through 13 are not sufficient to enable financial statement users to understand (a) the method management used for developing the allowance for credit losses, (b) the information management used in developing the current estimate of expected credit losses, and (c) the circumstances that caused changes to the allowance and affected the related credit loss expense (or reversal) reported for the period, has additional disclosure been made as necessary? (FASB ASC 326-20-50-10) \_\_\_\_\_

**Past-due Status—Financial Instruments Measured at Amortized Cost**

15. Have the following been disclosed to allow financial statement users to understand the extent of past-due financial assets: (NOTE: The disclosure requirements do not apply to (1) receivables measured at the lower of amortized cost basis or fair value or (2) trade receivables due in one year or less, except for credit card receivables, resulting from revenue transactions with customers.) (FASB ASC 326-20-50-14 and 50-15)
- a. For financial assets that are past due as of the reporting date, an aging analysis of the amortized cost basis, disaggregated by class of financing receivable and major security type? \_\_\_\_\_
  - b. When the entity considers a financial asset to be past due? \_\_\_\_\_

**Nonaccrual Status—Financial Instruments Measured at Amortized Cost**

16. Have the following been disclosed, disaggregated by class of financing receivable and major security type, to allow financial statement users to understand the credit risk and interest income recognized on financial assets on nonaccrual status: (NOTE: The disclosure requirements do not apply to receivables measured at the lower of amortized cost basis or fair value, or trade receivables due in one year or less, except for credit card receivables, resulting from revenue transactions with customers.) (FASB ASC 326-20-50-16 and 50-18)
- a. The amortized cost basis of financial assets on nonaccrual status as of the beginning of the reporting period? \_\_\_\_\_
  - b. The amortized cost basis of financial assets on nonaccrual status as of the end of the reporting period? \_\_\_\_\_
  - c. The amount of interest income recognized on nonaccrual financial assets during the period? \_\_\_\_\_
  - d. The amortized cost basis of financial assets that are past due 90 days or more, but are not on nonaccrual status as of the reporting date? \_\_\_\_\_
  - e. The amortized cost basis of financial assets on nonaccrual status for which no allowance for credit losses has been established as of the reporting date? \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

17. Does the summary of significant accounting policies for financial assets include the following: (NOTE: The disclosure requirements do not apply to receivables measured at the lower of amortized cost basis or fair value, or trade receivables due in one year or less, except for credit card receivables, resulting from revenue transactions with customers.) (FASB ASC 326-20-50-17 and 50-18)

a. Nonaccrual policies, including those for discontinuing accrual of interest, recording payments received on nonaccrual assets (including the cost recovery method, cash basis method, or combination of those methods), and resuming interest accrual, if applicable?

\_\_\_\_\_

b. Policy for determining past due or delinquency status?

\_\_\_\_\_

c. Policy for recognizing writeoffs in the allowance for credit losses?

\_\_\_\_\_

**Purchased Financial Assets with Credit Deterioration—Financial Instruments Measured at Amortized Cost**

18. For purchased financial assets with credit deterioration that were acquired during the current reporting period, has a reconciliation of the difference between the purchase price and the par value of the financial assets been provided, including: (FASB ASC 326-20-50-19)

a. The purchase price?

\_\_\_\_\_

b. The allowance for credit losses at the date of acquisition based on the assessment of the acquirer?

\_\_\_\_\_

c. The discount or premium that relates to other factors?

\_\_\_\_\_

d. The par value?

\_\_\_\_\_

**Collateral-dependent Financial Assets—Financial Instruments Measured at Amortized Cost**

19. For financial assets for which the repayment is anticipated to be substantially provided through the operation or sale of the collateral and the borrower is encountering financial difficulty, have the followed been disclosed: (FASB ASC 326-20-50-20)

a. A description of the type of collateral by class of financing receivable and major security type?

\_\_\_\_\_

b. A qualitative description, by class of financing receivable and major security type, of—

(1) The extent to which collateral secures the financial assets that are collateral dependent?

\_\_\_\_\_

(2) Significant changes in the extent to which collateral secures the financial assets that are collateral dependent, whether because of general deterioration or other reason?

\_\_\_\_\_

Index \_\_\_\_\_

**Disclosure Made?**  
**Yes      No      N/A**

**Off-balance-sheet Credit Exposures—Financial Instruments Measured at Amortized Cost**

20. Has a description been provided of the accounting policies and methodology used to estimate the liability for off-balance-sheet credit exposures and related charges, including the factors that affected management’s judgment and a discussion of risk elements that pertain to particular categories of financial instruments? (FASB ASC 326-20-50-21)

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

**Additional Disclosures—Financial Instruments Measured at Amortized Cost**

21. If the disclosures in Question Nos. 3 through 20 are not sufficient to enable financial statement users to understand (a) the inherent credit risk in a portfolio, (b) how the credit quality of the portfolio is monitored by management, (c) management’s estimate of the expected credit losses, and (d) changes during the period in the estimate of expected credit losses, has additional disclosure been made as necessary? (FASB ASC 326-20-50-2)

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

**General—Credit Losses on Available-for-sale Debt Securities**

22. Have available-for-sale debt securities been presented on the balance sheet at fair value with the amortized cost basis and allowance for credit losses shown parenthetically? (NOTE: If an accounting policy election has been made to exclude the applicable accrued interest from both the fair value and amortized cost basis of the available-for-sale debt security and either present it separately on the balance sheet or within another balance sheet line item, see the additional disclosure in Question No. 24.) (FASB ASC 326-30-45-1)

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

23. Are amounts reported in accumulated other comprehensive income related to available-for-sale debt securities for which an allowance for credit losses has been recorded presented separately in the financial statement where the components of accumulated other comprehensive income are reported? (FASB ASC 326-30-45-2)

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

NOTE: When making disclosures required by FASB ASC 326-30-50, detailed in the following sections, consideration should be given to the amount of detail needed to satisfy the disclosure requirements and how information is disaggregated into major security types. (FASB ASC 326-30-50-3)

Question Nos. 24 through 27 result from the issuance of ASU 2019-04. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13, for the effective date and transition provisions of the ASU.

24. If an accounting policy election has been made to present within another balance sheet line item the accrued interest receivable balance, net of any allowance for credit losses, has the amount of the net accrued interest and the line item in the balance sheet in which it is presented been disclosed? (FASB ASC 326-30-50-3A)

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

25. For purposes of identifying and measuring impairment, if, as a practical expedient, the applicable accrued interest is excluded from the fair value and amortized cost basis of the available-for-sale debt security and from the disclosures in Question Nos. 28 through 30, has the amount of the net accrued interest excluded from the disclosed amortized cost basis been disclosed? (FASB ASC 326-30-50-3B)

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

- 26. If an accounting policy election has been made, at the major security-type level, to not measure an allowance for credit losses for accrued interest receivables if uncollectible accrued interest receivable balances are written off in a timely manner, has disclosure been made of the accounting policy, including information about what time period(s), at the major security-type level, are considered timely? (FASB ASC 326-30-50-3C) \_\_\_\_\_
- 27. If an accounting policy election has been made to write off accrued interest receivables through a reversal of interest income or recognition of credit loss expense (or a combination of both), has disclosure been made of the accounting policy, along with the amount of accrued interest receivables written off by reversing interest income, by major security type? (FASB ASC 326-30-50-3D) \_\_\_\_\_

**Available-for-sale Debt Securities in Unrealized Loss Positions without an Allowance for Credit Losses**

- 28. For available-for-sale debt securities (including beneficial interests in securitized financial assets) in an unrealized loss position where an allowance for credit losses has not been recorded, has the following been disclosed: (FASB ASC 326-30-50-4 and 50-5)
  - a. As of each date for which a balance sheet is presented, quantitative information aggregated by major security type, presented in tabular form and disaggregated by investments that have been in a continuous unrealized loss position for fewer than 12 months and those that have been in a continuous unrealized loss position for 12 months or more, including:
    - (1) Aggregate amount of unrealized losses? \_\_\_\_\_
    - (2) Aggregate fair value of investments with unrealized losses? \_\_\_\_\_
  - b. As of the date of the most recent balance sheet presented, narrative information to allow financial statement users to understand the quantitative disclosures and information considered (both positive and negative) in reaching the conclusion that an allowance for credit losses is not needed? [NOTE: The required disclosures may be aggregated by category of investment; however, individually significant unrealized losses are generally not permitted to be aggregated. This disclosure could include all of the following: (1) the nature of the investment(s), (2) the cause of the impairment(s), (3) the number of investment positions in an unrealized loss position, (4) the severity of the impairment(s), and (5) other evidence considered in reaching the conclusion that an allowance for credit losses is not needed.] \_\_\_\_\_

**Allowance for Credit Losses—Available-for-sale Debt Securities**

- 29. When an allowance for credit losses of an available-for-sale debt security is recorded, has the following been disclosed: (FASB ASC 326-30-50-7, 50-8, and 50-9)
  - a. Methodology and significant inputs used to measure the amount related to the credit loss, including the accounting policy for recognizing writeoffs of uncollectible available-for-sale debt securities, by major security type? \_\_\_\_\_
  - b. If the change in the allowance for credit losses attributable to changes in time value is reported as interest income (versus reporting it as credit loss expense or reversal of credit loss expense), the amount recorded to interest income representing the change in present value due to the passage of time? \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

- c. For each reporting period presented and by major security type, a tabular rollforward of the allowance for credit losses that includes, at a minimum:
- (1) The beginning balance of the allowance for credit losses on available-for-sale debt securities held at the beginning of the period? \_\_\_\_\_
  - (2) Additions to the allowance for credit losses on securities for which credit losses were not previously recorded? \_\_\_\_\_
  - (3) Additions to the allowance for credit losses that resulted from purchases of available-for-sale debt securities that were accounted for as purchased financial assets with credit deterioration (including certain beneficial interests)? \_\_\_\_\_
  - (4) Reductions for securities sold during the period (realized)? \_\_\_\_\_
  - (5) Reductions in the allowance for credit losses because the entity plans to sell the security or more likely than not will be required to sell the security prior to recovery of its amortized cost basis? \_\_\_\_\_
  - (6) Additional changes to the allowance for credit losses on securities that had an allowance recorded in a prior period if the entity has no intent to sell the security and it is not more likely than not that the entity will be required to sell the security prior to recovery of its amortized cost basis? \_\_\_\_\_
  - (7) Writeoffs charged against the allowance? \_\_\_\_\_
  - (8) Recoveries of amounts previously written off? \_\_\_\_\_
  - (9) The ending balance of the allowance for credit losses on debt securities held at the end of the period? \_\_\_\_\_

**Purchased Financial Assets with Credit Deterioration—Available-for-sale Debt Securities**

30. For purchased financial assets with credit deterioration that were acquired during the current reporting period, has a reconciliation of the difference between the purchase price and the par value of the available-for-sale debt securities been provided that includes: (FASB ASC 326-30-50-10)
- a. The purchase price? \_\_\_\_\_
  - b. The allowance for credit losses at the date of acquisition based on the assessment of the acquirer? \_\_\_\_\_
  - c. The discount or premium related to other factors? \_\_\_\_\_
  - d. The par value? \_\_\_\_\_

**Additional Disclosures—Available-for-sale Debt Securities**

31. If the disclosures in Question Nos. 22 through 30 are not sufficient to enable financial statement users to understand (a) the credit risk inherent in available-for-sale debt securities, (b) management’s estimate of credit losses, and (c) changes during the period in the estimate of credit losses, has additional disclosure been made as necessary? (FASB ASC 326-30-50-2) \_\_\_\_\_

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**Transition Disclosures**

32. Have the following transition disclosures been made in the period of adoption of ASU 2016-13: (NOTE: For interim financial statements, the disclosures should be provided in each interim financial statement of the year of the change and the annual financial statement of the period of the change.) (FASB ASC 326-10-65-1)

- a. The nature of the change in accounting principle, including an explanation of the new principle? \_\_\_\_\_
- b. The method of applying the change? \_\_\_\_\_
- c. If material, the effect of the adoption on any balance sheet line item as of the beginning of the first period for which the amendments are effective? \_\_\_\_\_
- d. The cumulative effect of the change on retained earnings or other components of equity in the balance sheet as of the beginning of the first period for which the amendments are effective? \_\_\_\_\_

33. For entities that have adopted ASU 2016-13 and apply the provisions of ASU 2019-04, 2019-11, or 2020-03, have the following been disclosed in the period that either ASU is adopted: (NOTE: For interim financial statements, the disclosures should be provided in each interim financial statement of the year of the change and the annual financial statement of the year of change.) (FASB ASC 326-10-65-2 and 65-4)

- a. An explanation of the newly adopted accounting principle, including its nature? \_\_\_\_\_
- b. The method of applying the change? \_\_\_\_\_
- c. The effect of the adoption on any balance sheet line item, if material, as of the beginning of the first period of application? \_\_\_\_\_
- d. The cumulative effect of the change on retained earnings or other components of equity in the balance sheet as of the beginning of the first period of application? \_\_\_\_\_

Practical Consideration:

- See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates and transition provisions of ASU 2019-04, ASU 2019-11, and 2020-03.

**INVENTORIES**

- 1. Is the basis for stating inventories disclosed, including the method of determining cost? (FASB ASC 210-10-50-1; 235-10-50-4; 330-10-50-1 and 50-4) {For larger domestic issuers, also [S-X 5-02.6(b)] (FASB ASC 210-10-S99-1)} \_\_\_\_\_
- 2. If general and administrative costs are included in inventory, are the aggregate amount of general and administrative costs incurred each period and the actual or estimated amount remaining in inventory at each balance sheet date disclosed? {For larger domestic issuers, [S-X 5-02.6(b)] (FASB ASC 210-10-S99-1)} (Accepted practice for smaller reporting companies) \_\_\_\_\_
- 3. Have the nature and effect on income (if material) of any significant changes in the basis for stating inventories been disclosed? (FASB ASC 330-10-50-1) \_\_\_\_\_
- 4. If goods are stated above cost, has that fact been fully disclosed? (FASB ASC 330-10-50-3) \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

- 5. Have substantial and unusual losses that result from the subsequent measurement of inventory been disclosed? (FASB ASC 330-10-50-2) \_\_\_\_\_
  - 6. Are the major classes of inventories, such as finished goods, costs related to long-term contracts, work-in-process, materials, and supplies disclosed? {For larger domestic issuers, [S-X 5-02.6(a)] (FASB ASC 210-10-S99-1)} (Accepted practice, if practicable, for smaller reporting companies) \_\_\_\_\_
  - 7. For conformity with IRS Regulations for entities using LIFO, are disclosures of annual income, profit, or loss on any inventory basis other than LIFO excluded from presentation on the face of the financial statements? (Such disclosures may be made only in the notes to the financial statements or in a supplementary schedule.) \_\_\_\_\_
- Caution:** Read IRS Reg. 1.472-2(e) to become familiar with LIFO conformity disclosure and reporting subtleties.
- 8. If the LIFO inventory method is used, is the excess of replacement or current cost over stated LIFO value, if material, disclosed parenthetically on the face of the statement of comprehensive income or in a note? {For larger domestic issuers, [S-X 5-02.6(c)] (FASB ASC 210-10-S99-1)} (Accepted practice for smaller reporting companies) \_\_\_\_\_
  - 9. Is material income realized from LIFO inventory liquidation, including any income or losses from liquidation of LIFO layers and the amount of any provision for temporary liquidation, disclosed either parenthetically on the face of the statement of comprehensive income or in a note? (SAB T.11F) (FASB ASC 330-10-S99-3) \_\_\_\_\_
  - 10. Is the carrying amount of inventories that serve as collateral for borrowings disclosed? [S-X 4-08(b)] (FASB ASC 235-10-S99-1) \_\_\_\_\_
  - 11. For larger domestic issuers, if cost is used to determine any portion of the inventory amounts, has the method been disclosed, including the nature of the cost elements? [S-X 5-02.6(b)] (FASB ASC 210-10-S99-1) \_\_\_\_\_

**PROPERTY AND EQUIPMENT**



- 1. Are the following disclosed relating to depreciable assets:
  - a. Balances of major classes of depreciable assets, by nature or function, at the balance sheet date? (FASB ASC 360-10-50-1) [For larger domestic issuers, also (S-X 5-02.13) (FASB ASC 210-10-S99-1)] \_\_\_\_\_
  - b. Accumulated depreciation, by major class or in total, at the balance sheet date? (FASB ASC 360-10-50-1) \_\_\_\_\_
  - c. A general description of the method or methods and periods used in computing depreciation with respect to major classes of depreciable assets? (FASB ASC 360-10-50-1; FASB ASC 235-10-50-4) [For larger domestic issuers, also (S-X 5-02.13) (FASB ASC 210-10-S99-1)] \_\_\_\_\_
  - d. Depreciation expense for the period? (FASB ASC 360-10-50-1) \_\_\_\_\_
  - e. For larger domestic issuers, the basis of determining amounts? [S-X 5-02.13(a)] (FASB ASC 210-10-S99-1) \_\_\_\_\_
- 2. Is the carrying amount of property not a part of long-term operating assets, e.g., idle or held for investment, segregated? (Accepted practice) \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- 3. Is the carrying amount of assets that serve as collateral for borrowings disclosed? [S-X 4-08(b)] (FASB ASC 235-10-S99-1) (Accepted practice for smaller reporting companies)
 

	_____	_____	_____
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  - a. For larger domestic issuers, are the obligations collateralized briefly identified?
 

	_____	_____	_____
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- 4. If depreciation expense is not included in cost of goods sold or operating expenses, is that fact disclosed by appropriate description on the face of the statement of comprehensive income? (SAB T.11B) (FASB ASC 220-10-S99-8)
 

	_____	_____	_____
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- 5. If property and equipment is impaired or is being held for disposal, have the appropriate disclosures been made? (See IMPAIRED LONG-LIVED ASSETS AND LONG-LIVED ASSETS TO BE DISPOSED OF.)
 

	_____	_____	_____
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**OTHER ASSETS**

- 1. Are significant categories of noncurrent assets separately disclosed on the balance sheet or in the notes to the financial statements and are any significant additions or deletions disclosed? (Accepted practice) [For larger domestic issuers, disclosure should be made if the noncurrent asset amounts represent over 5% of total assets. (S-X 5.02.17) (FASB ASC 210-10-S99-1)]
 

	_____	_____	_____
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- 2. Is the policy for deferral and amortization of deferred charges disclosed? [For larger domestic issuers, (S-X 5.02.17) (FASB ASC 210-10-S99-1)] (Accepted practice for smaller reporting companies.)
 

	_____	_____	_____
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- 3. If the entity has pre-production costs related to long-term supply arrangements, have the following been disclosed: (FASB ASC 340-10-S99-3)
  - a. Policy for accounting for pre-production design and development costs?
 

	_____	_____	_____
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  - b. Aggregate amount of:
    - (1) Assets recognized pursuant to agreements that provide for contractual reimbursement of pre-production design and development costs?
 

	_____	_____	_____
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    - (2) Assets recognized for molds, dies, and other tools that the supplier owns and does not own?
 

	_____	_____	_____
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**CURRENT LIABILITIES (EXCEPT INCOME TAXES)**

- 1. If a classified balance sheet is used, is a total of current liabilities presented? (FASB ASC 210-10-45-5)
 

	_____	_____	_____
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- 2. If the entity has not accrued compensated absences because the amount cannot be reasonably estimated, has that fact been disclosed? (FASB ASC 710-10-50-1)
 

	_____	_____	_____
--	-------	-------	-------
- 3. If real and personal property tax accruals are subject to a substantial measure of uncertainty, has the liability been disclosed as an estimate? (FASB ASC 720-30-45-1)
 

	_____	_____	_____
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**ACCOUNTS PAYABLE, NOTES PAYABLE, LONG-TERM DEBT, AND OTHER OBLIGATIONS**

**General**

- 1. Are amounts due to trade creditors and others (e.g., related parties, employees, underwriters, promoters, officers) presented as separate line items or disclosed in a note? [For larger domestic issuers, (S-X 5-02.19) (FASB ASC 210-10-S99-1)] (Accepted practice for smaller reporting companies)
 

	_____	_____	_____
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	Disclosure Made?		
	Yes	No	N/A
2. Are significant categories of current liabilities other than trade payables separately disclosed on the balance sheet or in the notes to the financial statements (e.g., accrued payroll, accrued interest, customer deposits, dividends payable)? (Accepted practice) [(For larger domestic issuers, disclosure should be made if the other current liability amounts represent over 5% of total current liabilities.) (S-X-5.02.20) (FASB ASC 210-10-S99-1)]	_____	_____	_____
3. Are significant categories of debt identified in the balance sheet or related notes, e.g., notes to banks, payables to factors, notes to other financial institutions, commercial paper notes, mortgage notes, or related party notes? [For larger domestic issuers, the liability to the lender is not considered a “trade payable” and should not be classified as trade payables in the balance sheet. (S-X 5-02.19) (FASB ASC 210-10-S99-1)]	_____	_____	_____
4. Are effective interest rates, maturity dates, contingencies, amounts and terms of unused commitments (including commitment fees and the conditions under which commitments can be withdrawn), indications of priority, and the basis (if convertible) disclosed? (FASB ASC 440-10-50-1; 835-30-50-1) [For larger domestic issuers, also (S-X 5-02.22) (FASB ASC 210-10-S99-1)]	_____	_____	_____
5. Have the necessary fair value and collateral disclosures been made? (See FINANCIAL INSTRUMENTS—Fair Value of Financial Instruments.)	_____	_____	_____
6. If a note is noninterest bearing or has an unreasonable stated interest rate: (FASB ASC 835-30-45-1A through 45-3; 835-30-50-1)			
a. Is the discount or premium presented as a deduction from or addition to the face amount of the note?	_____	_____	_____
b. Is the face amount of the note disclosed in the financial statements or in the notes to the financial statements and does the description of the note include the effective interest rate?	_____	_____	_____
c. Is amortization of the discount or premium reported as interest in the statement of comprehensive income?	_____	_____	_____
Practical Consideration:			
• The disclosure requirements in Question No. 6 do not apply to the amortization of premium and discount of liabilities reported at fair value. (FASB ASC 835-30-45-1)			
7. For debt issuance costs of liabilities that are not reported at fair value: (FASB ASC 835-30-45-1, 45-1A, and 45-3)			
a. Have such costs been reported as a direct deduction from the face amount of the related note in the balance sheet?	_____	_____	_____
b. Is amortization of such costs reported as interest expense in the statement of comprehensive income?	_____	_____	_____
Practical Consideration:			
• The SEC has indicated that it would not object to the presentation of debt issuance costs related to a line-of-credit arrangement as an asset and the subsequent ratable amortization of such costs over the term of the arrangement, regardless if there were any outstanding borrowings on the arrangement. (FASB ASC 835-30-S45-1)			
8. If a classified balance sheet is presented: (FASB ASC 210-10-45-8 and 45-9; 470-10-45-1 and 45-9 through 45-11; 470-10-50-2)			
a. Are current portions of debt obligations presented as current liabilities?	_____	_____	_____

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		<b>Disclosure Made?</b>		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
b.	Does the current liability classification include obligations that, by their terms, are due on demand or will be due on demand within one year (or operating cycle, if longer) from the balance sheet date, even though liquidation may not be expected within that period?	_____	_____	_____
c.	Does the current liability classification include long-term obligations that are or will be callable by the creditor either because the debtor's violation of a provision of a debt agreement at the balance sheet date makes the obligation callable or because the violation, if not cured within a specified grace period, will make the obligation callable unless (1) the creditor has waived or subsequently lost the right to demand payment for more than one year from the balance sheet date or (2) it is probable the debtor will cure the violation within the grace period?	_____	_____	_____
d.	If obligations callable by the creditor because the debtor was in violation of the debt agreement at the balance sheet date are classified as long-term obligations because it is probable the debtor will cure the violation within the specified grace period, are the circumstances disclosed?	_____	_____	_____
9.	Are the combined aggregate amounts of maturities and sinking fund requirements for all long-term borrowings disclosed for each of the five years following the date of the latest balance sheet presented? (FASB ASC 470-10-50-1)	_____	_____	_____
10.	For any defaults of debt terms or covenants, do disclosures include: {For larger domestic issuers [S-X 4-08(c)] (FASB ASC 235-10-S99-1)} (Accepted practice for smaller reporting companies)			
a.	Facts and amounts regarding any default that existed at the most recent balance sheet and was not subsequently cured?	_____	_____	_____
b.	If acceleration has been waived by lender, amount of the obligation and the period of the waiver?	_____	_____	_____
11.	For short-term obligations, do disclosures include: (FRR 203) [For larger domestic issuers, also (S-X 5-02.19) (FASB ASC 210-10-S99-1)]			
a.	The weighted average interest rate on short-term obligations outstanding as of the date of each balance sheet presented?	_____	_____	_____
b.	The average dollar amount of the borrowings and the average interest for interest and amortization of debt discount and expense?	_____	_____	_____
12.	For unused lines of credit or other unused commitments under short-term financing arrangements, do disclosures include: (FRR 203) [For larger domestic issuers, also (S-X 5-02.19) (FASB ASC 210-10-S99-1)]			
a.	The amount and terms (including commitment fees and the conditions under which lines may be withdrawn) of unused lines of credit?	_____	_____	_____
b.	The amount of these lines of credit that support a commercial paper borrowing or similar arrangement?	_____	_____	_____
13.	If a short-term obligation expected to be refinanced is excluded from current liabilities, do disclosures include: (FASB ASC 470-10-50-4)			
a.	A general description of the financing agreement?	_____	_____	_____
b.	Terms of any new obligation incurred or expected to be incurred, or equity securities issued or expected to be issued as a result of the refinancing?	_____	_____	_____

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**Disclosure Made?**  
**Yes      No      N/A**

- 14. If the likelihood of acceleration of long-term debt with a subjective acceleration clause is other than remote, and the debt has not been reclassified as current, has the existence of the clause been disclosed? (FASB ASC 470-10-45-2; 470-10-50-3) \_\_\_\_\_
- 15. For liabilities measured at fair value and issued with an inseparable third-party credit enhancement (for example, a third-party debt guarantee), has the existence of that credit enhancement been disclosed? (FASB ASC 820-10-50-4A) \_\_\_\_\_
- 16. Are collateralized obligations disclosed? {For larger domestic issuers, [S-X 4-08(b)] (FASB ASC 235-10-S99-1)} (Accepted practice for smaller reporting companies) \_\_\_\_\_
- 17. For financing arrangements with a parent company, do disclosures include: (SAB T.1B1, Q4) (FASB ASC 220-10-S99-3)
  - a. A description of the financing arrangement with the parent? \_\_\_\_\_
  - b. An analysis of the intercompany accounts and the average balance due to or from related parties for each statement of comprehensive income period, if an interest charge on the intercompany debt has not been provided? \_\_\_\_\_
- 18. For entities engaging in long-term construction programs with firm commitments through the program, as well as for permanent mortgage financing and where revolving borrowings have been classified as long-term, has appropriate disclosure been made? (SAB T. 6H2) (FASB ASC 470-10-S99-3) \_\_\_\_\_

**Convertible Debt**

NOTE: Question Nos. 19 and 20 apply prior to the adoption of ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity’s Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity*. For public business entities, excluding entities eligible to be smaller reporting companies, the ASU is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early application is allowed but no earlier than for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years.

- 19. Are conversion features for convertible debt appropriately accounted for and disclosed? (Accepted practice) \_\_\_\_\_
- 20. For convertible debt instruments that may be settled in cash (or other assets) upon conversion, unless the embedded conversion option is accounted for as a derivative, have the following been disclosed in annual statements where the instruments are outstanding: (FASB ASC 470-20-50-3 through 50-6)
  - a. For each balance sheet presented:
    - (1) The carrying amount of the equity component? \_\_\_\_\_
    - (2) The principal amount of the liability component, its unamortized discount, and its net carrying amount? \_\_\_\_\_
  - b. For the most recent balance sheet presented:
    - (1) The remaining period that any discount on the liability component will be amortized? \_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

- (2) The conversion price and the number of shares on which the aggregate consideration to be delivered upon conversion is determined? \_\_\_\_\_
- (3) The amount by which the instrument's if-converted value exceeds its principal, regardless of whether the instrument is currently convertible? \_\_\_\_\_
- (4) Information about derivative transactions entered into in connection with the issuance of the convertible debt instruments including (a) the terms of those derivative transactions, (b) how those derivative transactions relate to the instruments, (c) the number of shares underlying the derivative transactions, and (d) the reasons for entering into those derivative transactions? \_\_\_\_\_
- c. For each period for which a statement of comprehensive income is presented:
  - (1) The effective interest rate on the liability component for the period? \_\_\_\_\_
  - (2) The interest cost recognized relating to both the contractual interest coupon and amortization of the discount on the liability component? \_\_\_\_\_

NOTE: Question Nos. 21 through 30, pertaining to convertible debt instruments, apply after the adoption of ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*. For public business entities, excluding entities eligible to be smaller reporting companies, the ASU is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early application is allowed but no earlier than for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The ASU may be applied following a modified retrospective or a retrospective basis.

- 21. Have the following disclosures been provided about convertible debt instruments: (FASB ASC 470-20-50-1A)
  - a. Information regarding the terms and features of the instruments? \_\_\_\_\_
  - b. Information to provide an understanding of the reporting of such instruments in the balance sheet and statement of comprehensive income? \_\_\_\_\_
  - c. Information about the events, conditions, and circumstances that could impact the assessment of the amount or timing of future cash flows related to the instruments? \_\_\_\_\_
- 22. For each convertible debt instrument outstanding, as a minimum, have the following been disclosed regarding the pertinent rights and privileges: (FASB ASC 470-20-50-1B)
  - a. Principal amount? \_\_\_\_\_
  - b. Coupon rate? \_\_\_\_\_
  - c. Conversion or exercise prices/rates and number of shares that the instrument is potentially convertible into? \_\_\_\_\_
  - d. Pertinent dates, such as the maturity and conversion date(s)? \_\_\_\_\_
  - e. Parties that control the conversion rights? \_\_\_\_\_

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	Disclosure Made?		
	Yes	No	N/A
f. Settlement methods (including alternative methods) upon conversion, such as cash, shares, or a combination thereof?	_____	_____	_____
g. Terms that could change conversion or exercise prices, number of shares to be issued, or other conversion rights and their timing (excluding standard antidilution provisions)?	_____	_____	_____
h. Where applicable, unusual voting rights and liquidation preference?	_____	_____	_____
i. Other material terms and features?	_____	_____	_____
23. Has the following incremental information been disclosed for contingently convertible instruments or other instruments contingently convertible as described in FASB ASC 470-20-05-8 and 05-8A: (FASB ASC 470-20-50-1C)			
a. Events or changes in circumstances that would adjust or change the contingency or cause the contingency to be met?	_____	_____	_____
b. Whether the shares that would be issued upon conversion of the contingently convertible securities are included in the diluted earnings per share calculation and the reasons why or why not?	_____	_____	_____
c. Other information that is useful in understanding the contingencies and potential impact of conversion?	_____	_____	_____
24. As of each date for which a balance sheet is presented, has the following been disclosed for each convertible debt instrument: (FASB ASC 470-20-50-1D)			
a. Unamortized premium, discount, or issuance costs and, when applicable, the premium amount recorded as paid-in capital?	_____	_____	_____
b. Net carrying amount?	_____	_____	_____
c. Fair value of the entire instrument and the level of the fair value hierarchy?	_____	_____	_____
25. As of the date of the latest balance sheet presented, has disclosure been made of the following: (FASB ASC 470-20-50-1E)			
a. During the reporting period:			
(1) Any changes to conversion or exercise prices that occur other than those due to standard antidilution provisions?	_____	_____	_____
(2) Events or changes in circumstances that occur that cause conversion contingencies to be met or conversion terms to be significantly changed?	_____	_____	_____
(3) Number of shares issued upon conversion, exercise, or satisfaction of required conditions?	_____	_____	_____
b. Maturities and sinking fund requirements for convertible debt instruments for each of the five years following the latest balance sheet date?	_____	_____	_____
26. For each period for which a statement of comprehensive income is presented, has the following been disclosed about interest recognized: (FASB ASC 470-20-50-1F)			
a. The effective interest rate?	_____	_____	_____
b. The amount of interest recognized, disaggregated by both (i) the contractual interest expense and (ii) amortization of the premium, discount, or issuance costs?	_____	_____	_____

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	<b>Disclosure Made?</b>		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
27. If a conversion option of a convertible debt instrument is accounted for as a derivative as set forth in FASB ASC 815-15, <i>Derivatives and Hedging—Embedded Derivatives</i> , have the additional disclosures for the conversion option in DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES been made? (FASB ASC 470-20-50-1G)	_____	_____	_____
28. If a convertible debt instrument is measured using the fair value option as set forth in FASB ASC 825-10, <i>Financial Instruments</i> , have the additional disclosures in FAIR VALUE MEASUREMENTS and FAIR VALUE OPTION FOR FINANCIAL ASSETS AND FINANCIAL LIABILITIES been made? (FASB ASC 470-20-50-1H)	_____	_____	_____
29. Have the following been disclosed about derivative transactions entered into in connection with the issuance of convertible debt instruments regardless of whether the transactions are accounted for as assets, liabilities, or equity instruments: (FASB ASC 470-20-50-1I)			
a. The terms of those derivative transactions, including the terms of settlement?	_____	_____	_____
b. How those derivative transactions relate to the instruments?	_____	_____	_____
c. The number of shares underlying the derivative transactions?	_____	_____	_____
d. The reasons for entering into those derivative transactions?	_____	_____	_____
30. In the period that ASU 2020-06 is adopted, have the following been disclosed: (FASB ASC 815-40-65-1)			
a. The nature and explanation of the change in accounting principle?	_____	_____	_____
b. The method of applying the change?	_____	_____	_____
c. The cumulative effect of the change on retained earnings or other components of equity in the balance sheet as of the beginning of the first period that ASU 2020-06 is initially applied?	_____	_____	_____
d. The effect of the change on earnings-per-share amounts for the period of adoption?	_____	_____	_____
e. If the full retrospective method is elected, the effect of the change on income from continuing operations, net income, and any other financial statement line item affected for each period presented?	_____	_____	_____
f. If interim financial statements are issued, have the disclosures in (a) through (e) been provided in each interim financial statement in the year of the change and the annual financial statement in the period of the change?	_____	_____	_____

**INCOME TAXES**

**Income Taxes—General**

1. If the entity is a public business entity not subject to income taxes because its income is taxed directly to its owners, has that fact and the net difference between the tax and financial bases of its assets and liabilities been disclosed? (FASB ASC 740-10-50-16)	_____	_____	_____
2. Have the nature and effect of any other significant matters affecting comparability of information for all periods presented been disclosed if not otherwise apparent from other disclosures in this section? (FASB ASC 740-10-50-14)	_____	_____	_____

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**Income Tax Expense**

- |  |  |   |   |
|--|--|---|---|
| <p>3. Has the amount of income tax expense or benefit allocated to the following items been disclosed for each year for which they are presented: (FASB ASC 740-10-50-10; 740-20-45-2)</p> <p>a. Continuing operations?</p> <p>b. Discontinued operations?</p> <p>c. Other comprehensive income?</p> <p>d. Items charged or credited directly to stockholders' equity?</p>   | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>  | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>   | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>   |
| <p>4. Have the following significant components of income tax expense attributable to continuing operations been disclosed and classified as either domestic or foreign for each year presented either in the financial statements or notes: {(FASB ASC 740-10-50-9); [S-X 4-08(h)(1)] (FASB ASC 235-10-S99-1); FRR 204}</p> <p>a. Current tax expense or benefit?</p> <p>b. Deferred tax expense or benefit, exclusive of the effects of other components listed in c. through h.?</p> <p>c. Investment tax credits?</p> <p>d. Government grants to the extent recognized as a reduction of income tax expense?</p> <p>e. Benefits of operating loss carryforwards?</p> <p>f. Tax expense that results from allocating certain tax benefits directly to contributed capital?</p> <p>g. Adjustments of a deferred tax asset or liability for enacted changes in tax laws or rates or a change in the entity's tax status?</p> <p>h. Adjustments of the beginning-of-the-year balance of a valuation allowance because of a change in circumstances that causes a change in judgment about the realizability of the related deferred tax asset in future years?</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> |
| <p>5. For periods prior to adoption of ASU 2023-09, <i>Income Taxes (Topic 740): Improvements to Income Tax Disclosures</i>, do disclosures regarding income taxes include a reconciliation of (1) the reported amount of income tax expense attributable to continuing operations for the year to (2) the amount of income tax expense that would result from applying domestic federal statutory rates to pretax income from continuing operations, with disclosure of the estimated amount and nature of each significant reconciling item? (FASB ASC 740-10-50-12) (SAB T.612) (FASB ASC 740-10-S99-1) {For larger domestic issuers, also [S-X 4-08(h)] (FASB ASC 235-10-S99-1)} (<i>Significant</i> is defined as requiring disclosure of all reconciling items that are more than 5% of the amount computed by multiplying pretax income by the statutory tax rate. The disclosure also applies to a 50% or less owned investee company on the equity basis when the tax components are known and material to the registrant.)</p>   | <p>_____</p>   | <p>_____</p>  | <p>_____</p>  |
| <p>6. Have the total amounts of interest and penalties recognized in the statement of comprehensive income and balance sheet been disclosed for each period presented? (FASB ASC 740-10-50-15)</p>   | <p>_____</p>   | <p>_____</p>  | <p>_____</p>  |

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**Disclosure Made?**

**Yes      No      N/A**

NOTE: The disclosures in Question Nos. 7 through 11 apply after the adoption of ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, and supersede the disclosures in Question No. 5. For public business entities, the ASU is effective for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued.

7. For annual periods after adoption of ASU 2023-09, have the following been disclosed for each year presented: (FASB ASC 740-10-50-10A and 10B)

a. Income or loss from continuing operations before income tax expense or benefit, disaggregated between domestic and foreign? \_\_\_\_\_

b. Income tax expense or benefit from continuing operations, disaggregated by federal, state, and foreign? \_\_\_\_\_

8. For annual periods after adoption of ASU 2023-09, for each year, has a tabular reconciliation been provided, using both percentages and reporting currency amounts, between income tax expense (or benefit) from continuing operations and the amount derived by multiplying income (or loss) from continuing operations before income taxes by the applicable statutory federal income tax rate of the jurisdiction or domicile, that reflects the following: (FASB ASC 740-10-50-12 through 50-12A) (SAB T.612) (FASB ASC 740-10-S99-1) {For larger domestic issuers, also [S-X 4-08(h)] (FASB ASC 235-10-S99-1)} (NOTE: *Significant* is defined as requiring disclosure of all reconciling items that are more than 5% of the amount computed by multiplying pretax income by the statutory tax rate. The disclosure also applies to a 50% or less owned investee company on the equity basis when the tax components are known and material to the registrant.)

a. Disclosure of the following specific categories:

(1) State and local income tax (net of federal income tax effect)? \_\_\_\_\_

(2) Foreign tax effects? \_\_\_\_\_

(3) Effect of changes in tax laws or rates? \_\_\_\_\_

(4) Effect of cross-border tax laws? \_\_\_\_\_

(5) Tax credits? \_\_\_\_\_

(6) Changes in valuation allowances? \_\_\_\_\_

(7) Nontaxable or nondeductible items? \_\_\_\_\_

(8) Changes in unrecognized tax benefits? \_\_\_\_\_

b. Separate disclosure for any of the following reconciling items where the effect is equal to or greater than 5% of the amount derived by multiplying income (or loss) from continuing operations before income taxes by the applicable statutory federal income tax rate of the jurisdiction or domicile: [NOTE: Reconciling items should be presented on a gross basis unless specific guidance in FASB ASC 740-10-50-12A(c) permits net presentation with a related reconciling item.]

(1) For items 8(a)(4), 8(a)(5), and 8(a)(7), disaggregation by nature? \_\_\_\_\_

(2) For the foreign tax effects category in item 8(a)(2) [except for reconciling items related to changes in unrecognized tax benefits discussed in FASB ASC 740-10-50-12A(c)], disaggregation by country and by nature? \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

(3) For any reconciling item not within the categories in item 8(a), disaggregation by nature?

\_\_\_\_\_

Practical Considerations:

- For purpose of item 8(b)(2), if a foreign jurisdiction meets the 5% threshold, separate disclosure as a reconciling item is required. Within any foreign jurisdiction, separate disclosure of the reconciling item by nature is required if its gross amount (positive or negative) meets the 5% threshold.
- FASB ASC 740-10-50-12A(c) provides additional direction for purposes of categorization and gross versus net presentation of reconciling items.

9. For annual periods after adoption of ASU 2023-09, if the statutory tax rate used in Question No. 8 is other than the United States federal corporate income tax rate, has the rate used and basis for using that rate been disclosed? (FASB ASC 740-10-50-12)

\_\_\_\_\_

10. For annual periods after adoption of ASU 2023-09, has a qualitative description been disclosed of the states and local jurisdictions that make up greater than 50% of the effect of the state and local income tax category in item 8(a)(1)? (FASB ASC 740-10-50-12B)

\_\_\_\_\_

Practical Consideration:

- When identifying the state and local jurisdictions for the disclosure in Question No. 10, begin with the jurisdiction with the greatest effect and move in descending order until the aggregate effect exceeds 50%. (FASB ASC 740-10-50-12B)

11. For annual periods after adoption of ASU 2023-09, if not otherwise evident, has an explanation been provided of individual reconciling items in Question No. 8, such as the nature, effect, and underlying causes of the reconciling items along with the judgement used for categorization? (FASB ASC 740-10-50-12C)

\_\_\_\_\_

**Income Tax Assets and Liabilities**

12. If a classified balance sheet is presented:

- a. Are taxes currently payable or refundable properly classified as current liabilities or assets? (FASB ASC 210-10-45-1; 210-10-45-8)
- b. Are deferred tax liabilities and assets classified as noncurrent amounts? (FASB ASC 740-10-45-4)

\_\_\_\_\_

\_\_\_\_\_

13. For each taxpaying component of the entity and within a particular tax jurisdiction, have all deferred tax liabilities and assets, including any related valuation allowance, been offset and presented as a single noncurrent amount? (NOTE: Entities are not permitted to offset deferred tax liabilities and assets attributable to different tax-paying components of the entity or to different tax jurisdictions.) (FASB ASC 740-10-45-6)

\_\_\_\_\_

14. Have the following components of the net deferred tax asset or liability recognized in the balance sheet been disclosed: (FASB ASC 740-10-50-2)

- a. Total deferred tax liability for all taxable temporary differences?
- b. Total deferred tax asset for all deductible temporary differences, operating loss carryforwards, and tax credit carryforwards?
- c. Total valuation allowance recognized for deferred tax assets?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

15. Has the net change during the year in the total valuation allowance been disclosed? (FASB ASC 740-10-50-2)

\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- 16. Have the types of temporary differences and carryforwards that result in significant portions of deferred tax assets (before allocation of a valuation allowance) or liabilities been disclosed? (FASB ASC 740-10-50-6) \_\_\_\_\_
- 17. Do disclosures include any portion of the valuation allowance for deferred tax assets for which subsequently recognized tax benefits will be allocated directly to contributed capital? (FASB ASC 740-10-50-3) \_\_\_\_\_
- 18. Have contingent income tax liabilities (the difference between the probable tax bases and the as-filed tax bases) been reported as "other liabilities"? (Current Accounting and Disclosure Issues in the Division of Corporation Finance, 11/30/06, II.I, Contingencies, Loss Reserves, and Uncertain Tax Positions.) \_\_\_\_\_

**Unrecognized Tax Benefits**

- 19. For unrecognized tax benefits: (FASB ASC 740-10-45-10A and 10B; 740-10-45-11 and 45-12)
  - a. Except as indicated in item 19(b), have such amounts been presented in the financial statements as a reduction of a deferred tax asset arising from a net operating loss carryforward, a similar tax loss, or a tax credit carryforward? \_\_\_\_\_
  - b. Have such amounts been appropriately presented and classified as liabilities in the balance sheet in situations where (1) the carryforward(s) or similar tax loss is not available under prevailing tax law to settle additional income taxes that would result from the disallowance of the tax position or (2) prevailing tax law does not require the use of deferred tax assets for such a settlement (and the entity does not intend to use them for such purpose)? \_\_\_\_\_
- 20. At the end of each annual reporting period, have the following been disclosed: (FASB ASC 740-10-50-15 and 50-15A)
  - a. A tabular reconciliation of the total amounts of unrecognized tax benefits at the beginning and end of the period, which includes at a minimum:
    - (1) The gross amounts of the increases and decreases in unrecognized tax benefits as a result of tax positions taken during a prior period? \_\_\_\_\_
    - (2) The gross amounts of increases and decreases in unrecognized tax benefits as a result of tax positions taken during the current period? \_\_\_\_\_
    - (3) The amounts of decreases in the unrecognized tax benefits relating to settlements with taxing authorities? \_\_\_\_\_
    - (4) Reductions to unrecognized tax benefits as a result of a lapse of the applicable statute of limitations? \_\_\_\_\_
  - b. The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate? \_\_\_\_\_
  - c. For periods prior to the adoption of ASU 2023-09, for positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within 12 months of the reporting date:
    - (1) The nature of the uncertainty? \_\_\_\_\_
    - (2) The nature of the event that could occur in the next 12 months that would cause the change? \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

(3) An estimate of the range of the reasonably possible change or a statement that an estimate of the range cannot be made?

\_\_\_\_\_

Practical Consideration:

- The disclosure requirements in item 20(c) are superseded by ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. For public business entities, the ASU is effective for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued.

21. Has a description of tax years that remain subject to examination by major tax jurisdictions been disclosed? (FASB ASC 740-10-50-15)

\_\_\_\_\_

**Tax Carryforwards and Investment Tax Credits**

22. Do disclosures regarding income taxes include amounts and expiration dates of operating loss and tax credit carryforwards for tax purposes? (FASB ASC 740-10-50-3)

\_\_\_\_\_

23. Do disclosures regarding investment tax credits indicate the accounting method used and the amounts involved? (FASB ASC 740-10-50-20)

\_\_\_\_\_

**Consolidated Tax Return**

24. If the entity is part of a group that files a consolidated tax return, have the following been disclosed in its separately issued financial statements: (FASB ASC 740-10-50-17)

a. The aggregate amount of current and deferred tax expense for each income statement presented?

\_\_\_\_\_

b. The amount of any tax-related balances due to or from affiliates as of the date of each balance sheet presented?

\_\_\_\_\_

c. The principal provisions of the method by which the consolidated amount of current and deferred tax expense is allocated to members of the group?

\_\_\_\_\_

d. The nature and effect of any changes in the method of allocating current and deferred tax expense to members of the group and in determining the related balances due to or from affiliates during each year for which the disclosures in (a) and (b) above are presented?

\_\_\_\_\_

e. If an entity that is not subject to tax and is disregarded by the taxing authority elects to present the allocated current and deferred tax expense in its separately-issued financial statements, is that fact disclosed and are the relevant disclosures in items (a) thru (d) above presented? (FASB ASC 740-10-50-17A)

\_\_\_\_\_

**Foreign Jurisdiction**

25. If an entity conducts business in a foreign jurisdiction that grants a tax holiday, have the following been disclosed: (SAB T.6.I.2 and 11.C) (FASB ASC 740-10-S99-1 and S99-2) (NOTE: Disclosures are also applicable to 50% or less owned investee companies.)

a. Aggregate dollar and per share effects of the tax holiday?

\_\_\_\_\_

b. Factual circumstances, including the date on which the special tax status will terminate?

\_\_\_\_\_



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**Disclosure Made?**

**Yes**      **No**      **N/A**

**PARTNERSHIP EQUITY**

1. For larger domestic issuers that are publicly held limited partnerships: (SAB T.4F) (FASB ASC 505-10-S99-5)
  - a. Is the equity of each ownership class separately presented, including the equity attributed to general partners and the equity of the limited partners? \_\_\_\_\_
  - b. Are changes in the number of equity units authorized and outstanding separately presented for each ownership class? \_\_\_\_\_
  - c. Is a statement of changes in partnership equity presented for each income-statement presented? \_\_\_\_\_
2. For smaller reporting companies that are publicly held limited partnerships: (S-X 8.07)
  - a. Where the general partner is a corporation:
    - (1) Is the audited balance sheet of the corporation presented as of the end of its most recent fiscal year? \_\_\_\_\_
    - (2) Are receivables from affiliates of the general partner (other than trade receivables) deducted from the general partner's shareholders' equity? \_\_\_\_\_
    - (3) Where an affiliate has committed itself to increase or maintain the general partner's capital, is the audited balance sheet of the affiliate presented? \_\_\_\_\_
  - b. Where the general partner is a partnership, is an audited balance sheet of the partnership presented as of the end of its most recent fiscal year? \_\_\_\_\_
  - c. Where the general partner is a natural person, is an audited or unaudited balance sheet of the person presented as supplemental information as of a recent date? (Assets and liabilities should be carried at estimated fair market value, with provisions for estimated income taxes on unrealized gains.) \_\_\_\_\_

**STOCKHOLDERS' EQUITY**

**Stockholders' Equity—General**

1. Are classes of capital stock presented in order of priority of liquidation? (Accepted practice) \_\_\_\_\_
2. Are the legal title of securities; convertibility; par or stated values; and number of shares authorized, issued, and outstanding disclosed on the balance sheet? [For larger domestic issuers, (S-X 5-02.28-.29; SAB T.4E and 4G) (FASB ASC 210-10-S99-1, S99-2, S99-3)] (Accepted practice for smaller reporting companies) \_\_\_\_\_
3. Are changes in classes of common and nonredeemable preferred stock disclosed? (SAB T.4E and 4G) (FASB ASC 210-10-S99-1, 310-10-S99-2, and S99-3) [For larger domestic issuers, also (S-X 5-02.28-.29)] \_\_\_\_\_
4. Have the following disclosures been made for stock subscriptions: [(SAB T.4E) (FASB ASC 210-10-S99-1; 310-10-S99-2)] [For larger domestic issuers, also (S-X 5-02.28) and (S-X 4-07)] (The SEC usually extends this "reduction of equity" presentation concept to all receivables for sales of stock, not just subscriptions.)
  - a. The dollar amount of subscribed shares that cannot be legally issued until paid for, and the subscription receivable deducted from equity? \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

- b. The payment date of any stock subscription receivables treated as assets because payment has been received prior to the publication of the financial statements? \_\_\_\_\_
- c. Discount on shares, or any related unamortized balance? [(For larger domestic issuers, (FASB ASC 505-10-S99-2)] (Accepted practice for smaller reporting companies) \_\_\_\_\_
- d. The dollar amount of subscriptions receivable disclosed? (This amount should be deducted from the common stock balance.) (SAB T.4E and 4G) (FASB ASC 210-10-S99-1, 310-10-S99-2, S99-3) [For larger domestic issuers, also (S-X 5-02.28-.29)] \_\_\_\_\_

NOTE: The disclosure requirements in item 5(a) were extended to interim filings by the SEC final rule in SEC Release No. 33-103532, *Disclosure Update and Simplification*.

- 5. For changes in accounts comprising stockholders' equity (and noncontrolling interest), have the following been disclosed:
  - a. For larger domestic issuers: [(S-X 3-04) (FASB ASC 505-10-S99-1); (FASB ASC 505-10-50-2)]
    - (1) Analysis of changes in each caption in the form of a reconciliation of beginning balances to ending balances for each period for which a statement of comprehensive income is presented? \_\_\_\_\_
    - (2) Changes in the number of equity securities shares? \_\_\_\_\_
    - (3) Significant reconciling items with separate disclosure of contributions and distributions? \_\_\_\_\_
    - (4) Stated separately, adjustments to the balance at the beginning of the earliest period presented for items that were retroactively applied to prior periods? \_\_\_\_\_
    - (5) Dividends for each class of shares and amount per share? \_\_\_\_\_
  - b. For smaller reporting companies, material changes in separate accounts comprising stockholders' equity (including retained earnings) and changes in the number of shares of equity securities during at least the most recent annual fiscal period and any subsequent interim period presented? (FASB ASC 505-10-50-2) \_\_\_\_\_
- 6. Has the number of shares issued upon conversion, exercise, or satisfaction of required conditions during the most recent annual fiscal period (and any subsequent interim period presented) been disclosed? (FASB ASC 505-10-50-3) \_\_\_\_\_

NOTE: Question No. 7 applies prior to the adoption of ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*. For public business entities, excluding entities eligible to be smaller reporting companies, the ASU is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early application is allowed but no earlier than for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. After adoption of ASU 2020-06, see Question Nos. 13–20.

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	Disclosure Made?		
	Yes	No	N/A
7. For contingently convertible securities, has the following quantitative and qualitative information been disclosed, as applicable: (FASB ASC 505-10-50-6 through 50-9)			
a. Events or changes in circumstances that would cause the contingency to be met?	_____	_____	_____
b. Any significant features necessary to understand the conversion rights and timing of those rights?	_____	_____	_____
c. The conversion price and the number of shares into which a security is convertible?	_____	_____	_____
d. Events or changes in circumstances that could adjust or change the contingency, conversion price, or number of shares, and the significant terms of such changes?	_____	_____	_____
e. The manner of settlement upon conversion and alternative settlement methods?	_____	_____	_____
f. Possible conversion prices, dates, and other significant terms for each instrument?	_____	_____	_____
g. The terms of the conversion transaction, including the excess of the aggregate fair value of the instruments that the holder would receive at conversion over the proceeds received and the period over which the discount is amortized?	_____	_____	_____
h. Whether the shares to be issued if the contingently convertible securities were converted are included in diluted earnings per share and the reasons for including or excluding them?	_____	_____	_____
8. Have the pertinent rights and privileges of the various securities outstanding, including contingently convertible securities, been disclosed [for example, a description of dividend and liquidation preferences, participation rights, call prices and dates, conversion or exercise prices or rates and pertinent dates, sinking fund requirements, unusual voting rights, and significant terms of contracts to issue additional shares or terms that may change conversion or exercise prices (excluding standard antidilution provisions)]? (FASB ASC 505-10-50-3) {For larger domestic issuers, also [S-X 4-08(d)] (FASB ASC 235-10-S99-1)} [The phrase “including contingently convertible securities” should be removed from the text of this Question if ASU 2020-06 has been adopted. (See Question Nos. 13–20.)]	_____	_____	_____
9. Have actual changes to conversion or exercise prices (excluding changes as a result of standard antidilution provisions) that occurred during the reporting period been disclosed? (FASB ASC 505-10-50-3)	_____	_____	_____
10. For any instrument(s) with a down round feature that was triggered in the reporting period and that the entity recognized the effect(s) of in accordance with FASB ASC 260-10-25-1, have the following been disclosed: (FASB ASC 505-10-50-3A)			
a. The fact that the feature was triggered?	_____	_____	_____
b. The value of the effect of the down round feature that was triggered?	_____	_____	_____
11. Has the amount of redemption requirements been disclosed, separately by issue or combined, for all issues of capital stock that are redeemable at fixed or determinable prices on fixed or determinable dates in each of the five years following the latest balance sheet presented? (FASB ASC 505-10-50-11)	_____	_____	_____

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**Preferred Stock**

12. Are the following disclosures made for preferred stock:

- a. The liquidation preference of preferred stock that has a preference in involuntary liquidation considerably in excess of its par or stated value and any related restrictions on retained earnings? [The disclosure should be in the aggregate (versus per share) and made in the equity section of the balance sheet rather than the notes.] (FASB ASC 505-10-50-4) {For larger domestic issuers, also [S-X 4-08(e)(3)] (FASB ASC 235-10-S99-1)} \_\_\_\_\_
- b. Aggregate or per-share amounts at which preferred stock may be called or redeemed? (FASB ASC 505-10-50-5) \_\_\_\_\_
- c. Aggregate and per-share amounts of arrearages in cumulative preferred dividends? (FASB ASC 505-10-50-5) \_\_\_\_\_

NOTE: Question Nos. 13 through 20, pertaining to convertible preferred stock, apply after the adoption of ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity’s Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity*. For public business entities, excluding entities eligible to be smaller reporting companies, the ASU is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early application is allowed but no earlier than for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The ASU may be applied following a modified retrospective or a retrospective basis.

13. Have the following disclosures been provided about convertible preferred stock: (FASB ASC 505-10-50-12)

- a. Information regarding the terms and features of convertible preferred stock? \_\_\_\_\_
- b. Information to provide an understanding of the reporting of such instruments in the balance sheet and statement of comprehensive income? \_\_\_\_\_
- c. Information about the events, conditions, and circumstances that could impact the assessment of the amount or timing of future cash flows related to the instruments? \_\_\_\_\_

14. For each convertible preferred stock instrument outstanding, at a minimum, have the following been disclosed regarding the pertinent rights and privileges: (FASB ASC 505-10-50-13) {For larger domestic issuers, also [S-X 4-08(d)] (FASB ASC 235-10-S99-1)}

- a. Number of shares issued and par value? \_\_\_\_\_
- b. Dividends? \_\_\_\_\_
- c. Conversion or exercise prices/rates and number of shares that the instrument is potentially convertible into? \_\_\_\_\_
- d. Pertinent dates, such as conversion date(s)? \_\_\_\_\_
- e. Parties that control the conversion rights? \_\_\_\_\_
- f. Settlement methods (including alternative methods) upon conversion, such as cash, shares, or a combination thereof? \_\_\_\_\_

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		<b>Disclosure Made?</b>		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
g.	Terms that could change conversion or exercise prices, number of shares to be issued, or other conversion rights and their timing (excluding standard antidilution provisions)?	_____	_____	_____
h.	Unusual voting rights and liquidation preference?	_____	_____	_____
i.	Other material terms and features?	_____	_____	_____
15.	Has the following incremental information been disclosed for contingently convertible instruments or other instruments contingently convertible as described in FASB ASC 505-10-05-6 and 05-7: (FASB ASC 505-10-50-14)			
a.	Events or changes in circumstances that would adjust or change the contingency or cause the contingency to be met?	_____	_____	_____
b.	Whether the shares that would be issued upon conversion of the contingently convertible securities are included in the diluted earnings per share calculation and the reasons why or why not?	_____	_____	_____
c.	Other information that is useful in understanding the contingencies and potential impact of conversion?	_____	_____	_____
16.	For each statement of comprehensive income period presented, has the amount of dividends declared been disclosed? (FASB ASC 505-10-50-15)	_____	_____	_____
17.	As of the date of the latest balance sheet presented, has disclosure been made of the following: (FASB ASC 505-10-50-16)			
a.	Any changes to conversion or exercise prices during the reporting period other than those due to standard antidilution provisions?	_____	_____	_____
b.	Events or changes in circumstances during the reporting period that cause conversion contingencies to be met or conversion terms to be significantly changed?	_____	_____	_____
c.	The number of shares issued during the reporting period upon conversion, exercise or satisfaction of required conditions?	_____	_____	_____
18.	If a conversion option of convertible preferred stock is accounted for as a derivative as set forth in FASB ASC 815-15, <i>Derivatives and Hedging—Embedded Derivatives</i> , have the additional disclosures for the conversion option in DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES been made? (FASB ASC 505-10-50-17)	_____	_____	_____
19.	Have the following been disclosed about derivative transactions entered into in connection with the issuance of convertible preferred stock regardless of whether the transactions are accounted for as assets, liabilities, or equity instruments: (FASB ASC 505-10-50-18)			
a.	The terms of those derivative transactions, including the terms of the settlement?	_____	_____	_____
b.	How those derivative transactions relate to the convertible preferred stock?	_____	_____	_____
c.	The number of shares underlying the derivative transactions?	_____	_____	_____
d.	The reasons for entering into those derivative transactions?	_____	_____	_____

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**Disclosure Made?****Yes**      **No**      **N/A**

20. In the period that ASU 2020-06 is adopted, have the followed been disclosed: (FASB ASC 815-40-65-1)
- a. The nature and explanation of the change in accounting principle? \_\_\_\_\_
  - b. The method of applying the change? \_\_\_\_\_
  - c. The cumulative effect of the change on retained earnings or other components of equity in the balance sheet as of the beginning of the first period that ASU 2020-06 is initially applied? \_\_\_\_\_
  - d. The effect of the change on earnings-per-share amounts for the period of adoption? \_\_\_\_\_
  - e. If the full retrospective method is elected, the effect of the change on income from continuing operations, net income, and any other financial statement line item affected for each period presented? \_\_\_\_\_
  - f. If interim financial statements are issued, have the disclosures in (a) through (e) been provided in each interim financial statement in the year of the change and the annual financial statement in the period of the change? \_\_\_\_\_

**Treasury Stock**

21. Are the following disclosures made for treasury stock:
- a. The number of shares and the basis of carrying the stock? (Accepted practice) \_\_\_\_\_
  - b. Restrictions of state laws, if any? (FASB ASC 505-30-50-2) \_\_\_\_\_
  - c. If treasury stock is purchased for purposes other than retirement or if the ultimate disposition has not been decided: (FASB ASC 505-30-45-1)
    - (1) Has the cost been shown separately as a deduction from stockholders' equity, or \_\_\_\_\_
    - (2) Has the par value of the shares been charged to the specific stock issue and the difference charged or credited to additional paid-in capital? An excess of purchase price over the par value and any amount charged to additional paid-in capital should be charged to retained earnings. (Alternatively, the excess may be charged entirely to retained earnings.) \_\_\_\_\_
  - d. If the purchase of treasury stock also involves the receipt or payment of consideration in exchange for stated or unstated rights or privileges, have the allocation of amounts paid and the accounting treatment for such amounts been disclosed? (FASB ASC 505-30-50-4) \_\_\_\_\_

**Accumulated Other Comprehensive Income**

22. Is accumulated other comprehensive income presented within the equity section separately from retained earnings and additional paid in capital? (FASB ASC 220-10-45-14) \_\_\_\_\_
23. Are the changes in the accumulated balances for each component of other comprehensive income either (a) presented on the face of the financial statements or (b) separately disclosed in the notes to the financial statements? (FASB ASC 220-10-50-5) \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- |   |   |   |   |
|---|---|---|---|
| <p>24. When presenting the changes in accumulated balances, have the following been presented separately for each component of other comprehensive income: (Both before tax and net of tax presentations are permitted.) (FASB ASC 220-10-50-5)</p> <p style="padding-left: 20px;">a. Current period reclassifications out of accumulated other comprehensive income?</p> <p style="padding-left: 20px;">b. Other amounts of current-period other comprehensive income?</p>   | <p>_____</p> <p>_____</p>                           | <p>_____</p> <p>_____</p>                           | <p>_____</p> <p>_____</p>                           |
| <p>25. For periods prior to adoption of ASU 2016-13, <i>Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments</i>, are amounts in accumulated other comprehensive income relating to held-to-maturity and available-for-sale debt securities for which a portion of an other-than-temporary impairment has been recognized in earnings presented separately in the financial statement where the components of accumulated other comprehensive income are reported? (FASB ASC 320-10-45-9A) [NOTE: The disclosure requirement in Question No. 25 is superseded after the adoption of ASU 2016-13. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates and disclosure requirements of ASU 2016-13 and related subsequent ASUs.]</p> | <p>_____</p>  | <p>_____</p>  | <p>_____</p>  |
| <p>26. Have the following been separately disclosed as part of the disclosures of accumulated other comprehensive income: (FASB ASC 815-30-50-2)</p> <p style="padding-left: 20px;">a. The beginning and ending accumulated derivative gain or loss?</p> <p style="padding-left: 20px;">b. The related net change associated with current-period hedging transactions?</p> <p style="padding-left: 20px;">c. The net amount of any reclassification into earnings?</p> <p style="padding-left: 20px;">d. The difference between the change in fair value of an excluded component and the excluded component’s initial value recognized in earnings using a systematic and rational method?</p>   | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> |

**Interests in Consolidated Subsidiaries**

- |   |              |              |              |
|---|--------------|--------------|--------------|
| <p>27. Have the amounts of noncontrolling interests in consolidated subsidiaries represented by preferred stock and the applicable dividend requirements been stated separately if the preferred stock is material in relation to the consolidated equity? [For larger domestic issuers, (S-X 5-02.31) (FASB ASC 210-10-S99-1)] (Accepted practice for smaller reporting companies)</p>   | <p>_____</p> | <p>_____</p> | <p>_____</p> |
| <p>28. If material, has footnote disclosure about the nature and amount of significant restrictions on the ability of consolidated and unconsolidated subsidiaries to transfer funds to the parents through loans, advance, or dividends been made and condensed parent company financial and other information been presented? (SAB T.6K2) (FASB ASC 205-10-S99-8) [For larger domestic issuers, also (S-X 4-08(e)(3) (FASB ASC 235-10-S99-1)]</p> | <p>_____</p> | <p>_____</p> | <p>_____</p> |
| <p>29. If material, has disclosure been made of the amount of consolidated retained earnings that represents undistributed earnings of 50% or less owned persons accounted for by the equity method? {For larger domestic issuers (SAB T.6K2 and 6K3) (FASB ASC 205-10-S99-8; FASB ASC 323-10-S99-1) [S-X 4-08(e)(2)] (FASB ASC 235-10-S99-1)} (Accepted practice for smaller reporting companies)</p>  | <p>_____</p> | <p>_____</p> | <p>_____</p> |

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**Dividends**

- |   |       |       |       |
|---|-------|-------|-------|
| 30. Have the most significant restrictions on the payment of dividends indicating their sources, their pertinent provisions, and the amount of retained earnings or net income restricted or free of restrictions been disclosed? {For larger domestic issuers, [S-X 4-08(e)(1)] (FASB ASC 235-10-S99-1)} (Accepted practice for smaller reporting companies) | _____ | _____ | _____ |
| 31. Has the amount of dividends per share and in the aggregate been disclosed for each class of shares outstanding? [For larger domestic issuers, (S-X 3-04) (FASB ASC 505-10-S99-1)] (Accepted practice for smaller reporting companies)   | _____ | _____ | _____ |
| 32. For capital structural changes to stock dividends, stock splits, or reverse splits that occur after year end but before financial statement issuance, have the retroactive treatment, change made, and the date the change became effective been disclosed? (SAB T.4C) (FASB ASC 505-10-S99-4)  | _____ | _____ | _____ |
| 33. For larger domestic issuers, has a separate schedule been provided in the notes showing the effects of any changes in the ownership interest in a subsidiary on equity? (S-X 3-04) (FASB ASC 505-10-S99-1)  | _____ | _____ | _____ |

**STATEMENTS OF COMPREHENSIVE INCOME**

NOTE: Some statement of comprehensive income disclosures have already been addressed in the section on balance sheet related disclosures.

**REVENUES AND EXPENSES—GENERAL**

- |   |       |       |       |
|---|-------|-------|-------|
| 1. Are the following items separately disclosed:  |       |       |       |
| a. For larger domestic issuers, disclose on the face of the statement of comprehensive income, or in the related notes where indicated, unless (1) the amount that otherwise would be shown is immaterial, (2) the items and conditions are not present, or (3) specialized industry practices specify a different presentation: (Other accepted terminology may be used, when appropriate, to identify statement of comprehensive income line items.) (S-X 4-01, 4-02, 4-03, 5-01, and 5-03) (FASB ASC 205-10-S99; 220-10-S99-2) (Smaller reporting companies often present these items, when applicable.) |       |       |       |
| (1) Net sales and gross revenues, with separate disclosure of net sales of tangible products, operating revenues of public utilities or others, income from rentals, revenues from services, and other revenues? (Classes of revenue that are 10% or less of total revenues may be combined with other classes and the related costs similarly combined.)   | _____ | _____ | _____ |
| (2) The amount of excise taxes included in revenues, either parenthetically or otherwise on the face of the statement of comprehensive income, if in excess of 1% of total sales and revenues.  | _____ | _____ | _____ |
| (3) Costs and expenses applicable to sales and revenues, stating separately the cost of tangible goods sold, operating expenses of public utilities or others, expenses applicable to rental income, cost of services, and expenses applicable to other revenue?  | _____ | _____ | _____ |
| (4) Other operating costs and expenses, stating separately any material amounts not included in item (3)?   | _____ | _____ | _____ |
| (5) Selling, general, and administrative expenses?  | _____ | _____ | _____ |



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	Disclosure Made?		
	Yes	No	N/A
(6) Provision for doubtful accounts and notes?	_____	_____	_____
(7) Other general expenses not normally included in item (5), stating separately any material amounts (including total advertising costs charged to expense for each statement of comprehensive income presented)?	_____	_____	_____
(8) Non-operating income, stating separately in the statement of comprehensive income or notes any dividends, interest on securities, net profits on securities, and miscellaneous income? (Material amounts of miscellaneous income should be separately stated, indicating clearly the nature of the transactions.)	_____	_____	_____
(9) Interest and amortization of debt discount expense?	_____	_____	_____
(10) Non-operating expenses, stating separately in the statement of comprehensive income or notes any net losses on securities and miscellaneous expense? (Material amounts of miscellaneous expense should be separately stated, indicating clearly the nature of the transactions.)	_____	_____	_____
(11) Income or loss before income tax expense? (See EARNINGS PER SHARE.)	_____	_____	_____
(12) Income tax expense?	_____	_____	_____
(13) Equity in earnings of unconsolidated subsidiaries and 50% or less owned investees, with the amount of dividends received stated parenthetically or in a note?	_____	_____	_____
(14) Income or loss from continuing operations?	_____	_____	_____
(15) Net income or loss?	_____	_____	_____
(16) Net income attributable to the noncontrolling interest?	_____	_____	_____
(17) Net income attributable to the controlling interest?	_____	_____	_____
(18) Income or loss applicable to common stock if materially different (10% or more) from net income or loss? (SAB T.6B) (FASB ASC 220-10-S99-5)	_____	_____	_____
(19) Other comprehensive income, separately stating components of and total for other comprehensive income? [Note: this may be stated net of tax or before related tax effects, with total tax expense or benefit stated separately and the tax effect for each component in a separate note.]	_____	_____	_____
(20) Comprehensive income?	_____	_____	_____
(21) Comprehensive income attributable to the noncontrolling interest?	_____	_____	_____
(22) Comprehensive income attributable to the controlling interest?	_____	_____	_____
(23) Earnings per share? (See also EARNINGS PER SHARE.)	_____	_____	_____
2. For larger domestic issuers, are sales or operating revenues shown net of discounts, returns, and allowances? (S-X 5-03.1) (FASB ASC 220-10-S99-2)	_____	_____	_____
Practical Consideration:			
• For smaller reporting companies, the disclosure requirement in this question was amended or superseded by FASB ASC 606, <i>Revenue from Contracts with Customers</i> .			
3. Are cost of goods sold and expenses shown net of purchase discounts? (Accepted practice)	_____	_____	_____



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**Disclosure Made?**

**Yes      No      N/A**

11. For publicly held limited partnerships: (SAB T.4F) (FASB ASC 505-10-S99-5)

- a. Does the statement of comprehensive income clearly show the aggregate amount of net income or loss separately allocated to the general partners and the limited partners? \_\_\_\_\_
- b. Have the results of operations been stated on a per unit basis? \_\_\_\_\_

**REVENUE FROM CONTRACTS WITH CUSTOMERS**

**Revenue—General**

NOTE: The following disclosures should be made for an entity’s contracts with customers. Amounts should be disclosed for each period for which a statement of comprehensive income is presented and as of each period for which a balance sheet is presented. Entities should determine the level of detail, degree of aggregation or disaggregation, and amount of emphasis that is required to meet the disclosure objective. The objective is to allow financial statement users to understand the nature, amount, timing, and uncertainty of revenue and cash flows resulting from contracts with customers. Disclosure under FASB ASC 606 is not required if the information has already been disclosed under the requirements of other GAAP. (FASB ASC 606-10-50-1 through 50-3)

- 1. Unless presented separately in the statement of comprehensive income in accordance with other GAAP, have all of the following amounts been disclosed for the period: (FASB ASC 606-10-50-4)
  - a. Revenue recognized from contracts with customers, separately from other sources of revenue? \_\_\_\_\_
  - b. For periods prior to adoption of ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, any recognized impairment losses on receivables or contract assets from contracts with customers, separately from impairment losses from other contracts? \_\_\_\_\_
  - c. For periods after the adoption of ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, credit losses recorded on any receivables or contract assets from contracts with customers, separately from credit losses from other contracts? \_\_\_\_\_

Practical Consideration:

- See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates of ASU 2016-13 and subsequent ASUs.

**Disaggregation of Revenue**

2. Has the entity disaggregated revenue recognized from contracts with customers into categories that reflect how the nature, amount, timing, and uncertainty of revenue and cash flows are impacted by economic factors? (FASB ASC 606-10-50-5) \_\_\_\_\_

Practical Considerations:

- FASB ASC 606-10-55-89 through 55-91 provide guidance on selecting the categories to use to make this disclosure.
- The disaggregated revenue and revenue information disclosed in Question No. 2 should include sufficient information to allow the user to reconcile it to the revenue information disclosed for each reportable segment. (FASB ASC 606-10-50-6)

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**Contract Balances**

3. Have the following disclosures been made: (FASB ASC 606-10-50-8 through 50-11)

a. The beginning and ending balances of the following items from contracts with customers, unless separately presented or disclosed elsewhere:

(1) Receivables? \_\_\_\_\_

(2) Contract assets? \_\_\_\_\_

(3) Contract liabilities? \_\_\_\_\_

Practical Consideration:

- In their October 2014 meeting, the Transition Resource Group (TRG) stated that a contract may be presented as an asset or a liability, but not split into both. Further, they clarified that the determination of asset or liability is made at the contract level, not at the performance obligation level. For guidance on classification and presentation of contracts, see FASB ASC 606-10-45-1 and BC317 of FASB ASU 2014-09.

b. Revenue recognized in the period that was included in the beginning of the period contract liability balance? \_\_\_\_\_

c. An explanation of how the timing of the satisfaction of the entity's performance obligations relates to the typical timing of payment, along with the impact of such factors on the contract asset and contract liability balances? (The explanation may include qualitative information.) \_\_\_\_\_

d. An explanation, using qualitative and quantitative information, of the significant changes in the contract asset and contract liability balances during the period? \_\_\_\_\_

Practical Consideration:

- Examples of changes requiring explanation as described in item (d) include changes due to business combinations; impairment of contract assets; cumulative catch-up adjustments resulting from changes to measures of progress, estimates of transaction price, or contract modifications, that affect a contract asset or liability; and changes in time frame for either a right to consideration to become unconditional (and the corresponding contract asset to become a receivable) or a performance obligation to be satisfied (and the corresponding contract liability to become revenue).

**Performance Obligations**

4. Has the entity disclosed information about its performance obligations in contracts with customers, including a description of the following items: (FASB ASC 606-10-50-12)

a. When performance obligations are typically satisfied (e.g., upon delivery, upon shipment, as the service is rendered, or upon completion of the service), including those obligations that are satisfied under a bill-and-hold arrangement? \_\_\_\_\_

b. The significant payment terms (such as typical due dates, whether the contract includes a significant financing component, if the consideration amount is variable, and whether the estimate of variable consideration is generally constrained)? \_\_\_\_\_

c. The nature of the goods or services the entity has promised to transfer, highlighting any performance obligations where the entity is serving as an agent (i.e., when the entity has arranged for another party to transfer the goods or services)? \_\_\_\_\_

d. Obligations for (1) returns, (2) refunds, and (3) similar obligations? \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- e. Warranty types and related obligations? \_\_\_\_\_
5. Has disclosure been made of the revenue recognized in the period from performance obligations that were satisfied (or partially satisfied) in prior periods (e.g., transaction price changes)? (FASB ASC 606-10-50-12A) \_\_\_\_\_

**Allocation to Remaining Performance Obligations**

6. Has the following information been disclosed about the entity's remaining performance obligations: (NOTE: There are certain optional exemptions to these disclosure requirements as described further in the practical considerations to this question.) (FASB ASC 606-10-50-13 through 50-15)
- a. The aggregate amount of the transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations as of the end of the period? \_\_\_\_\_
- b. An explanation of when the entity expects to recognize as revenue the amount in item (a), either (i) by using qualitative information or (ii) on a quantitative basis by using the time bands most appropriate for the period of the remaining performance obligations? \_\_\_\_\_
- c. An explanation of whether any consideration from contracts with customers is excluded from the transaction price and, thus, not included in the information disclosed in accordance with items (a) and (b)? \_\_\_\_\_

Practical Considerations:

- Disclosure of the information required by Question No. 6 is not required for a performance obligation if either of the following conditions is met: (FASB ASC 606-10-50-14 and 50-14B)
    - The performance obligation relates to a contract with an original expected duration of one year or less.
    - Revenue is recognized from the satisfaction of the performance obligation in the amount to which the entity has a right to invoice when there is a right to consideration from the customer in an amount that directly corresponds with the value to the customer of the performance completed to date. (This optional exemption cannot be applied to fixed consideration.)
  - Disclosure of the information required by Question No. 6 is not required for variable consideration for which either of the following conditions is met: (This optional exemption cannot be applied to fixed consideration.) (FASB ASC 606-10-50-14A and 50-14B)
    - The variable consideration is either a sales-based or usage-based royalty arising from the licensing of intellectual property accounted for pursuant to FASB ASC 606-10-55-65 through 55-65B.
    - The variable consideration is allocated entirely to a wholly unsatisfied performance obligation or wholly unsatisfied promise to transfer a distinct good or service that is part of a single performance obligation under FASB ASC 606-10-25-14(b) and 606-10-32-40.
7. If the entity applies one or more of the optional exemptions described in the Practical Considerations to Question No. 6, has the entity disclosed the following: (FASB ASC 606-10-50-15)
- a. Which of the optional exemptions are being applied? \_\_\_\_\_
- b. The nature of the performance obligations, the remaining duration, and a description of the variable consideration that has been excluded from the information disclosed in response to Question No. 6 in sufficient detail for financial statement users to understand the remaining performance obligations excluded from the information disclosed? \_\_\_\_\_

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**Significant Judgments**

- |   |       |       |       |
|---|-------|-------|-------|
| 8. Have the judgments significantly affecting the determination of the amount and timing of revenue from contracts with customers, and any changes in those judgments, been disclosed? (FASB ASC 606-10-50-17)  | _____ | _____ | _____ |
| 9. Do the disclosures in Question No. 8 explain the judgments and changes in the judgments used in determining the following items: (FASB ASC 606-10-50-17)   |       |       |       |
| a. Timing of the satisfaction of performance obligations?   | _____ | _____ | _____ |
| b. Transaction price and amounts allocated to performance obligations?  | _____ | _____ | _____ |
| 10. For performance obligations that are satisfied over time, have the following been disclosed: (FASB ASC 606-10-50-18)  |       |       |       |
| a. The methods used to recognize revenue (e.g., the input or output methods used and how they were applied)?  | _____ | _____ | _____ |
| b. An explanation of why the methods used faithfully depict the transfer of goods or services?  | _____ | _____ | _____ |
| 11. For performance obligations that are satisfied at a point in time, have the significant judgments made in evaluating when control of the promised goods or services is obtained by the customer been disclosed? (FASB ASC 606-10-50-19 and 50-21) | _____ | _____ | _____ |
| 12. Has information been disclosed regarding the methods, inputs, and assumptions used for the following: (FASB ASC 606-10-50-20 and 50-21)   |       |       |       |
| a. Determining the transaction price, including (but not limited to) adjusting consideration for the effects of the time value of money, estimating variable consideration, and measuring noncash consideration?                                      | _____ | _____ | _____ |
| b. Assessing whether an estimate of variable consideration is constrained?  | _____ | _____ | _____ |
| c. Allocating the transaction price, including estimating standalone selling prices of goods or services promised and allocating discounts and variable consideration to a particular part of the contract, if applicable?                            | _____ | _____ | _____ |
| d. Measuring returns, refunds, and other obligations?   | _____ | _____ | _____ |

**Practical Expedients**

- |  |       |       |       |
|--|-------|-------|-------|
| 13. If the entity elects to use the practical expedient about the existence of a significant financing component in FASB ASC 606-10-32-18, has that fact been disclosed? (FASB ASC 606-10-50-22) | _____ | _____ | _____ |
|--|-------|-------|-------|

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**Disclosure Made?**

Yes      No      N/A

**Other Assets and Deferred Costs**

NOTE: The following disclosures should be made for assets that are recognized from the costs to obtain or fulfill a contract with a customer. Amounts should be disclosed for each period for which a statement of comprehensive income is presented and as of each period for which a balance sheet is presented. Entities should determine the level of detail, degree of aggregation or disaggregation, and amount of emphasis that is required to meet the disclosure objective. The objective is to allow financial statement users to understand the nature, amount, timing, and uncertainty of revenue and cash flows resulting from contracts with customers. (FASB ASC 340-40-50-1 and 606-10-50-1 through 50-3)

14. Is there disclosure of both of the following: (FASB ASC 340-40-50-2)

a. The judgments that were necessary to determine the amount of the costs incurred to obtain or fulfill a contract with a customer? \_\_\_\_\_

b. The method the entity uses to determine the amortization for each reporting period? \_\_\_\_\_

15. Have the following been disclosed: (FASB ASC 340-40-50-3)

a. The closing balances of assets recognized from the costs incurred to obtain or fulfill a customer contract by main category (e.g., costs to obtain contracts with customers, precontract costs, and setup costs)? \_\_\_\_\_

b. The amount of amortization recognized in the period? \_\_\_\_\_

c. Impairment losses recognized in the period? \_\_\_\_\_

16. If the entity elects to use the practical expedient allowing the recognition of the incremental costs of obtaining a contract as an expense when incurred in FASB ASC 340-40-25-4, has that fact been disclosed? (FASB ASC 340-40-50-5 and 50-6; 606-10-50-22) \_\_\_\_\_

17. If the disclosures in Question Nos. 14–16 (along with those in the REVENUE FROM CONTRACTS WITH CUSTOMERS sections) are not sufficient for financial statement users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers, has additional disclosure been provided as necessary? (FASB ASC 340-40-50-1 and 606-10-50-1) \_\_\_\_\_

**COMPREHENSIVE INCOME**

1. Is comprehensive income reported either (a) in a single continuous financial statement or (b) in two separate but consecutive financial statements? (FASB ASC 220-10-45-1) \_\_\_\_\_

2. If comprehensive income is reported in a single continuous financial statement, does the statement include the following: (FASB ASC 220-10-45-1A)

a. The components of comprehensive income presented in two sections, net income and other comprehensive income? \_\_\_\_\_

b. The components of net income? \_\_\_\_\_

c. A total amount for net income? \_\_\_\_\_

d. The components of other comprehensive income? \_\_\_\_\_

e. A total amount for other comprehensive income? \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

<p>f. A total for comprehensive income?</p>	_____	_____	_____
<p>3. If comprehensive income is reported in two separate but consecutive financial statements, do the statements include the following: (FASB ASC 220-10-45-1B)</p>			
<p>a. The components of and the total net income in the statement of net income?</p>	_____	_____	_____
<p>b. The components of other comprehensive income, a total for other comprehensive income, and a total for comprehensive income in the statement of other comprehensive income? (NOTE: The statement of other comprehensive income must immediately follow the statement of net income. The second statement should begin with net income.)</p>	_____	_____	_____
<p>4. For annual periods only, has information been separately provided (a) on the face of the financial statement where net income is presented or (b) as a separate disclosure in the notes to the financial statements about the effects on net income of significant amounts reclassified out of each component of accumulated other comprehensive income? [If the entity cannot identify the line item of net income affected by any significant amount reclassified out of accumulated other comprehensive income in a reporting period, or if not all amounts are required by GAAP to be reclassified to net income in their entirety in the same reporting period, the entity must present the information about the effects on net income of significant amounts reclassified out of accumulated other comprehensive income in the notes to the financial statements.] (FASB ASC 220-10-45-17 through 45-17B; 220-10-45-18B)</p>	_____	_____	_____
<p>5. If the information in Question No. 4 is presented on the face of the financial statement where net income is presented, have the following been disclosed parenthetically: (FASB ASC 220-10-45-17A)</p>			
<p>a. The effect of significant reclassification amounts on the respective line items of net income by component of other comprehensive income?</p>	_____	_____	_____
<p>b. The aggregate tax effect of all significant reclassifications on the line item for income tax benefit or expense?</p>	_____	_____	_____
<p>Practical Consideration:</p> <ul style="list-style-type: none"> <li>• If the company uses a separate statement of comprehensive income line item(s) to present significant pension cost or other postretirement benefit cost components reclassified out of accumulated other comprehensive income, parenthetical presentation of such components is not required. (FASB ASC 220-10-45-17A) See also PENSION AND POSTRETIREMENT BENEFIT PLANS—DEFINED BENEFIT.</li> </ul>			
<p>6. If the information in Question No. 4 is presented in the notes to the financial statements, have the following been disclosed: (Both before tax and net of tax presentations are permitted.) (FASB ASC 220-10-45-12; 220-10-50-6)</p>			
<p>a. The significant amounts reclassified out of accumulated other comprehensive income by component of accumulated other comprehensive income?</p>	_____	_____	_____
<p>b. A subtotal of each component of comprehensive income? [The subtotals should agree with the amounts disclosed in item 24(a) in STOCKHOLDERS' EQUITY—Accumulated Other Comprehensive Income.]</p>	_____	_____	_____
<p>c. For each significant reclassification amount required by GAAP to be reclassified to net income in its entirety in the same reporting period, the line item affected by the reclassification on the statement where net income is presented?</p>	_____	_____	_____



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**Disclosure Made?**

**Yes      No      N/A**

- d. For any significant reclassification amount not required by GAAP to be reclassified to net income in its entirety in the same reporting period, a cross-reference to the note where additional details about the effect of the reclassification are disclosed? \_\_\_\_\_
- 7. Are the components of other comprehensive income presented either (a) net of related tax effects or (b) before tax effects with one amount representing the aggregate income tax expense or benefit related to the total of other comprehensive income items? (FASB ASC 220-10-45-11) \_\_\_\_\_
- 8. Has income tax expense or benefit allocated to each component of other comprehensive income, including reclassification adjustments, been either (a) presented in the statement where the components are presented or (b) disclosed in the notes to the financial statements? (FASB ASC 220-10-50-4) \_\_\_\_\_
- 9. Has the net gain or loss on derivative instruments designated and qualifying as fair value or cash flow hedging instruments that are reported in comprehensive income (including qualifying foreign currency cash flow hedges) been reported as a separate classification within other comprehensive income? (FASB ASC 815-20-45-3) \_\_\_\_\_

**EARNINGS PER SHARE**

- 1. Are per share amounts included on the face of the statement of comprehensive income for (these questions apply only to simple capital structures; all other entities should present both basic and diluted amounts)—
  - a. Income from continuing operations? (FASB ASC 260-10-45-2) \_\_\_\_\_
  - b. Net income? (FASB ASC 260-10-45-2) \_\_\_\_\_
- 2. Are basic and diluted per share amounts included on the face of the statement of comprehensive income or in the notes to the financial statements for results of discontinued operations? (FASB ASC 260-10-45-3) \_\_\_\_\_
- 3. If there are two classes of common stock, are basic and diluted earnings per share presented on the face of the statement of comprehensive income or in the notes to financial statements for each class of common stock, regardless of conversion rights? (FASB ASC 260-10-45-60 and 55-19) \_\_\_\_\_
- 4. Do the notes to the financial statements include a reconciliation of the numerators and denominators (including income and share amounts for all securities that affect earnings per share) of the basic and diluted earnings per share computations for income from continuing operations? (FASB ASC 260-10-50-1) \_\_\_\_\_
- 5. Do the financial statements disclose the effect of preferred dividends on the income available to common shareholders amount used in the basic earnings per share calculation? (FASB ASC 260-10-50-1) \_\_\_\_\_
- 6. Do the notes to the financial statements disclose any securities (including those that could be issued under contingent stock agreements) that could potentially dilute earnings per share but were not included in the diluted earnings per share computation because their effect was antidilutive for the periods presented? (FASB ASC 260-10-50-1) \_\_\_\_\_
- 7. If any transactions occurred after the end of the period but before issuance of the financial statements that would have a material effect on the number of common shares or potential common shares outstanding at the end of the period, have they been disclosed? (FASB ASC 260-10-50-2) \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

- 8. If a dropdown transaction occurred within the period that was accounted for under the *Transactions Between Entities Under Common Control* subsections of FASB ASC 805-50, did the entity disclose, in a narrative format, how the rights to the earnings or losses of the transferred net assets differed before and after the dropdown transaction occurred for purposes of computing earnings per unit under the two-class method? (FASB ASC 260-10-50-3) \_\_\_\_\_
  
- 9. If prior year income is presented and has been restated due to a prior period adjustment, have restated prior year earnings per share and the effects of the restatement, expressed in per share amounts, been disclosed? (FASB ASC 260-10-55-15) \_\_\_\_\_
  
- 10. Has the fact that per share calculations reflect the effects of stock dividends, stock splits, or reverse stock splits been disclosed, if applicable? (FASB ASC 260-10-55-12) \_\_\_\_\_
  
- 11. If per share amounts other than those required to be presented are disclosed, do the notes to the financial statements disclose whether they are net of tax? (FASB ASC 260-10-45-5) \_\_\_\_\_
  
- 12. If the tax benefits of deductible temporary differences and carryforwards arising prior to a quasi-reorganization are recognized in net income rather than contributed capital, has the effect of the tax benefits on the per share amounts of income from continuing operations, and net income been disclosed? (FASB ASC 740-20-45-3) \_\_\_\_\_
  
- 13. For changes in accounting principle (and changes in estimate effected by changing an accounting principle), have the following per share amounts been disclosed in the period in which the change is made: (FASB ASC 250-10-50-1 through 50-3)
  - a. Effect of the change on any affected per share amounts for the current period and prior periods retrospectively adjusted? \_\_\_\_\_
  
  - b. The per share amounts of indirect effects recognized in the current period and, if practicable the per share amounts attributable to each prior period presented? \_\_\_\_\_
  
- 14. For changes in accounting estimate that affect several future periods, has the per share effect on income from continuing operations and net income of the current period been disclosed? (FASB ASC 250-10-50-4) \_\_\_\_\_
  
- 15. For changes in reporting entity, in the period in which the change is made, has the per share effect of the change on net income and other comprehensive income been disclosed for all periods presented? (FASB ASC 250-10-50-6) \_\_\_\_\_
  
- 16. For corrections of errors in previously issued financial statements, in the period in which the change is made, has the effect on any affected per share amounts for each prior period presented been disclosed? (FASB ASC 250-10-50-7 through 50-10) \_\_\_\_\_

**STATEMENT OF CASH FLOWS**

- 1. Are noncash investing and financing transactions disclosed either in narrative form or summarized in a schedule and do they clearly relate the cash and non-cash aspects of such transactions? (FASB ASC 230-10-50-3) \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

2. For periods prior to the adoption of ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, if the indirect method of reporting cash flows from operating activities is used, are amounts of interest paid (net of amounts capitalized) and income taxes paid during the period disclosed? (FASB ASC 230-10-50-2)

\_\_\_\_\_

Practical Consideration:

- The amounts of interest paid required to be disclosed in Question No. 2 should include the portion of payments made to settle debt that is attributable to accreted interest on zero-coupon debt or on other debt instruments with coupon interest rates that are insignificant in relation to the effective interest rate.

NOTE: The disclosures in Question Nos. 3 and 4 apply after the adoption of ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* and supersede the disclosures in Question No. 2. For public business entities, the ASU is effective for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued.

3. For annual periods after the adoption of ASU 2023-09, if the indirect method of reporting cash flows from operating activities is used, has the amount of interest paid (net of amounts capitalized) been disclosed? (FASB ASC 230-10-50-2)

\_\_\_\_\_

Practical Consideration:

- The amounts of interest paid required to be disclosed in Question No. 3 should include the portion of payments made to settle debt that is attributable to accreted interest on zero-coupon debt or on other debt instruments with coupon interest rates that are insignificant in relation to the effective interest rate.

4. For annual periods after the adoption of ASU 2023-09, have the following been disclosed: (FASB ASC 230-10-50-2A; 740-10-50-22 and 50-23)

a. The amount of income taxes paid during the year, net of refunds received, disaggregated by federal, state, and foreign?

\_\_\_\_\_

b. The amount of income taxes paid, net of refunds received, to each individual jurisdiction where that amount is equal to or greater than 5% of total income taxes paid, net of refunds received?

\_\_\_\_\_

5. Has information been disclosed about the nature of any restrictions on cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents? (FASB ASC 230-10-50-7)

\_\_\_\_\_

6. For each period for which a balance sheet is presented, when cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents are presented in more than one line item in the balance sheet: (The information required can be disclosed in either a narrative or tabular format.) (FASB ASC 230-10-50-8)

a. Have the line items and amounts of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents reported in the balance sheet been presented on the face of the statement of cash flows or disclosed in the notes to the financial statements?

\_\_\_\_\_

b. Do the amounts, disaggregated by the line item in which they appear in the balance sheet, agree to the total amount of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents at the end of the corresponding period in the statement of cash flows?

\_\_\_\_\_

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**GENERAL FINANCIAL STATEMENT DISCLOSURES**

NOTE: These are additional note disclosures that have not been addressed in previous checklist questions.

**NATURE OF OPERATIONS/ACTIVITIES**

1. Have the following disclosures about the entity's products or services been made: (FASB ASC 275-10-50-2)

(NOTE: These disclosures are only required for entities that have commenced planned principal operations.)

a. A description of the major products or services the entity sells or provides and its principal markets, including the location of those markets?

b. If the entity operates in more than one business, the relative importance of its operations in each business and the basis for that determination (e.g., based on assets, revenues, or earnings)?

2. If the entity has not commenced principal operations, have disclosures been made about the risks and uncertainties related to the entity's current activities and what those activities are being directed toward? (FASB ASC 275-10-50-2A)

**USE OF ESTIMATES**

1. Has the fact that preparation of financial statements in conformity with GAAP requires the use of management's estimates been disclosed? (FASB ASC 275-10-50-4)

**ACCOUNTING POLICIES**

1. Have the following accounting policies, if significant, been presented as an integral part of the financial statements (disclosure is preferred in a separate summary of significant accounting policies preceding the notes or in the first note): (FASB ASC 235-10-50-6)

a. Basis for stating inventories and the method of determining cost? (FASB ASC 210-10-50-1; 235-10-50-4; 330-10-50-1)

b. General description of the methods used to compute depreciation for major classes of depreciable assets? (FASB ASC 360-10-50-1)

c. Policy used to determine whether an item is treated as a cash equivalent in the statement of cash flows? (FASB ASC 230-10-50-1)

d. If cash flows from derivative instruments that are accounted for as fair value hedges or cash flow hedges are classified in the same category as cash flows from the item being hedged, that accounting policy? (FASB ASC 230-10-45-27)

e. Policy for classifying shipping and handling costs? (If shipping and handling activities are performed after a customer obtains control of the good, and the entity has made an election to treat shipping and handling activities as part of fulfilling the promise to transfer the good to the customer, that policy should also be disclosed in accordance with FASB ASC 235-10-50-1 through 50-6.) (FASB ASC 606-10-25-18B)

f. Basis of accounting for loans and trade receivables? (FASB ASC 310-10-50-2)

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**Disclosure Made?**

**Yes      No      N/A**

<p>g. For periods prior to adoption of ASU 2016-13, method used to determine the lower of cost or fair value of nonmortgage loans held for sale? (FASB ASC 310-10-50-2)</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>h. For periods after the adoption of ASU 2016-13, <i>Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments</i>, the method used to determine the lower of amortized cost basis or fair value of nonmortgage loans held for sale? (FASB ASC 310-10-50-2)</p> <p>Practical Consideration:</p> <ul style="list-style-type: none"> <li>• See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates of ASU 2016-13 and subsequent ASUs.</li> </ul>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>i. Classification and method of accounting for interest-only strips, loans, other receivables, or retained interests in securitizations that can be contractually prepaid or otherwise settled in a way that the entity would not recover substantially all of its recorded investment? (FASB ASC 310-10-50-2)</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>j. Method used to recognize interest income on loans and trade receivables, including the entity's policy for treatment of related fees and costs (including its method of amortizing net deferred fees or costs)? (FASB ASC 310-10-50-2; 310-20-50-1)</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>k. For periods prior to adoption of ASU 2016-13, method used to estimate liabilities for off-balance-sheet credit exposures and related charges, including a description of the factors influencing management's judgment and a discussion of risk elements relevant to particular categories of financial instruments? (FASB ASC 310-10-50-9) [NOTE: This disclosure requirement is superseded after the adoption of ASU 2016-13. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates and disclosure requirements of ASU 2016-13 and related subsequent ASUs.]</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>l. For periods prior to adoption of ASU 2016-13, policies for placing financing receivables on nonaccrual status, recording payments on nonaccrual receivables, and resuming accrual of interest? (This disclosure should be provided by class of financing receivable, except for trade accounts receivable, other than credit card receivables, with a contractual maturity of one year or less that arose from the sale of goods or services; receivables measured at fair value with changes in fair value reported in earnings; and receivables measured at lower of cost or fair value. This disclosure does not apply to loans acquired with deteriorated credit quality.) (FASB ASC 310-10-50-5A and 50-5B; 310-10-50-6) [NOTE: This disclosure requirement is superseded after the adoption of ASU 2016-13. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates and disclosure requirements of ASU 2016-13 and related subsequent ASUs.]</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>m. For periods prior to adoption of ASU 2016-13, policy for charging off uncollectible receivables? (This disclosure only applies to trade accounts receivable, other than credit card receivables, with a contractual maturity of one year or less that arose from the sale of goods or services.) (FASB ASC 310-10-50-4A) [NOTE: This disclosure requirement is superseded after the adoption of ASU 2016-13. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates and disclosure requirements of ASU 2016-13 and related subsequent ASUs.]</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>

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**Disclosure Made?**  
**Yes**    **No**    **N/A**

n. For periods prior to adoption of ASU 2016-13, policy for determining past-due or delinquency status? (This disclosure should be provided by class of financing receivable, except for trade accounts receivable, other than credit card receivables, with a contractual maturity of one year or less that arose from the sale of goods or services; receivables measured at fair value with changes in fair value reported in earnings; and receivables measured at lower of cost or fair value. This disclosure does not apply to loans acquired with deteriorated credit quality.) (FASB ASC 310-10-50-5A and 50-5B; 310-10-50-6) [NOTE: This disclosure requirement is superseded after the adoption of ASU 2016-13. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates and disclosure requirements of ASU 2016-13 and related subsequent ASUs.]	_____	_____	_____
o. Policies for derivative financial instruments, if material, and where their related gains and losses are reported in the statement of cash flows? [S-X 4-08(n)] (FASB ASC 235-10-S99-1)	_____	_____	_____
p. Policy of accounting for material leases? (Current Accounting and Disclosure Issues in the Division of Corporation Finance, IIE2, November 2006)	_____	_____	_____
q. The policy to offset or not offset fair value amounts recognized for derivative instruments and fair value amounts recognized for the right to reclaim or return cash collateral arising from derivative instruments recognized at fair value under master netting arrangements? (FASB ASC 815-10-50-7)	_____	_____	_____
r. Policy for collaborative arrangements? (FASB ASC 808-10-50-1)	_____	_____	_____
s. Policy and method used to determine the entity's liability for product warranties? (FASB 460-10-50-8)	_____	_____	_____
t. Policy for the treatment of costs incurred to renew or extend the term of a recognized intangible asset? (FASB ASC 350-30-50-2)	_____	_____	_____
u. The consolidation policy? (FASB ASC 810-10-50-1)	_____	_____	_____
v. If the company has legal costs associated with loss contingencies, the policy for the accrual of such costs? (FASB ASC 450-20-S99-2)	_____	_____	_____
w. Policy for classifying interest and penalties recognized in the financial statements that are associated with its tax positions? (FASB ASC 740-10-50-19)	_____	_____	_____
x. If the reporting entity manages a group of financial assets, liabilities, nonfinancial items accounted for as derivatives, or a combination of these items based on its net exposure to market risks or credit risk, the policy of measuring the fair value of the group based on net risk exposure at the measurement date if the reporting entity has made an accounting policy decision to use that permitted exception to fair value measurement? (FASB ASC 820-10-50-2D)	_____	_____	_____
y. If the employer's fiscal year-end does not correspond with a month-end and the employer elects to measure defined benefit plan assets and benefit obligations using the month-end nearest to its fiscal year-end, that policy election and the month-end measurement date? (FASB ASC 715-20-50-1)	_____	_____	_____
z. The policy for releasing income tax effects from accumulated other comprehensive income? (FASB ASC 220-10-50-1)	_____	_____	_____

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**Disclosure Made?**

**Yes      No      N/A**

- aa. The lessor’s accounting policy election to exclude from consideration in the contract and from variable payments not included in the consideration in the contract the taxes assessed and collected from the lessee in accordance with FASB ASC 842-10-15-39A, if applicable? (FASB ASC 842-30-50-14) \_\_\_\_\_
- ab. Other significant accounting policies, including those for which there is a selection from existing acceptable alternatives, principles, and methods peculiar to the industry in which the entity operates, and unusual or innovative applications of GAAP or methods of application? (FASB ASC 235-10-50-1 through 50-6) \_\_\_\_\_
- 2. Is there disclosure of any material changes in classifications made to previously issued financial statements? (AS 2820.11) (See CHANGES IN PRESENTATION OF COMPARATIVE STATEMENTS, Question No. 1.) \_\_\_\_\_

**RELATED-PARTY TRANSACTIONS AND COMMON CONTROL**

- 1. Are related party amounts presented as separate line items on the balance sheet, statement of comprehensive income, or statement of cash flows? {For larger domestic issuers, [S-X 4-08(k)(1)] (FASB ASC 235-10-S99-1)} (Accepted practice for smaller reporting companies) \_\_\_\_\_
- 2. Has consideration been given as to whether related-party receivables should be displayed as reductions of equity? (SAB T. 4E and G) (FASB ASC 310-10-S99-2, S99-3) \_\_\_\_\_
- 3. Do disclosures of material related-party transactions include: (FASB ASC 850-10-50-1 and 50-3)
  - a. The nature of the relationship(s)? (If necessary to an understanding of the effects of the transactions, the related party should be identified by name.) \_\_\_\_\_
  - b. A description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which a statement of comprehensive income is presented and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements? \_\_\_\_\_
  - c. The dollar amounts of transactions for each of the periods for which statements of comprehensive income are presented and the effects of any change in the method of establishing the terms from that used in the preceding period? \_\_\_\_\_
  - d. Amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement? \_\_\_\_\_
  - e. The disclosures required if the entity is part of a group that files a consolidated tax return? (See INCOME TAXES—Consolidated Tax Return.) \_\_\_\_\_
- 4. If separate financial statements of certain investees or subsidiaries are presented in the filing, have any intercompany profits or losses from transactions with related parties and the effects thereof been disclosed? {For larger domestic issuers, [S-X 4-08(k)(2)] (FASB ASC 235-10-S99)} (Accepted practice for smaller reporting companies) \_\_\_\_\_
- 5. If representations are made that the related-party transactions were consummated on terms equivalent to those that prevail in arm’s-length transactions, can such representations be substantiated? (FASB ASC 850-10-50-5) \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

- |   |       |       |       |
|---|-------|-------|-------|
| 6. If the entity and one or more other entities are under common control and the existence of that control could result in operating results or financial position of the entity significantly different from those that would have been obtained if the entities were autonomous, has disclosure been made of the nature of the control relationship, even though there have been no transactions between the entities? (FASB ASC 850-10-50-6) | _____ | _____ | _____ |
| 7. Have the required disclosures about variable interest entities been made? (See CONSOLIDATIONS—Interests in Variable Interest Entities.)  | _____ | _____ | _____ |
| 8. For transfers of net assets or exchanges of equity interests between entities under common control that result in a change of reporting entity, has disclosure been made of the nature of and effects on earnings per share of nonrecurring intercompany transactions involving long-term assets and liabilities? (FASB ASC 805-50-45-3)   | _____ | _____ | _____ |

**PENSION AND POSTRETIREMENT BENEFIT PLANS—DEFINED CONTRIBUTION**

(See Part II for defined benefit pension plan disclosures.)

- |  |       |       |       |
|--|-------|-------|-------|
| 1. Is the following information about the entity’s defined contribution pension or other postretirement benefit plans disclosed separately from the entity’s defined benefit plans: (FASB ASC 715-70-50-1)         |       |       |       |
| a. The amount of cost recognized during the period?  | _____ | _____ | _____ |
| b. A description of the nature and effect of any significant changes during the period affecting comparability (such as a change in the rate of employer contributions, a business combination, or a divestiture)? | _____ | _____ | _____ |

**LEASES IN FINANCIAL STATEMENTS OF LESSEES**

**General**

- |  |       |       |       |
|--|-------|-------|-------|
| 1. Have the following been presented in the balance sheet or disclosed in the notes to the financial statements: (NOTE: Right-of-use assets and lease liabilities should be appropriately classified as current and noncurrent in classified balance sheets. Operating lease right-of-use assets and finance lease right-of-use assets cannot be presented in the same line item in the balance sheet. Similarly, operating lease liabilities and finance lease liabilities are prohibited from being presented in the same line item in the balance sheet.) (FASB ASC 842-20-45-1 and 45-3)                 |       |       |       |
| a. Operating lease right-of-use assets and finance lease right-of-use assets separate from each other and from other assets?   | _____ | _____ | _____ |
| b. Operating lease liabilities and finance lease liabilities separate from each other and from other liabilities?  | _____ | _____ | _____ |
| 2. If operating lease and finance lease right-of-use assets and lease liabilities have not been presented separately in the balance sheet, has disclosure been made of which line items in the balance sheet include those right-of-use assets and lease liabilities? (NOTE: Operating lease right-of-use assets and finance lease right-of-use assets cannot be presented in the same line item in the balance sheet. Similarly, operating lease liabilities and finance lease liabilities are prohibited from being presented in the same line item in the balance sheet.) (FASB ASC 842-20-45-2 and 45-3) | _____ | _____ | _____ |





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**Disclosure Made?****Yes**    **No**    **N/A**

7. Has information about the following been disclosed: (FASB ASC 842-20-50-3)			
a. The nature of the entity's leases (with the separate identification of information relating to subleases, as applicable), including:			
(1) General description of the leases?	_____	_____	_____
(2) For variable lease payments, the basis and terms and conditions on which the payments are determined?	_____	_____	_____
(3) The existence, terms, and conditions of any options to extend or terminate a lease, including a narrative discussion about the options that are recognized as part of the entity's right-of-use assets and lease liabilities and those that are not?	_____	_____	_____
(4) For residual value guarantees provided by the entity, the existence, terms, and conditions of such guarantees?	_____	_____	_____
(5) Restrictions or covenants imposed by leases, such as those pertaining to dividends or incurring additional debt?	_____	_____	_____
b. Leases that have yet to commence but that create significant rights and obligations for the entity, including the nature of any involvement with the underlying asset's construction or design?	_____	_____	_____
c. Significant assumptions and judgments made in the application of GAAP for leases, which may include those relating to the: (Additional disclosures may be required.)			
(1) Determination of whether a contract includes a lease?	_____	_____	_____
(2) Allocation of the contract consideration between lease and nonlease components?	_____	_____	_____
(3) Determination of the lease discount rate?	_____	_____	_____
8. For each period presented, have the following amounts been disclosed relating to the total lease cost (whether recognized in profit or loss or capitalized as part of the cost of another asset) and cash flows from leasing transactions: (FASB ASC 842-20-50-4)			
a. Operating lease cost?	_____	_____	_____
b. Finance lease cost, with separate disclosure of the amortization of the right-of-use assets and interest on the lease liabilities?	_____	_____	_____
c. Variable lease cost?	_____	_____	_____
d. Gross sublease income (separate from the finance or operating lease expense)?	_____	_____	_____
e. Net gain or loss from sale and leaseback transactions?	_____	_____	_____
f. The following, segregated between finance and operating leases:			
(1) Cash paid for amounts included in the measurement of lease liabilities, separately for operating and financing cash flows?	_____	_____	_____
(2) Supplemental noncash information on lease liabilities resulting from obtaining right-to-use assets?	_____	_____	_____
(3) Weighted-average remaining lease term?	_____	_____	_____

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**Disclosure Made?**

**Yes      No      N/A**

<p>(4) Weighted-average discount rate?</p>	_____	_____	_____
<p>9. Have the following been disclosed: (FASB ASC 842-20-50-6)</p> <p style="margin-left: 20px;">a. A maturity analysis of finance lease liabilities and operating lease liabilities separately, with undiscounted cash flows presented on an annual basis for a minimum of each of the first five years and a total of the amounts for the remaining years?</p> <p style="margin-left: 20px;">b. A reconciliation of the undiscounted cash flows to the finance lease liabilities and operating lease liabilities recognized in the balance sheet?</p>	_____	_____	_____
<p>10. Have the applicable disclosures in RELATED PARTY TRANSACTIONS AND COMMON CONTROL and Question No. 3 in NOTES AND ACCOUNTS RECEIVABLE been made for lease transactions between related parties? (FASB ASC 842-20-50-7)</p>	_____	_____	_____
<p>11. For annual and interim periods after adoption of ASU 2023-01, if the useful life of leasehold improvements to the common control group determined in accordance with FASB ASC 842-20-35-12A exceeds the related lease term, is the following information disclosed: (FASB ASC 842-20-50-7A)</p> <p style="margin-left: 20px;">a. The unamortized balance of the leasehold improvements at the balance sheet date?</p> <p style="margin-left: 20px;">b. The remaining useful life of the leasehold improvements to the common control group?</p> <p style="margin-left: 20px;">c. The remaining lease term?</p>	_____	_____	_____
<p>12. Have the disclosures in ACCOUNTING CHANGES AND CORRECTION OF AN ERROR—Change in Accounting Principle been made with the exception of item 1(b)(2) upon the adoption of ASU 2023-01? [NOTE: If the retrospective method is used as specified in FASB ASC 842-10-65-7(c)(2) or 842-10-65-8(c)(3), the disclosure in item 1(b)(3) of ACCOUNTING CHANGES AND CORRECTION OF AN ERROR—Change in Accounting Principle should be made as of the beginning of the earliest period presented but not before the adoption date of FASB ASC 842.] (FASB ASC 842-10-65-7 and 65-8)</p>	_____	_____	_____
<p>Practical Consideration:</p> <ul style="list-style-type: none"> <li>• The disclosures in Question Nos. 11 and 12 apply after the adoption of ASU 2023-01, <i>Leases (Topic 842): Common Control Arrangements</i>. The ASU is effective for fiscal years, including interim periods within those fiscal years, beginning after December 15, 2023. Earlier application is permitted, including in any interim period, for which financial statements have not been issued. Refer to the ASU for various transition provisions. (FASB ASC 842-10-65-8)</li> </ul>			
<p>13. When the entity has made the accounting policy election to account for a short-term lease by recognizing the lease payments in profit or loss on a straight-line basis over the term of the lease and variable lease payments in the period in which the obligation for the payments is incurred, have the following been disclosed: (FASB ASC 842-20-50-4 and 50-8)</p> <p style="margin-left: 20px;">a. The fact that the election has been made?</p> <p style="margin-left: 20px;">b. The short-term lease cost for each period presented (excluding amounts relating to leases with a lease term of one month or less)?</p>	_____	_____	_____

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**Disclosure Made?**  
**Yes      No      N/A**

- c. When applicable, the fact that the short-term lease expense for the period does not reasonably reflect the entity’s short-term lease commitments, along with the amount of the short-term lease commitments? \_\_\_\_\_
- 14. When the entity has made the accounting policy election to not separate lease components from nonlease components when allocating contract consideration, have the following been disclosed: (FASB ASC 842-20-50-9)
  - a. The fact that the election has been made? \_\_\_\_\_
  - b. Which class or classes of underlying assets to which the election has been applied? \_\_\_\_\_

**Sale and Leaseback Transactions**

- 15. Has the seller-lessee in a sale and leaseback transaction accounted for as a sale made the disclosures required by Question Nos. 7 through 14? (FASB ASC 842-40-50-1) \_\_\_\_\_
- 16. Has the seller-lessee disclosed the following: (FASB ASC 842-40-50-2)
  - a. Main terms and conditions of the sale and leaseback transaction? \_\_\_\_\_
  - b. Any gains or losses from the transaction separate from gains or losses on the disposal of other assets? \_\_\_\_\_

**FAIR VALUE MEASUREMENTS**

NOTE: The objective of these disclosure requirements is to provide financial statement users with information about assets and liabilities measured at fair value in the balance sheet or disclosed in the notes to the financial statements regarding (1) the valuation techniques and inputs used to develop fair value measurements, including the related judgments and assumptions made, (2) the uncertainty in the fair value measurements as of the reporting date, and (3) how changes in the measurements impact the performance and cash flows of the entity. Entities should consider the level of detail, the amount of emphasis, the degree of aggregation or disaggregation, and whether other information may be required for financial statement users to evaluate the quantitative information disclosed in complying with the disclosure requirements. (FASB ASC 820-10-50-1C and 50-1D)

See PENSION AND POSTRETIREMENT BENEFIT PLANS—DEFINED BENEFIT—Plan Assets for disclosures that apply for fair value measurements of plan assets of a defined benefit pension or other postretirement plan.

The disclosures in Question Nos. 1 and 2 are not required for investments for which fair value is measured using net asset value per share (or equivalent) as a practical expedient. (FASB ASC 820-10-35-54B and 50-2) See also INVESTMENTS IN ENTITIES THAT CALCULATE NET ASSET VALUE PER SHARE.

- 1. Have the following been disclosed for each class of assets and liabilities measured at fair value (including measurements based on fair value) on a *recurring* basis in the balance sheet after initial recognition, with quantitative disclosures presented in tabular format: (FASB ASC 820-10-35-54B; 820-10-50-2 and 50-2B; 820-10-50-3; 820-10-50-8)
  - a. The fair value measurement at the end of the reporting period? (Disclosures for derivative assets and liabilities should be presented gross.) \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

<p>b. The level of the fair value hierarchy within which the fair value measurements are categorized in their entirety (Level 1, 2, or 3)? (Disclosures for derivative assets and liabilities should be presented gross.)</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>c. For Level 2 and Level 3 fair value measurements—</p> <p>(1) A description of the valuation technique(s) and inputs used in the measurement?</p> <p>(2) Any change in either or both a valuation approach and a valuation technique (for example, from matrix pricing to the binomial model or the use of an additional valuation technique) and the reason(s) for making the change?</p> <p>(3) For Level 3 fair value measurements, quantitative information about the significant unobservable inputs used in the measurement? (Disclosure is not required if quantitative unobservable inputs are not developed by the reporting entity when measuring fair value, for example, when prices from prior transactions or third-party pricing information without adjustment is used. Quantitative unobservable inputs that are significant to the fair value measurement and that are reasonably available to the reporting entity cannot be ignored.)</p> <p>(4) In connection with item 1(c)(3), the range and weighted average of the significant unobservable inputs, including a description of how the weighted average was calculated? (Other quantitative information may be disclosed for certain unobservable inputs in lieu of the weighted average if it provides a more reasonable and rational method to indicate the distribution of unobservable inputs used to develop Level 3 fair value measurements.)</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>
<p>d. For Level 3 fair value measurements—</p> <p>(1) A reconciliation from the opening balances to the closing balances with separate disclosure of changes during the period attributable to (a) total gains or losses for the period recognized in earnings and the line item(s) in the statement of comprehensive income in which such gains or losses are recognized; (b) total gains or losses for the period recognized in other comprehensive income and the line item(s) in other comprehensive income in which such gains or losses are recognized; (c) purchases, sales, issues, and settlements, with each type disclosed separately; and (d) the amounts of any transfers into or out of Level 3 and the reasons for such transfers? (Transfers into Level 3 should be disclosed and discussed separately from transfers out of Level 3.) (Disclosures for derivative assets and liabilities may be presented either gross or net.)</p> <p>(2) The amount of the total gains or losses for the period included in earnings and in other comprehensive income due to the change in unrealized gains or losses that relate to assets and liabilities held at the end of the reporting period, and the line item(s) in the statement(s) of comprehensive income in which such unrealized gains or losses are recognized? (Disclosures for derivative assets and liabilities may be presented either gross or net.)</p>	<p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p>

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**Disclosure Made?**  
**Yes      No      N/A**

<p>(3) A narrative description of the uncertainty of the measurement due to the use of significant unobservable inputs if such inputs reasonably could have been different at the reporting date (such as how a change in those significant unobservable inputs to a different amount might produce a significantly higher or lower fair value measurement at the reporting date), including a description of any interrelationships between those inputs and other unobservable inputs used in the fair value measurement and how those interrelationships might magnify or mitigate the effect of changes in the unobservable inputs on the measurement? [The narrative description of the uncertainty of the measurement that would result from using unobservable inputs should include the unobservable inputs disclosed in item (c)(3).]</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>e. If the highest and best use of a nonfinancial asset differs from its current use, the fact that the use is different and why the asset is being used differently from its highest and best use?</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>f. Information sufficient to permit reconciliation of the fair value measurement disclosures for the various classes of assets and liabilities in items (a)–(e) to the line items in the balance sheet? [The entity should disclose the amount of investments measured using the net asset value per share (or equivalent) practical expedient to permit reconciliation of the fair value of investments in the fair value hierarchy to amounts presented in the balance sheet. Disclosure is required even though such investments are not categorized within the fair value hierarchy under the requirement in item 1(b). See also INVESTMENTS IN ENTITIES THAT CALCULATE NET ASSET VALUE PER SHARE.]</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>2. Have the following been disclosed for each class of assets and liabilities measured at fair value (including measurements based on fair value) on a <i>nonrecurring</i> basis in the balance sheet after initial recognition, with quantitative disclosures presented in tabular format: (FASB ASC 820-10-35-54B; 820-10-50-2 and 50-2B; 820-10-50-3; 820-10-50-8; 350-20-50-3; 350-30-50-3A)</p>			
<p>a. The fair value measurement at the relevant measurement date and the reasons for the measurement? (If the measurement date is not at the end of the reporting period, the entity should disclose that the fair value information is not as of the end of the period and the date or period that the measurement was made. Disclosures for derivative assets and liabilities should be presented gross.)</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>b. The level of the fair value hierarchy within which the fair value measurements are categorized in their entirety (Level 1, 2, or 3)? (Disclosures for derivative assets and liabilities should be presented gross.)</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>c. For Level 2 and Level 3 fair value measurements—</p>			
<p>(1) A description of the valuation technique(s) and inputs used in the measurement?</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>(2) Any change in either or both a valuation approach and a valuation technique (for example, from matrix pricing to the binomial model or the use of an additional valuation technique) and the reason(s) for making the change?</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>

**Disclosure Made?**

**Yes      No      N/A**

- (3) For Level 3 fair value measurements, quantitative information about the significant unobservable inputs used in the measurement? (Disclosure is not required if quantitative unobservable inputs are not developed by the reporting entity when measuring fair value, for example, when prices from prior transactions or third-party pricing information without adjustment is used. Quantitative unobservable inputs that are significant to the fair value measurement and that are reasonably available to the reporting entity cannot be ignored. This disclosure is not required for fair value measurements related to accounting and reporting for goodwill or indefinite-lived intangible assets after initial recognition.) \_\_\_\_\_
- (4) In connection with item 2(c)(3), the range and weighted average of the significant unobservable inputs, including a description of how the weighted average was calculated? (Other quantitative information may be disclosed for certain unobservable inputs in lieu of the weighted average if it provides a more reasonable and rational method to indicate the distribution of unobservable inputs used to develop Level 3 fair value measurements.) \_\_\_\_\_
- d. If the highest and best use of a nonfinancial asset differs from its current use, the fact that the use is different and why the asset is being used differently from its highest and best use? \_\_\_\_\_
- e. Information sufficient to permit reconciliation of the fair value measurement disclosures for the various classes of assets and liabilities in items (a)–(d) to the line items in the balance sheet? \_\_\_\_\_
- 3. Have the following been disclosed for each class of assets and liabilities not measured at fair value in the balance sheet but for which the fair value is disclosed: (FASB ASC 820-10-50-2E)
  - a. The level of the fair value hierarchy within which the fair value measurements are categorized in their entirety (Level 1, 2, or 3)? \_\_\_\_\_
  - b. If the highest and best use of a nonfinancial asset differs from its current use, the fact that the use is different and why the asset is being used differently from its highest and best use? \_\_\_\_\_

**Equity Securities Subject to Contractual Sale Restrictions**

- 4. For fiscal years beginning after December 15, 2023, have the following been disclosed for equity securities subject to contractual sale restrictions: (NOTE: Do not include in the following disclosures equity securities that are restricted from sale because they are pledged as collateral and included in other disclosures required by GAAP.) (FASB ASC 820-10-50-6B)
  - a. The fair value of the equity securities that are subject to contractual sale restrictions? \_\_\_\_\_
  - b. The remaining duration and nature of the restrictions? \_\_\_\_\_
  - c. Circumstances that could create a lapse in the restrictions? \_\_\_\_\_
- 5. In the period that ASU 2022-03, *Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions*, is first adopted, has the amount recognized as an adjustment to earnings been disclosed? [FASB ASC 820-10-65-13(e)] \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

Practical Consideration:

- Question Nos. 4 and 5 were added by ASU 2022-03, *Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions*. For public business entities, the ASU is effective for fiscal years, including interim periods within those fiscal years, beginning after December 15, 2023. Early adoption is permitted for both interim and annual financial statements that have not been issued.

**INVESTMENTS IN ENTITIES THAT CALCULATE NET ASSET VALUE PER SHARE**

NOTE: The disclosures in Question No. 1 are limited to investments for which the entity has elected to measure the fair value using the net asset value per share (or equivalent) as a practical expedient.

1. Have the following been disclosed for each class of investment for those investments that (a) do not have a readily determinable value, and (b) are in investment companies or similar entities that report their investment assets at fair value: (FASB ASC 820-10-50-6A)

a. The fair value measurement of the investments in the class at the reporting date and a description of the significant investment strategies of the investee(s)?

\_\_\_\_\_

b. For investments that can never be redeemed with the investee but provide distributions from liquidations of the underlying assets, the time period over which the underlying assets are expected to be liquidated by the investee if the timing has been communicated by the investee to the reporting entity or the timing has been publicly announced (or if the timing is not known, that fact)?

\_\_\_\_\_

c. Amount of unfunded commitments related to investments?

\_\_\_\_\_

d. General description of the terms and conditions under which investments may be redeemed?

\_\_\_\_\_

e. Circumstances under which redeemable investments might not be redeemable?

\_\_\_\_\_

f. For redeemable investments that are restricted from redemption at the measurement date, when the restriction might lapse if the timing has been communicated by the investee to the reporting entity or the timing has been publicly announced (or if the timing is not known, that fact and how long the restriction has been in effect)?

\_\_\_\_\_

g. Any other significant restrictions on the ability to sell the investment?

\_\_\_\_\_

h. If it is probable that a group of investments will be sold but still meet the criteria permitting fair value measurement using net asset value per share, the plans to sell the investments and remaining actions necessary to complete the sale?

\_\_\_\_\_

2. If the disclosures in Question No. 1 are not sufficient for financial statement users to understand the nature and risks of the investments and whether they are probable of being sold at amounts different than net asset value per share (or the equivalent), has additional disclosure been made as necessary? (FASB ASC 820-10-50-6A)

\_\_\_\_\_



**Disclosure Made?**

**Yes**      **No**      **N/A**

**FAIR VALUE OPTION FOR FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

- 1. Have assets and liabilities measured at fair value under the allowed fair value option been reported separately from the carrying amounts of similar assets and liabilities measured using another measurement attribute by either (a) presenting the aggregate of fair value and non-fair-value amounts in the same line item in the balance sheet and parenthetically disclosing the amount measured at fair value included in the aggregate amount or (b) presenting two separate line items to display the fair value and non-fair-value carrying amounts? ( FASB ASC 825-10-45-1B and 45-2) \_\_\_\_\_
- 2. If the fair value option has been elected for a financial liability, has the portion of the total change in the fair value of the liability resulting from a change in the instrument-specific credit risk been presented separately in other comprehensive income? (FASB ASC 825-10-45-5) \_\_\_\_\_

NOTE: The following disclosures are required for all entities that have elected the fair value option. Entities are encouraged to present the disclosures in Question Nos. 3 through 6 in combination with other fair value disclosures required by other standards. (FASB ASC 825-10-50-23A through 50-27)

- 3. Have the following been disclosed for items measured at fair value under the fair value option as of each date for which a balance sheet is presented: (FASB ASC 825-10-50-28)
  - a. Management’s reasons for electing a fair value option for each eligible item or group of similar eligible items? \_\_\_\_\_
  - b. When the fair value option is elected for some but not all eligible items within a group of similar eligible items:
    - (1) A description of those similar items and the reasons for the partial election? \_\_\_\_\_
    - (2) Information to allow users to understand how the group of similar items relates to individual line items in the balance sheet? \_\_\_\_\_
  - c. For each line item in the balance sheet that includes an item(s) measured under the fair value option:
    - (1) Information to enable users to understand how each line item in the balance sheet relates to major classes of assets and liabilities presented in accordance with Question No. 1 of FAIR VALUE MEASUREMENTS as applicable? \_\_\_\_\_
    - (2) The aggregate carrying amount of items included in each line item in the balance sheet that are not eligible for the fair value option, if any? \_\_\_\_\_
  - d. For items for which the fair value option has been elected, the difference between the aggregate fair value and the aggregate unpaid principal balance of:
    - (1) Loans and long-term receivables (other than investments in debt securities) that have contractual principal amounts? \_\_\_\_\_
    - (2) Long-term debt instruments that have contractual principal amounts? \_\_\_\_\_
  - e. For loans held as assets for which the fair value option has been elected:
    - (1) The aggregate fair value of loans that are 90 days or more past due? \_\_\_\_\_

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	Disclosure Made?		
	Yes	No	N/A
(2) Where the entity's policy is to recognize interest income separately from other changes in fair value, the aggregate fair value of loans in nonaccrual status?	_____	_____	_____
(3) The difference between the aggregate fair value and the aggregate unpaid principal balance for loans that are 90 days or more past due, in nonaccrual status, or both?	_____	_____	_____
f. For investments that would have been accounted for under the equity method if the entity had not chosen to apply the fair value option, the information required by items 1(a), 1(b), and 1(f) in INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD?	_____	_____	_____
4. Have the following been disclosed for each statement of comprehensive income period presented about items for which the fair value option has been elected: (FASB ASC 825-10-50-30)			
a. For each balance sheet line item, the amounts of gains and losses from fair value changes included in earnings during the period and the statement of comprehensive income line item where such gains and losses are reported?	_____	_____	_____
b. A description of how interest and dividends are measured and where they are reported in the statement of comprehensive income?	_____	_____	_____
c. For loans and other receivables held as assets:			
(1) The estimated amount of gains or losses included in earnings during the period attributable to changes in instrument-specific credit risk?	_____	_____	_____
(2) How gains or losses attributable to changes in instrument-specific credit risk were determined?	_____	_____	_____
d. For liabilities, the following about the effects of and changes in the instrument-specific credit risk: [FASB ASC 825-10-50-30(d)]			
(1) Amount of the change of the fair value of the liability, during the period and cumulatively, that relates to changes in the instrument-specific credit risk?	_____	_____	_____
(2) How the entity determined the gains and losses attributable to changes in instrument-specific credit risk?	_____	_____	_____
(3) For any liability settled during the period, any amount recognized in other comprehensive income that was recognized at settlement in net income?	_____	_____	_____
5. For annual periods only, has the entity disclosed the methods and significant assumptions used to estimate the fair value of items for which the fair value option has been elected? (FASB ASC 825-10-50-31)	_____	_____	_____
6. If the fair value option is elected at the time (a) the accounting treatment for an investment in another entity changes because the investment becomes subject to the equity method or (b) an event occurs that requires fair value measurement at that time but not subsequently, has the following been disclosed in the period of the election: (FASB ASC 825-10-50-32)			
a. Qualitative information about the nature of the event?	_____	_____	_____
b. Quantitative information by balance sheet line item indicating which statement of comprehensive income line items include the effect on earnings of initially electing the fair value option for an item?	_____	_____	_____

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**FINANCIAL INSTRUMENTS**

**General**

1. Have financial assets and financial liabilities been separately presented by measurement category and form of financial asset (such as securities or loans and receivables) in the balance sheet or notes to the financial statements? (FASB ASC 825-10-45-1A)

\_\_\_\_\_

**Concentrations of Credit Risk**

2. Have significant concentrations of credit risk from all financial instruments been disclosed, including the following about each significant concentration (whether from an individual counterparty or group of counterparties): (FASB ASC 825-10-50-20 and 50-21)

- a. Information about the activity, region, or economic characteristic that identifies the concentration?

\_\_\_\_\_

- b. The maximum amount of loss due to credit risk that, based on the gross fair value of the financial instrument, the entity would incur if parties to the financial instruments that make up the concentration failed completely to perform according to the terms of the contracts and the collateral or other security, if any, proved to be of no value?

\_\_\_\_\_

- c. The entity's policy of requiring collateral or other security to support financial instruments subject to credit risk?

\_\_\_\_\_

- d. Information about the entity's access to collateral or other security?

\_\_\_\_\_

- e. A description of the collateral or other security?

\_\_\_\_\_

- f. The entity's policy of entering into master netting arrangements to mitigate the credit risk of financial instruments?

\_\_\_\_\_

- g. Information about the master netting arrangements for which the entity is a party?

\_\_\_\_\_

- h. A brief description of the terms of master netting arrangements, including the extent to which they would reduce the entity's maximum amount of loss due to credit risk?

\_\_\_\_\_

Practical Consideration:

- The disclosures in Question No. 2 do not apply to the types of financial instruments listed in FASB ASC 825-10-50-22.

**Fair Value of Financial Instruments**

3. Have the fair value of financial instruments and the level of the fair value hierarchy within which the fair value measurements are categorized in their entirety (Level 1, 2, or 3) been disclosed in either the body of the financial statements or in the accompanying notes? (FASB ASC 825-10-50-10) [NOTE: These disclosures are not required for multiple financial instruments, including trade receivables and payables due in one year or less. (FASB ASC 825-10-50-8)]

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4. Do the disclosures in Question No. 3: (FASB ASC 825-10-50-11 and 50-12)

- a. Include the related carrying amounts in a format that makes it clear (1) whether the fair value and carrying amount represent assets or liabilities and (2) how the carrying amounts relate to what is reported in the balance sheet?

\_\_\_\_\_

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	Disclosure Made?		
	Yes	No	N/A
b. Appear in a single note or, if disclosed in more than a single note, does one note include a summary table containing the fair value and related carrying amounts of all financial instruments and refer to the other disclosures on fair value of financial instruments?	_____	_____	_____
5. Unless permitted to offset the carrying amounts in the balance sheet, does the entity disclose the fair value of financial instruments without netting the fair value with the fair value of other financial instruments? (FASB ASC 825-10-50-15)	_____	_____	_____
6. If assets have been pledged as collateral but not separately reported in the balance sheet (for example, as securities pledged to creditors), have the carrying amounts and classifications of those assets and related liabilities (including qualitative information about the relationship between those assets and liabilities) been disclosed as of the latest balance sheet presented? (FASB ASC 860-30-50-1A)	_____	_____	_____
7. If assets sold under repurchase agreements exceed 10% of total assets, have the following been disclosed: {For larger domestic issuers, [S-X 4-08(m)] (FASB ASC 235-10-S99-1)} (Accepted practice for smaller reporting companies if assets sold under repurchase agreements are significant)			
a. The aggregate amount of liabilities incurred as a result of repurchase agreements, including accrued interest?	_____	_____	_____
b. The carrying amount and market value of assets sold, the repurchase liability, and the interest rate thereon, for amounts maturing (1) overnight, (2) up to 30 days, (3) 30 to 90 days, (4) over 90 days, and (5) on demand, presented in tabular form and segregated by the type of security or asset sold?	_____	_____	_____
8. If the amount at risk under repurchase agreements or reverse repurchase agreements with any individual counterparty or group of related counterparties exceeds 10% of stockholders' equity, have the following been disclosed: {For larger domestic issuers, [S-X 4-08(m)] (FASB ASC 235-10-S99-1)} (Accepted practice for smaller reporting companies if amounts at risk with counterparties are significant)			
a. The name of each counterparty or counterparty group?	_____	_____	_____
b. The amount at risk with each?	_____	_____	_____
c. The weighted average maturity of the repurchase or reverse repurchase agreements with each?	_____	_____	_____
9. If assets purchased under reverse repurchase agreements exceed 10% of total assets, have the following been disclosed: {For larger domestic issuers, [S-X 4-08(m)] (FASB ASC 235-10-S99-1)} (Accepted practice for smaller reporting companies if assets purchased under reverse repurchase agreements are significant)			
a. The policy for taking possession of securities or other assets purchased under agreements to resell?	_____	_____	_____
b. Whether or not there are any provisions to ensure that the market value of the underlying assets remains sufficient to protect the company in case of default, and the nature of those provisions?	_____	_____	_____
c. Is the carrying amount of the assets presented separately in the balance sheet?	_____	_____	_____



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	Disclosure Made?		
	Yes	No	N/A
b. Estimate of possible loss or range of loss, or a statement that such estimate cannot be made?	_____	_____	_____
c. Whether ranges of reasonably possible loss are disclosed gross or net of anticipated recoveries from third parties?	_____	_____	_____
3. For periods after the adoption of ASU 2016-13, <i>Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments</i> , for loss contingencies not accrued (including unasserted claims and assessments probable of assertion) or when an exposure to loss exists greater than the amount accrued, if there is at least a reasonable possibility that a loss or additional loss may have occurred, do disclosures indicate— (NOTE: This disclosure does not apply to credit losses on financial instruments.) (FASB ASC 450-20-50-2A through 50-4, and 50-6)			
a. Nature of contingency?	_____	_____	_____
b. Estimate of possible loss or range of loss, or a statement that such estimate cannot be made?	_____	_____	_____
Practical Consideration:			
• See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates of ASU 2016-13 and subsequent ASUs.			
4. Have contingencies that might result in gains been adequately disclosed without misleading implications about the likelihood of realization? (FASB ASC 450-30-50-1)	_____	_____	_____
5. For loss contingency recoveries, have the following been disclosed: (CAQ SEC Regulations Committee, September 2011)			
a. Risks regarding anticipated recoveries?	_____	_____	_____
b. Accounting policy for uncertain recoveries?	_____	_____	_____
6. If it is at least reasonably possible that the effect on the financial statements of significant estimates involving contingencies will change within one year of the date of the financial statements due to one or more future confirming events and the effect of that change would be material to the financial statements, do the disclosures include an indication that it is at least reasonably possible that a change in estimate will occur in the near term? (FASB ASC 275-10-50-9, 50-10, and 50-12) (NOTE: If the entity uses risk reduction techniques to mitigate losses or the uncertainty that may result from future events and, as a result, the preceding criteria are not met, the disclosures are encouraged but not required.)	_____	_____	_____
7. If the company has legal costs associated with loss contingencies, has the policy for the accrual of such costs been disclosed (e.g., accrual for probable loss contingencies or expense as incurred)? (FASB ASC 450-20-S99-2)	_____	_____	_____
8. If the company recognizes environmental, asbestos, or product liability exposure, have the following items been disclosed: (SAB T.5Y) (FASB ASC 450-20-S99-1) (See also ENVIRONMENTAL REMEDIATION OBLIGATIONS AND CONTINGENCIES.)			
a. Judgments and assumptions underlying the recognition and measurement of the liabilities?	_____	_____	_____
b. The discount rate used?	_____	_____	_____

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**Disclosure Made?**

**Yes      No      N/A**

- c. The expected aggregate undiscounted amount, the expected payments for each of the five succeeding years, and the aggregate amount thereafter? \_\_\_\_\_
- d. A reconciliation of the expected aggregate undiscounted amount to amounts recognized in the balance sheet? \_\_\_\_\_
- e. An explanation of material changes since the prior balance sheet date in the expected aggregate amount of the obligations/receivables (other than those resulting from a pay down of the obligation or receivable)? \_\_\_\_\_
- 9. If the company has site restoration costs or other environmental exit costs that may occur on the sale, disposal, or abandonment of property, have the following disclosures been made: (SAB T.5Y) (FASB ASC 450-20-S99-1) (See also ENVIRONMENTAL REMEDIATION OBLIGATIONS AND CONTINGENCIES.)
  - a. The nature of the costs involved? \_\_\_\_\_
  - b. The total anticipated cost? \_\_\_\_\_
  - c. The total costs accrued to date? \_\_\_\_\_
  - d. The balance sheet classification of accrued amounts? \_\_\_\_\_
  - e. The range or amount of reasonably possible additional losses? \_\_\_\_\_
- 10. Has disclosure been made if there is a change from occurrence-based insurance to claims-made insurance or insurance coverage has been eliminated or significantly reduced and it is at least reasonably possible that a loss has been incurred? (FASB ASC 720-20-50-1) \_\_\_\_\_

**Significant Estimates Other than Contingencies**

- 11. Have the following disclosures been made for significant estimates if, based on information available before the financial statements are issued, it is at least reasonably possible that the estimates will change within one year of the date of the financial statements due to one or more confirming events and the effect of that change would be material: (FASB ASC 275-10-50-8, 50-9, and 50-10) (NOTE: If the entity uses risk reduction techniques to mitigate losses or the uncertainty that may result from future events and, as a result, the preceding criteria are not met, the disclosures are encouraged but not required.)
  - a. The nature of the uncertainty? \_\_\_\_\_
  - b. An indication that it is at least reasonably possible that a change in the estimate will occur in the near term? \_\_\_\_\_

**Concentrations**

- 12. Have the following concentrations and the general nature of the risk associated with each been disclosed if, based on information available before the financial statements are issued, (a) the concentration exists at the financial statement date, (b) the concentration makes the entity vulnerable to the risk of a near-term severe impact, and (c) it is at least reasonably possible that the events that could cause the severe impact will occur in the near term: (FASB ASC 275-10-50-16; 50-18; 50-20)
  - a. Concentrations in the volume of business transacted with a particular customer, supplier, lender, grantor, or contributor? (NOTE: It is always considered at least reasonably possible that any customer, grantor, or contributor will be lost in the near term.) \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

- |   |       |       |       |
|---|-------|-------|-------|
| b. Concentrations in revenue from particular products, services, or fund-raising events?  | _____ | _____ | _____ |
| c. Concentrations in the available sources of supply of materials, labor, or services, or of licenses or other rights used in the entity’s operations?  | _____ | _____ | _____ |
| d. Concentrations in the market or geographic area?   | _____ | _____ | _____ |
| e. Concentrations of labor subject to collective bargaining agreements, including the percentage of the labor force covered by those agreements and the percentage covered by agreements that will expire within one year?  | _____ | _____ | _____ |
| f. Concentrations of operations outside the entity’s home country, including the carrying amounts of net assets and the geographic areas in which they are located? (NOTE: It is always considered at least reasonably possible that operations located outside an entity’s home country will be disrupted in the near term.) | _____ | _____ | _____ |

**Guarantees and Product Warranties**

- |   |       |       |       |
|---|-------|-------|-------|
| 13. Has the following been disclosed about each guarantee or group of similar guarantees, even if the likelihood of having to make payments under the guarantee is remote:  |       |       |       |
| a. Nature and amount of the guarantee, including the guarantee’s approximate term, how it arose, and the events or circumstances that would require the entity to perform under the guarantee? (FASB ASC 460-10-50-2 through 50-4)  | _____ | _____ | _____ |
| b. The current status, as of the balance sheet date, of the payment/performance risk of the guarantee? (For an entity that uses internal groupings to manage risk, the disclosure should indicate how those groupings are determined and used for managing risk.) (FASB ASC 460-10-50-4)  | _____ | _____ | _____ |
| c. Maximum potential amount of future payments the entity could be required to make (undiscounted and not reduced by possible recoveries under recourse or collateralization provisions) or the reasons why an estimate of that amount cannot be made? (If there is no limitation to the maximum, that fact should be disclosed. Also, this disclosure is not applicable to product warranties or similar guarantee contracts.) (FASB ASC 460-10-50-4 and 50-8) | _____ | _____ | _____ |
| d. For periods prior to adoption of ASU 2016-13, carrying amount of the liability, if any, for the entity’s obligations under the guarantee, including any amount recognized as a loss contingency? (FASB ASC 460-10-50-4)  | _____ | _____ | _____ |
| e. For periods after the adoption of ASU 2016-13, <i>Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments</i> , the current carrying amount of any liability related to the entity’s obligations under the guarantee, including any amount recognized as a loss contingency or credit loss on financial instruments measured at amortized cost? (FASB ASC 460-10-50-4)  | _____ | _____ | _____ |

Practical Consideration:

- See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates of ASU 2016-13 and subsequent ASUs.



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**Disclosure Made?**  
**Yes      No      N/A**

f. Recourse provisions that would enable the entity to recover amounts paid under the guarantee or collateral that could be sold? (If estimable, the extent to which proceeds from the sale of collateral would be expected to cover the maximum potential amount of future payments under the guarantee should be disclosed.) (FASB ASC 460-10-50-4)

\_\_\_\_\_

14. Has a tabular reconciliation of the changes in the entity's aggregate liability for product warranties or other similar guarantee contracts been presented, including the beginning liability balance, aggregate reductions for payments made, aggregate changes for accruals related to guarantees issued during the period, aggregate changes to preexisting accruals (for example, related to changes in estimates), and the ending liability balance? (FASB ASC 460-10-50-8)

\_\_\_\_\_

**Going Concern**

NOTE: Substantial doubt about the entity's ability to continue as a going concern is considered to exist when conditions and events, when considered together, indicate that it is probable that the entity will not be able to meet its obligations when due within one year after the date that the financial statements are issued.

15. If substantial doubt about the entity's ability to continue as a going concern is alleviated after considering management's plans, has information been disclosed to enable financial statement users to understand the following: (FASB ASC 205-40-50-12)

a. The principal conditions or events that raised substantial doubt about the ability of the entity to continue as a going concern, prior to considering the plans of management?

\_\_\_\_\_

b. Management's evaluation of the significance of those conditions or events as they relate to the ability of the entity to meet its obligations?

\_\_\_\_\_

c. The plans that alleviated the substantial doubt?

\_\_\_\_\_

16. If substantial doubt about the entity's ability to continue as a going concern is not alleviated after considering management's plans, do the notes to the financial statements include the following: (FASB ASC 205-40-50-13)

a. A statement indicating that there is substantial doubt about the ability of the entity to continue as a going concern within one year after the date that the financial statements are issued?

\_\_\_\_\_

b. Information that enables financial statement users to understand the following:

(1) The principal conditions or events that raise substantial doubt about the ability of the entity to continue as a going concern?

\_\_\_\_\_

(2) Management's evaluation of the significance of those conditions or events as they relate to the ability of the entity to meet its obligations?

\_\_\_\_\_

(3) The plans intended to mitigate the conditions or events that raise substantial doubt?

\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- |  |   |   |   |
|--|---|---|---|
| <p>17. If conditions or events continue to raise substantial doubt about the ability of the entity to continue as a going concern in subsequent reporting periods (annual or interim), do the notes to the financial statements include the following: (FASB ASC 205-40-50-14)</p> <p style="margin-left: 20px;">a. The disclosures in Question Nos. 15 and 16? (However, as additional information becomes available about relevant conditions or events and management’s plans, disclosures should become more extensive.)</p> <p style="margin-left: 20px;">b. An explanation that provides appropriate context and continuity regarding how conditions or events have changed between reporting periods?</p> <p>18. In the period that substantial doubt no longer exists (before or after considering the plans of management), has disclosure been made about how the relevant conditions or events that raised substantial doubt were resolved? (FASB ASC 205-40-50-14)</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> |
|--|---|---|---|

**ILLEGAL ACTS**

- |  |              |              |   |
|--|--------------|--------------|---|
| <p>1. If material revenue or earnings are derived from transactions involving illegal acts, or if illegal acts create significant unusual risks associated with material revenue or earnings, such as loss of a significant business relationship, has the entity considered that information for disclosure? (AS 2405.15)</p> | <p>_____</p> | <p>_____</p> | <p style="text-align: right;"><input type="checkbox"/></p> <p>_____</p> |
|--|--------------|--------------|---|

**CHANGES IN PRESENTATION OF COMPARATIVE STATEMENTS**

- |  |                           |                           |   |
|--|---------------------------|---------------------------|---|
| <p>1. If, because of reclassifications or other reasons, changes have occurred in the manner of or the basis for presenting corresponding items in comparative statements, are the changes explained? (FASB ASC 205-10-50-1)</p> <p>2. Have notes to the financial statements (along with explanations and accountant’s reports containing qualifications) that appeared for prior year statements been repeated, or referred to, when they continue to be of significance? (FASB ASC 205-10-50-2)</p> | <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> | <p style="text-align: right;"><input type="checkbox"/></p> <p>_____</p> |
|--|---------------------------|---------------------------|---|

**SUBSEQUENT EVENTS**

- |   |   |   |   |
|---|---|---|---|
| <p>1. For subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet, but arose after that date, are the following disclosed to keep the financial statements from being misleading: (FASB ASC 450-20-50-9; 855-10-50-2)</p> <p style="margin-left: 20px;">a. The nature of the event?</p> <p style="margin-left: 20px;">b. An estimate of its financial effect or range of loss, or a statement that such an estimate cannot be made?</p> <p>2. For significant nonrecognized subsequent events, has consideration been given to whether the disclosure can best be made through supplemental pro forma financial data either in the notes or in columnar form on the face of the financial statements? (FASB ASC 855-10-50-3)</p> <p>3. Are changes in the authorized debt after the balance sheet date and before the report date disclosed? {For larger domestic issuers, [S-X 4-08(f)] (FASB ASC 235-10-S99-1)} (Accepted practice for smaller reporting companies)</p> <p>4. If a change in the entity’s tax status becomes effective after year end but before the financial statements are issued, are proper disclosures about the change in tax status and the effects of the change made? (FASB ASC 740-10-50-4)</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> | <p style="text-align: right;"><input type="checkbox"/></p> <p>_____</p> |
|---|---|---|---|

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**Disclosure Made?**

**Yes      No      N/A**

5. If a material business combination is completed after the balance sheet date but before the financial statements are issued, has the required information been disclosed, if practicable? (See BUSINESS COMBINATIONS.)

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**SEGMENT INFORMATION, MAJOR CUSTOMERS, FOREIGN OPERATIONS, AND EXPORT SALES—PRIOR TO THE ADOPTION OF ASU 2023-07**

NOTE: The following section applies prior to the adoption of ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. For periods after the adoption of ASU 2023-07, mark this section as “N/A” and refer to the disclosure requirements in SEGMENT INFORMATION, MAJOR CUSTOMERS, FOREIGN OPERATIONS, AND EXPORT SALES—AFTER THE ADOPTION OF ASU 2023-07.

**Multiple Operating Segments**

1. Do the financial statements disclose the factors used to identify the company’s reportable segments, including the basis of organization? (FASB ASC 280-10-50-21)
2. Is the source of revenue (i.e., types of products, services, and geographic locations) for each reportable operating segment disclosed? (FASB ASC 280-10-50-21) (Current Accounting and Disclosure Issues in the Division of Corporation Finance, 11/30/06, ILL, Segment Disclosure)
3. Have the following been disclosed for each reportable segment: (FASB ASC 280-10-50-22)
  - a. A measure of total profit or loss?
  - b. Total assets?
4. Have the following been disclosed if (a) included in the measure of profit or loss reviewed by the entity’s chief operating decision maker or (b) otherwise regularly provided to the chief operating decision maker: (FASB ASC 280-10-50-22)
  - a. Revenues from external customers?
  - b. Revenues from other operating segments?
  - c. Interest revenue?
  - d. Interest expense?
  - e. Nature and amount of any unusual or infrequently occurring item?
  - f. Depreciation, depletion, and amortization expense?
  - g. Equity in net income from equity method investees?
  - h. Income tax expense or benefit?
  - i. Significant noncash items (other than depreciation, depletion, and amortization)?
5. If the company meets the criteria for reporting interest revenue net of interest expense, do the financial statements disclose that interest is reported net? (FASB ASC 280-10-50-22)

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		<b>Disclosure Made?</b>		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
6.	Have the following been disclosed if (a) included in the determination of segment assets reviewed by the chief operating decision maker or (b) otherwise regularly provided to the chief operating decision maker: (FASB ASC 280-10-50-25)			
	a. Amount of the company's investment in equity method investees?	_____	_____	_____
	b. Total expenditures for investments in long-lived assets (other than financial instruments, long-term customer relationships of a financial institution, mortgage or other servicing rights, deferred tax assets, and deferred policy acquisition costs of an insurance enterprise)?	_____	_____	_____
7.	Has disclosure been made of the reason when no asset information has been provided for a reportable segment? (FASB ASC 280-10-50-26)	_____	_____	_____
8.	Do the financial statements disclose the following related to the measurement of operating segment profit or loss and segment assets for each reportable segment: (FASB ASC 280-10-50-29)			
	a. The basis of accounting used for transactions between reportable segments?	_____	_____	_____
	b. The nature of any differences between the methods used to measure segment profit or loss and the company's consolidated income before tax and discontinued operations?	_____	_____	_____
	c. The nature of any differences between the methods used to measure segment assets and the company's consolidated assets?	_____	_____	_____
	d. The nature of any change from prior periods in the method of measuring reportable segment profit or loss and its effect on the segment's profit or loss in the period of change?	_____	_____	_____
	e. The nature and effect of any asymmetrical allocations to reportable segments (for example, if the company allocates accounts receivable to a segment but not losses on uncollectible accounts)?	_____	_____	_____
9.	Do the company's financial statements disclose the following reconciliations of segment information to consolidated company information: (All significant reconciling items should be separately identified and described.) (FASB ASC 280-10-50-30 and 50-31)			
	a. Total reportable segment revenue to consolidated revenue?	_____	_____	_____
	b. Total reportable segment profit or loss to consolidated income before taxes and discontinued operations? (If the company allocates income taxes to the reportable segments, the company may reconcile total reportable segment profit or loss to consolidated income after taxes.)	_____	_____	_____
	c. Total reportable segments' assets to consolidated assets?	_____	_____	_____
	d. Total reportable segments' amounts for other significant segment disclosures to consolidated amounts for those items?	_____	_____	_____
	Practical Consideration:			
	• The reconciliation of segment information to consolidated information is required for each period for which an income statement is presented. Reconciliation of balance sheet amounts, however, are only required for periods for which a balance sheet is presented. (FASB ASC 280-10-50-20)			

Index \_\_\_\_\_

**Disclosure Made?**

**Yes      No      N/A**

- |   |       |       |       |
|---|-------|-------|-------|
| 10. If the company's internal restructuring has caused its reportable segments to change and prior period segment information has been restated as a result, has that fact been disclosed in the financial statements? (FASB ASC 280-10-50-34)  | _____ | _____ | _____ |
| 11. If the company's internal restructuring has caused its reportable segments to change and prior period segment information has not been restated as a result, is segment information for the current period presented under both the old basis and the new basis of segmentation, unless it is impracticable to do so? (FASB ASC 280-10-50-35) | _____ | _____ | _____ |

**Entity-wide Information**

NOTE: The separate entity-wide disclosures listed in Question Nos. 12–15 apply to all public entities subject to FASB ASC 280-10, including those that have a single reportable segment. Disclosures required by Questions Nos. 12–15 need be provided only if not part of the reportable operating segment disclosures listed in Question Nos. 1–11.

- |  |       |       |       |
|--|-------|-------|-------|
| 12. Do the financial statements disclose revenues from external customers for each product or service or group of products or services, if practicable to do so? (FASB ASC 280-10-50-40)   | _____ | _____ | _____ |
| 13. If applicable, do the financial statements disclose— (FASB ASC 280-10-50-41)   |       |       |       |
| a. Revenues from external customers for the company's home country?  | _____ | _____ | _____ |
| b. Revenues from external customers for all foreign countries in total?  | _____ | _____ | _____ |
| c. How the company attributes revenue from external customers to individual countries?   | _____ | _____ | _____ |
| d. Revenues from a single foreign country, if material?  | _____ | _____ | _____ |
| 14. If applicable, do the financial statements disclose long-lived assets (other than financial instruments, long-term customer relationships of a financial institution, mortgage or other servicing rights, deferred tax assets, and deferred policy acquisition costs of an insurance enterprise) located in— (FASB ASC 280-10-50-41) |       |       |       |
| a. The company's home country?   | _____ | _____ | _____ |
| b. All foreign countries in which the company holds assets, if practicable? (If not practicable, that fact should be disclosed.)   | _____ | _____ | _____ |
| c. In a single foreign country, if material?   | _____ | _____ | _____ |
| 15. If 10% or more of the entity's revenue is derived from a single customer, has that fact, the amount of revenue from each customer, and the identity of the segment or segments reporting such revenue (if applicable) been disclosed? (FASB ASC 280-10-50-42)  | _____ | _____ | _____ |

**Acquired Segment Goodwill**

- |  |       |       |       |
|--|-------|-------|-------|
| 16. If goodwill or other intangible assets acquired are significant to the total cost of the acquired entity, has the following been disclosed: (FASB ASC 805-30-50-1) |       |       |       |
| a. The amount of goodwill by reportable segment?   | _____ | _____ | _____ |
| b. If applicable, the fact that the required assignment of goodwill to reporting units has not been completed as of the date the financial statements are issued?      | _____ | _____ | _____ |

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**Disclosure Made?**  
Yes    No    N/A

**SEGMENT INFORMATION, MAJOR CUSTOMERS, FOREIGN OPERATIONS, AND EXPORT SALES—AFTER THE ADOPTION OF ASU 2023-07**

NOTE: The following section applies after the adoption of ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, and supersedes the disclosures in SEGMENT INFORMATION, MAJOR CUSTOMERS, FOREIGN OPERATIONS, AND EXPORT SALES—PRIOR TO THE ADOPTION OF ASU 2023-07. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The guidance is to be applied retrospectively to all prior periods presented unless it is impracticable to do so.

The following disclosures are required for all periods where an income statement is presented. The disclosures apply to all public entities within the scope of FASB ASC 280, including those that have a single reportable segment. (FASB ASC 280-10-50-20) The disclosures in Question Nos. 4, 5, 6, 9, 10, and 11 apply to each reported measure of a segment’s profit or loss. (Entities are allowed to report more than one measure of the segment’s profit or loss if used by the chief operating decision maker. However, one measurement should be the one believed to be most consistent with the measurement principles used for the corresponding amounts in the financial statements. If more than one measure is used in the current period, the additional measures should be reported for prior periods in which the measures were provided to the chief operating decision maker.) (FASB ASC 280-10-50-28A through 50-28C)

- |   |       |       |       |
|---|-------|-------|-------|
| 1. Do the financial statements disclose the factors used to identify the company’s reportable segments, including the basis of organization? (FASB ASC 280-10-50-21)  | _____ | _____ | _____ |
| 2. Is the source of revenue (i.e., types of products, services, and geographic locations) for each reportable operating segment disclosed? (FASB ASC 280-10-50-21) (Current Accounting and Disclosure Issues in the Division of Corporation Finance, 11/30/06, IIL, Segment Disclosure) | _____ | _____ | _____ |
| 3. Has disclosure been made of the title and position of the individual or the name of the group or committee identified as the chief operating decision maker? (FASB ASC 280-10-50-21)   | _____ | _____ | _____ |
| 4. Have the following been disclosed for each reportable segment: (FASB ASC 280-10-50-22)   |       |       |       |
| a. A measure of total profit or loss?   | _____ | _____ | _____ |
| b. Total assets?  | _____ | _____ | _____ |
| 5. Have the following been disclosed if (a) included in the measure of profit or loss reviewed by the entity’s chief operating decision maker or (b) otherwise regularly provided to the chief operating decision maker: (FASB ASC 280-10-50-22)  |       |       |       |
| a. Revenues from external customers?  | _____ | _____ | _____ |
| b. Revenues from other operating segments?  | _____ | _____ | _____ |
| c. Interest revenue?  | _____ | _____ | _____ |
| d. Interest expense?  | _____ | _____ | _____ |
| e. Nature and amount of any unusual or infrequently occurring item?   | _____ | _____ | _____ |

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		<b>Disclosure Made?</b>		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
	f. Depreciation, depletion, and amortization expense?	_____	_____	_____
	g. Equity in net income from equity method investees?	_____	_____	_____
	h. Income tax expense or benefit?	_____	_____	_____
	i. Significant noncash items (other than depreciation, depletion, and amortization)?	_____	_____	_____
6.	If the company meets the criteria for reporting interest revenue net of interest expense, do the financial statements disclose that interest is reported net? (However, if interest expense is a significant segment expense, it should always be separately disclosed.) (FASB ASC 280-10-50-22)	_____	_____	_____
7.	Have the following been disclosed if (a) included in the determination of segment assets reviewed by the chief operating decision maker or (b) otherwise regularly provided to the chief operating decision maker: (FASB ASC 280-10-50-25)			
	a. Amount of the company's investment in equity method investees?	_____	_____	_____
	b. Total expenditures for investments in long-lived assets (other than financial instruments, long-term customer relationships of a financial institution, mortgage or other servicing rights, deferred tax assets, and deferred policy acquisition costs of an insurance enterprise)?	_____	_____	_____
8.	Has disclosure been made of the reason when no asset information has been provided for a reportable segment? (FASB ASC 280-10-50-26)	_____	_____	_____
9.	Have the following been disclosed for each reportable segment: (FASB ASC 280-10-50-26A and 50-26B)			
	a. Significant expense categories and amounts regularly provided to the chief operating decision maker and included in reported segment profit and loss?	_____	_____	_____
	b. An amount for <i>other segment items</i> equal to the difference between segment revenues less the segment expenses disclosed in item 9(a) and reported segment profit or loss?	_____	_____	_____
	c. A qualitative description of the composition of other segment items?	_____	_____	_____
	Practical Considerations:			
	<ul style="list-style-type: none"> <li>• When determining significant expense categories and amounts for disclosure, entities should consider relevant qualitative and quantitative factors. Entities should also evaluate for disclosure a segment expense regularly provided to the chief operating decision as well as those that are easily computable from the information provided.</li> <li>• At the 2023 AICPA Conference on Current SEC and PCAOB Developments, representatives of the SEC indicated that they interpret <i>regularly provided</i> to mean at least quarterly.</li> <li>• FASB ASC 280-10-50-26B provides additional information on other segment items.</li> </ul>			
10.	If significant expense categories and amounts are not disclosed for one or more reportable segments as indicated in item 9(a), has disclosure been made of the nature of expense information the chief operating decision maker uses to manage operations? (FASB ASC 280-10-50-26C)	_____	_____	_____
	Practical Consideration:			
	<ul style="list-style-type: none"> <li>• The amount and qualitative description of the composition of other segment items indicated in Question No. 9 should be disclosed for each reportable segment even if significant segment expense categories and amounts are not separately reported.</li> </ul>			

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**Disclosure Made?**  
**Yes      No      N/A**

11. Do the financial statements disclose the following related to the measurement of operating segment profit or loss and segment assets for each reportable segment: (FASB ASC 280-10-50-29)
- a. The basis of accounting used for transactions between reportable segments? \_\_\_\_\_
  - b. The nature of any differences between the methods used to measure segment profit or loss and the company’s consolidated income before tax and discontinued operations? \_\_\_\_\_
  - c. The nature of any differences between the methods used to measure segment assets and the company’s consolidated assets? \_\_\_\_\_
  - d. The nature of any change from prior periods in the method of measuring reportable segment profit or loss (including significant changes to the measurement method of expenses, the method of allocated expense to a segment, or changes in the method of allocating centrally incurred expenses) and its effect on the segment’s profit or loss in the period of change? \_\_\_\_\_
  - e. The nature and effect of any asymmetrical allocations to reportable segments (for example, if the company allocates accounts receivable to a segment but not losses on uncollectible accounts)? \_\_\_\_\_
  - f. How the reported measure or measures of segment profit or loss are used by the chief operating decision maker in assessing segment performance and allocating resources? \_\_\_\_\_
12. Do the company’s financial statements disclose the following reconciliations of segment information to consolidated company information: (All significant reconciling items should be separately identified and described.) (FASB ASC 280-10-50-30 and 50-31)
- a. Total reportable segment revenue to consolidated revenue? \_\_\_\_\_
  - b. Total reportable segment amount for each measure of profit or loss to consolidated income before taxes and discontinued operations? (If the company allocates income taxes to the reportable segments, the company may reconcile total reportable segment profit or loss to consolidated income after taxes.) \_\_\_\_\_
  - c. Total reportable segments’ assets to consolidated assets? \_\_\_\_\_
  - d. Total reportable segments’ amounts for other significant segment disclosures to consolidated amounts for those items (except for the disclosures in Question No. 9)? \_\_\_\_\_
- Practical Consideration:
- The reconciliation of segment information to consolidated information is required for each period for which an income statement is presented. Reconciliation of balance sheet amounts, however, are only required for periods for which a balance sheet is presented. (FASB ASC 280-10-50-20)
13. If the company’s internal restructuring has caused its reportable segments to change or the company changes the segment information that is regularly provided to the chief operating decision maker causing a change in the identification of significant segment expenses and prior period segment information has been recast to conform to the current-period presentation as a result, has that fact been disclosed in the financial statements? (FASB ASC 280-10-50-34) \_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

14. If the company's internal restructuring has caused its reportable segments to change or the company changes the segment information that is regularly provided to the chief operating decision maker causing a change in the identification of significant segment expenses and prior period segment information has not been recast as a result, is segment information for the current period presented under both the old basis and the new basis of segmentation or the old and new significant segment expense categories, respectively, unless it is impracticable to do so? (FASB ASC 280-10-50-35)

\_\_\_\_\_

**Entity-wide Information**

NOTE: The separate entity-wide disclosures listed in Question Nos. 15–18 apply to all public entities subject to FASB ASC 280-10, including those that have a single reportable segment. Disclosures required by Question Nos. 15–18 need be provided only if not part of the reportable operating segment disclosures listed in Question Nos. 1–14.

15. Do the financial statements disclose revenues from external customers for each product or service or group of products or services, if practicable to do so? (FASB ASC 280-10-50-40)

\_\_\_\_\_

16. If applicable, do the financial statements disclose— (FASB ASC 280-10-50-41)

a. Revenues from external customers for the company's home country?

\_\_\_\_\_

b. Revenues from external customers for all foreign countries in total?

\_\_\_\_\_

c. How the company attributes revenue from external customers to individual countries?

\_\_\_\_\_

d. Revenues from a single foreign country, if material?

\_\_\_\_\_

17. If applicable, do the financial statements disclose long-lived assets (other than financial instruments, long-term customer relationships of a financial institution, mortgage or other servicing rights, deferred tax assets, and deferred policy acquisition costs of an insurance enterprise) located in— (FASB ASC 280-10-50-41)

a. The company's home country?

\_\_\_\_\_

b. All foreign countries in which the company holds assets, if practicable? (If not practicable, that fact should be disclosed.)

\_\_\_\_\_

c. In a single foreign country, if material?

\_\_\_\_\_

18. If 10% or more of the entity's revenue is derived from a single customer, has that fact, the amount of revenue from each customer, and the identity of the segment or segments reporting such revenue (if applicable) been disclosed? (FASB ASC 280-10-50-42)

\_\_\_\_\_

**Acquired Segment Goodwill**

19. If goodwill or other intangible assets acquired are significant to the total cost of the acquired entity, has the following been disclosed: (FASB ASC 805-30-50-1)

a. The amount of goodwill by reportable segment?

\_\_\_\_\_

b. If applicable, the fact that the required assignment of goodwill to reporting units has not been completed as of the date the financial statements are issued?

\_\_\_\_\_

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**Transition**

20. When adopting ASU 2023-07, if the retrospective application to all prior periods is impractical, has that fact been disclosed, along with why it is impracticable? (FASB ASC 280-10-65-1)

\_\_\_\_\_

**OTHER POSSIBLE DISCLOSURES**

**SPECIALIZED ACCOUNTING AND REPORTING PRINCIPLES**

Have appropriate disclosures been made for: (These specialized disclosures are not included in this checklist. If present, consult the appropriate standards.)

1. Acquisition, development, and construction (ADC) arrangements? (SAB T.1I) (FASB ASC 310-10-S50-3; 310-10-S99-1)

\_\_\_\_\_

2. Agricultural producers and cooperatives? (FASB ASC 905)

\_\_\_\_\_

3. Airlines? (FASB ASC 908)

\_\_\_\_\_

4. Broadcasting industry? (FASB ASC 920)

\_\_\_\_\_

5. Brokers and dealers in securities? (FASB ASC 940)

\_\_\_\_\_

6. Cable television companies? (FASB ASC 922)

\_\_\_\_\_

7. Coal industry? (FASB ASC 930)

\_\_\_\_\_

8. Collection? (FASB ASC 958-360)

\_\_\_\_\_

9. Common interest realty associations? (FASB ASC 972)

\_\_\_\_\_

10. Construction contractors? (FASB ASC 910)

\_\_\_\_\_

11. Contributions received from nonowners? (FASB ASC 958)

\_\_\_\_\_

12. Defined benefit pension plans? (FASB ASC 960)

\_\_\_\_\_

13. Defined contribution retirement plans? (FASB ASC 962)

\_\_\_\_\_

14. Depository and lending institutions? (FASB ASC 942) (SABs T.1F; T.11G-I, K, and N; Current Accounting and Disclosure Issues in the Division of Corporation Finance, 11/30/06, IIP, Allowance for Loan Losses; SAB 102) [For larger domestic issuers, also S-X Article 9; Industry Guide 3]

\_\_\_\_\_

15. Entities in reorganization under the bankruptcy code? (FASB ASC 852-10 and 852-740)

\_\_\_\_\_

16. Finance companies? (FASB ASC 942)

\_\_\_\_\_

17. Government contractors? (FASB ASC 912)

\_\_\_\_\_

18. Health and welfare benefit plans? (FASB ASC 965)

\_\_\_\_\_

19. Health care entities? (FASB ASC 954)

\_\_\_\_\_

20. Insurance industry? (FASB ASC 944) (SAB T.5N and 5W; FRR 20; FRR 36; S-X Article 7)

\_\_\_\_\_

21. Investment companies? (FASB ASC 946) (For larger domestic issuers, also S-X 3-18; S-X Article 6)

\_\_\_\_\_

22. Japanese corporations that issue "free distributions" of common stock? (SAB T.1.D2) (FASB ASC 505-20-S99-1)

\_\_\_\_\_

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	Disclosure Made?		
	Yes	No	N/A
23. Life settlement contract investments? (FASB ASC 325-30)	_____	_____	_____
24. Liquidation? (FASB ASC 205-30)	_____	_____	_____
25. For periods prior to adoption of ASU 2016-13, <i>Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments</i> , loans and debt securities acquired with deteriorated credit quality? (FASB ASC 310-30) [NOTE: For periods after the adoption of ASU 2016-13, <i>Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments</i> , mark the question here as “N/A” and refer to the disclosure requirements in FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13.]	_____	_____	_____
26. Mortgage banking activities? (FASB ASC 948)	_____	_____	_____
27. Motion picture film industry? (FASB ASC 926)	_____	_____	_____
28. Oil and gas operations? (FASB ASC 932) (SAB 113; SAB T.12G) (FASB ASC 932-360-S99) (SEC Letters, Feb. and Apr. 2004; SEC Sample Letter, February 11, 2005) [For larger domestic issuers, also (S-X 4-10) (FASB ASC 932-10-S99)]	_____	_____	_____
29. Own-share lending arrangements? (FASB ASC 470-20)	_____	_____	_____
30. Public utility industry? (FASB ASC 980) (SAB T.10A, C-F) [For larger domestic issuers S-X 5-02.13(b); S-X 3A-05]	_____	_____	_____
31. For years beginning on or before December 15, 2023, qualified affordable housing project investments? (FASB ASC 323-740)	_____	_____	_____
Practical Consideration:			
• Question No. 31 applies prior to the adoption of ASU 2023-02, <i>Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method</i> . ASU 2023-02 is effective for public business entities for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted.			
32. Real estate investment trusts? (FASB ASC 974) (S-X 3-15)	_____	_____	_____
33. Real estate time-sharing transactions? (FASB ASC 978)	_____	_____	_____
34. Record and music industry? (FASB ASC 928)	_____	_____	_____
35. Registration payment arrangements? (FASB ASC 825-20)	_____	_____	_____
36. Safeguarding of crypto-assets? (SAB T5.FF) (FASB ASC 405-10-S99-1)	_____	_____	_____
37. Service concession arrangements? (FASB ASC 853-10)	_____	_____	_____
38. Servicing assets and liabilities? (FASB ASC 860-50)	_____	_____	_____
39. For annual and interim periods after the adoption of ASU 2023-02, tax equity investments accounted for using the proportional amortization method? (FASB ASC 323-740) [NOTE: ASU 2023-02, <i>Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method</i> , is effective for public business entities for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted.]	_____	_____	_____
40. Title plant costs? (FASB ASC 950)	_____	_____	_____

**PART II—DISCLOSURES**

Review the following list of disclosures for applicability to your client. Indicate either “item present” or “item not present.” If the item is present, complete the appropriate checklist entries from Part II.

	<b>Part II Page</b>	<b>Item Present</b>	<b>Item Not Present</b>
1. Accounting changes and correction of an error?	95	_____	_____
2. Advertising costs?	98	_____	_____
3. Balance sheet offsetting?	98	_____	_____
4. Business combinations?	99	_____	_____
5. Casinos?	104	_____	_____
6. Collaborative arrangements?	104	_____	_____
7. Collections?	105	_____	_____
8. Computer software revenues and costs?	106	_____	_____
9. Consolidations?	106	_____	_____
10. Derivative financial instruments and hedging activities?	111	_____	_____
11. Discontinued operations?	121	_____	_____
12. Employee stock ownership plans (ESOPs)?	124	_____	_____
13. Environmental remediation obligations and contingencies?	125	_____	_____
14. Exit or disposal activities?	127	_____	_____
15. Extinguishment of debt?	127	_____	_____
16. Foreign operations?	127	_____	_____
17. Franchise fee revenues?	128	_____	_____
18. Government assistance?	129	_____	_____
19. Guarantors and issuers of guaranteed securities?	129	_____	_____
20. Impaired long-lived assets and long-lived assets to be disposed of?	131	_____	_____
21. Income taxes—special areas?	132	_____	_____
22. Insurance contracts, proceeds, and assessments?	132	_____	_____
23. Intangibles?	133	_____	_____
24. Investments accounted for by the equity method?	138	_____	_____
25. Investments in noncorporate real estate joint ventures?	139	_____	_____
26. Joint venture formations?	140	_____	_____
27. Leases in financial statements of lessors?	141	_____	_____
28. Lending activities, loan purchases, and modifications for debtors experiencing financial difficulties?	144	_____	_____
29. Liquidation basis of accounting?	148	_____	_____
30. Long-lived asset retirement obligations?	149	_____	_____

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	<b>Part II Page</b>	<b>Item Present</b>	<b>Item Not Present</b>
31. Long-term contracts?	150	_____	_____
32. Nonmonetary transactions?	150	_____	_____
33. Obligations resulting from joint and several liability arrangements?	151	_____	_____
34. Pension and postretirement benefit plans—defined benefit?	151	_____	_____
35. Postemployment benefits?	160	_____	_____
36. Prepaid stored-value products?	160	_____	_____
37. Quasi-reorganization?	160	_____	_____
38. Real estate activities?	160	_____	_____
39. Redeemable preferred stock and other financial instruments with characteristics of liabilities and equity?	162	_____	_____
40. Reference rate reform?	163	_____	_____
41. Research and development?	163	_____	_____
42. Restructuring charges?	164	_____	_____
43. Retained earnings restrictions?	164	_____	_____
44. Share-based payment arrangements?	165	_____	_____
45. Schedules—Form 10-K, Item 15?	168	_____	_____
46. Supplier finance programs?	169	_____	_____
47. Termination claims receivable?	170	_____	_____
48. Transfers of financial assets?	171	_____	_____
49. Troubled debt restructurings—creditors?	175	_____	_____
50. Troubled debt restructurings—debtors?	177	_____	_____
51. Unconditional purchase obligations?	177	_____	_____



**PART II—OTHER DISCLOSURES**

**Instructions:** Part I contains a checklist of Part II disclosures common to domestic issuers. If any of those circumstances are present, complete the appropriate disclosure sections in Part II. Disclosure sections in Part II that are not applicable can be checked N/A by topic or deleted from the disclosure checklist.

	<b>Disclosure Made?</b>		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>ACCOUNTING CHANGES AND CORRECTION OF AN ERROR</b>			<input type="checkbox"/>
<b>Change in Accounting Principle</b>			<input type="checkbox"/>
1. In the period in which the change is made— (except as indicated in 1a, financial statements for subsequent periods are not required to repeat the disclosures in 1a–c)			
a. Have the nature of and reason for the change, including an explanation of why it is preferable, been disclosed? (When a change has no material effect in the change period, but is reasonably certain to have a material effect in later periods, this disclosure is required whenever the financial statements of the change period are presented.) (FASB ASC 250-10-50-1)	_____	_____	_____
b. Has the method of applying the change been disclosed, including: (FASB ASC 250-10-50-1)			
(1) A description of any prior-period information that has been retrospectively adjusted?	_____	_____	_____
(2) The effect of the change on income from continuing operations, net income, and any other affected financial statement line item for the current period and prior periods retrospectively adjusted?	_____	_____	_____
(3) The cumulative effect of the change on retained earnings (or other components of equity) as of the beginning of the earliest period presented?	_____	_____	_____
(4) The reasons and a description of the alternative method used to report the change when retrospective application to all prior periods is impracticable?	_____	_____	_____
c. Has the following been disclosed if the indirect effects of a change in accounting principle are recognized: (FASB ASC 250-10-50-1)			
(1) A description of the indirect effects of the change, including amounts that have been recognized in the current period?	_____	_____	_____
(2) The amount of the total recognized indirect effects of the accounting change that are attributable to each prior period presented, unless impracticable?	_____	_____	_____
Practical Consideration:			
• If the entity issues interim financial statements, the disclosures are required in both the financial statements of the interim period of the change and the annual period of the change. (FASB ASC 250-10-50-2)			

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**Change in Accounting Estimate**

- 2. For a change in estimate that affects several future periods, have the effect on income from continuing operations and net income of the current period been disclosed? (FASB ASC 250-10-50-4) \_\_\_\_\_
- 3. Has disclosure been made of the effect, if material, on income from continuing operations and net income for changes in estimates made each period in the ordinary course of accounting for items such as uncollectible accounts or inventory obsolescence? (FASB ASC 250-10-50-4) \_\_\_\_\_
- 4. If a change in accounting estimate has been affected by changing an accounting principle, have the disclosures in Question No. 1 above and Question No. 32 in PCA-IR-5, "Disclosure Requirements for Interim Information of Issuers," been made? (FASB ASC 250-10-50-4) \_\_\_\_\_
- 5. When a change in estimate has no material effect in the change period, but is reasonably certain to have a material effect in later periods, has a description of the change been disclosed whenever the financial statements of the change period are presented? (FASB ASC 250-10-50-4) \_\_\_\_\_

**Change in the Reporting Entity**

- 6. In the period in which the change is made— (except as indicated in 6a, financial statements for subsequent periods are not required to repeat the disclosures in 6a–b) \_\_\_\_\_
  - a. Do the financial statements for the period of the change describe the nature of the change and the reason for it? (When a change has no material effect in the change period, but is reasonably certain to have a material effect in later periods, this disclosure is required whenever the financial statements of the change period are presented.) (FASB ASC 250-10-50-6) \_\_\_\_\_
  - b. Has the effect of the change on income from continuing operations, net income, and other comprehensive income been disclosed for all periods presented? (FASB ASC 250-10-50-6) \_\_\_\_\_
  - c. Has the cumulative effect of the change on retained earnings (or other components of equity) in the balance sheet as of the beginning of the earliest period presented been disclosed? [S-X 10-01(b)(7)] \_\_\_\_\_

**Corrections of Errors in Previously Issued Financial Statements That Have Been Restated**

- 7. In the period in which the change is made— [Financial statements for subsequent periods are not required to repeat the disclosures in 7a–g. (FASB ASC 250-10-50-10)] \_\_\_\_\_
  - a. Has disclosure been made that the previously issued financial statements have been restated, along with a description of the nature of the error? (FASB ASC 250-10-50-7) \_\_\_\_\_
  - b. Has disclosure been made of the effect of the correction on each financial statement line item affected for each prior period presented? (FASB ASC 250-10-50-7) \_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

- c. Has the cumulative effect of the change on retained earnings (or other appropriate components of equity) as of the beginning of the earliest period presented been disclosed? (FASB ASC 250-10-50-7) [S-X 10-01(b)(7)] \_\_\_\_\_
- d. For single period financial statements, have the effects of a prior-period adjustment (gross and net of tax) on beginning retained earnings and net income of the preceding period been disclosed? (FASB ASC 250-10-50-8 and 50-9) \_\_\_\_\_
- e. For comparative financial statements, have the effects of a prior-period adjustment (gross and net of tax) on net income for each period presented been disclosed? (FASB ASC 250-10-50-8 and 50-9) \_\_\_\_\_
- f. Has the amount of income tax applicable to each prior-period adjustment been disclosed? (FASB ASC 250-10-50-9) \_\_\_\_\_
- g. If a restated historical financial summary (commonly 5 or 10 years) is presented, has disclosure of the restatements been made in the first summary published after the adjustment? (FASB ASC 250-10-45-28; 250-10-50-7A) \_\_\_\_\_

**Adoption of New Accounting Standards**

- 8. In the period in which a new accounting standard is applied, have the disclosures in items 1(a)–(c) in ACCOUNTING CHANGES AND CORRECTION OF AN ERROR—Change in Accounting Principle and Question No. 32 in PCA-IR-5, “Disclosure Requirements for Interim Information of Issuers,” been made? (FASB ASC 250-10-50-1 and 50-3) \_\_\_\_\_

Practical Consideration:

- The transition disclosures for adoption of a new accounting standard are required by ASU 2024-02, *Codification Improvements—Amendments to Remove References to the Concepts Statements*, which is effective for public business entities for fiscal years beginning after December 15, 2024, including interim periods within those years. Early application is permitted for any fiscal year or interim period for which financial statements have not yet been issued. While the ASU may also be applied on a prospective basis, the disclosures apply only to retrospective applications of the ASU. (FASB ASC 105-10-65-9)

- 9. If an accounting standard has been issued that is not effective until after the date of the financial statements, have the following disclosures been made: (SAB T.11M) (FASB ASC 250-10-S99-5 and S99-6) [Disclosure is not required if the impact of the adoption of the standard on financial position and results of operations is not expected to be material. However, issuers are encouraged to disclose the issuance of standards that will impact the preparation of financial statements, but will not have a material impact, along with a statement to that effect.]
  - a. Brief description of the standard? \_\_\_\_\_
  - b. Date adoption is required and the date the entity plans to adopt, if earlier? \_\_\_\_\_
  - c. Methods of adoption allowed by the standard and the method expected to be used by the entity, if determined? \_\_\_\_\_
  - d. Discussion of the impact that the adoption of the standard is expected to have, unless not known or reasonably estimable, in such case, a statement to that effect? \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

- e. With regard to ASU 2016-13 (including any subsequently issued amendments), if the impact that adoption of each of these standards is expected to have is not known or reasonably estimable—
- (1) Description of the effect on accounting policies, if determined, and a comparison to the company’s current accounting policies? \_\_\_\_\_
  - (2) Status of implementation and significant implementation matters yet to be addressed? \_\_\_\_\_
  - (3) Additional qualitative disclosures, as needed, to assist financial statement users in assessing the significance of the impact of adoption of the new standard(s)? \_\_\_\_\_
- Practical Consideration:
- See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates of ASU 2016-13 and subsequent ASUs.
- f. Potential impact on other significant matters (such as technical violations of debt covenant agreements, planned or intended changes in business practices, etc.)? [This disclosure is encouraged.] \_\_\_\_\_

**ADVERTISING COSTS**

- 1. For nondirect-response advertising costs, has the policy about whether those costs are expensed as incurred or expensed the first time the advertising takes place been disclosed? (FASB ASC 720-35-50-1) \_\_\_\_\_
- 2. Have the total advertising costs charged to expense for each statement of comprehensive income presented been disclosed? (FASB ASC 720-35-50-1) \_\_\_\_\_

**BALANCE SHEET OFFSETTING**

NOTE: The disclosures in Question Nos. 1 through 3 apply to recognized derivative instruments (including bifurcated embedded derivatives), repurchase agreements accounted for as collateralized borrowings and reverse repurchase agreements, and securities borrowing and securities lending transactions that are offset, and recognized derivative instruments (including bifurcated embedded derivatives), repurchase agreements and reverse repurchase agreements, and securities borrowing and securities lending transactions that are subject to an enforceable master netting arrangement or similar agreement, regardless of whether they are offset. (FASB ASC 210-20-50-1)

- 1. Have the following been disclosed at the end of the reporting period: (The disclosures should be presented in a tabular format, separately for assets and liabilities, unless another format is more appropriate.) FASB ASC 210-20-50-3 and 50-4; 210-20-55-6)
  - a. The gross amounts of those recognized assets and liabilities? \_\_\_\_\_
  - b. The amounts that have been offset to determine the net amounts presented in the balance sheet? \_\_\_\_\_
  - c. The net amounts presented in the balance sheet? \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

d. The amounts subject to an enforceable master netting arrangement or similar agreement not included in item 1(b), including the following: [The total amount disclosed for an instrument should not exceed the amount disclosed in item 1(c) for the instrument.]

(1) The amounts related to recognized financial instruments and other derivative instruments that management makes an accounting policy election not to offset or that do not meet some or all of the requirements to offset? \_\_\_\_\_

(2) The amounts related to financial collateral, including cash collateral? \_\_\_\_\_

e. The net amount after deducting the amounts in item 1(d) from the amounts in item 1(c)? \_\_\_\_\_

**Practical Considerations:**

- For purposes of the disclosures required by FASB ASC 210-20-50, derivative instruments are limited to those accounted for according to FASB ASC 815, *Derivatives and Hedging*.
- FASB ASC 210-20-45 and 815-10-45 provide conditions for offsetting amounts in the balance sheet.
- Financial instruments disclosed in accordance with these requirements may be subject to different measurement attributes (e.g., amortized cost vs. fair value). In such situations, disclose the instruments at their recognized amounts and describe any measurement differences in the related disclosures.

2. Has a description been provided of the rights of setoff associated with recognized assets and liabilities subject to an enforceable master netting arrangement or similar agreement disclosed in item 1(d), including the nature of those rights? (FASB ASC 210-20-50-5) \_\_\_\_\_

3. If the disclosures required by Question No. 1 are not sufficient to enable financial statement users to evaluate the effect or potential effect of netting arrangements, including rights of setoff related to recognized assets and liabilities, on the company's financial position, has additional disclosure been provided as necessary? (FASB ASC 210-20-50-2) \_\_\_\_\_

4. If the disclosures for balance sheet offsetting are provided in more than a single note to the financial statements, has a cross-reference between those notes been provided? (FASB ASC 210-20-50-6) \_\_\_\_\_

**BUSINESS COMBINATIONS**

1. Have the following been disclosed for each business combination that occurs during the reporting period or for which the acquisition date is after the reporting date but before the financial statements are issued [items (e) through (p) should be provided in the aggregate for immaterial business combinations that are collectively material]: (FASB ASC 805-10-50-1 through 50-4; 805-20-50-1 through 50-3; 805-30-50-1 through 50-3)

a. Name and a description of the acquiree? \_\_\_\_\_

b. Acquisition date? \_\_\_\_\_

c. Percentage of voting equity interests acquired? \_\_\_\_\_

d. Primary reasons for the combination and a description of how control was obtained? \_\_\_\_\_

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	Disclosure Made?		
	Yes	No	N/A
e. A qualitative description of the factors that make up the recognized goodwill, such as expected synergies from combining operations, intangible assets that do not qualify for separate recognition, or other factors?	_____	_____	_____
f. The acquisition-date fair value of the total consideration transferred?	_____	_____	_____
g. The acquisition-date fair value of each major class of consideration transferred, such as:			
(1) Cash?	_____	_____	_____
(2) Other tangible or intangible assets, including a business or subsidiary of the acquirer?	_____	_____	_____
(3) Liabilities incurred, for example, a liability for contingent consideration?	_____	_____	_____
(4) Equity interests of the acquirer, including the number of instruments or interests issued or issuable and the method of determining their fair value?	_____	_____	_____
h. For contingent consideration arrangements and indemnification assets:			
(1) The amount recognized as of the acquisition date?	_____	_____	_____
(2) A description of the arrangement and basis for determining the amount of the payment?	_____	_____	_____
(3) An estimate of the range of outcomes (undiscounted), or if the range cannot be estimated, that fact and the reasons? (If the maximum amount of the payment is unlimited, has that fact been disclosed?)	_____	_____	_____
i. For acquired receivables, except loans and debt securities acquired with deteriorated credit quality subject to FASB ASC 326-20 (disclosures should be provided by major class of receivable, such as loans, net investment in sales-type or direct financing leases, and any other class of receivables):			
(1) The fair value of the receivables (unless from sales-type or direct financing leases by the lessor; in such cases, the acquirer should disclose amounts recognized as of the acquisition date)?	_____	_____	_____
(2) The gross contractual amounts receivable?	_____	_____	_____
(3) The best estimate at the acquisition date of the contractual cash flows not expected to be collected?	_____	_____	_____
j. The amounts recognized as of the acquisition date for each major class of assets acquired and liabilities assumed?	_____	_____	_____
k. For assets and liabilities arising from contingencies recognized at the acquisition date (acquirers may aggregate disclosures for assets or liabilities that are similar in nature; disclosures should be included in the business combination footnote):			
(1) The amounts recognized at the acquisition date and the measurement basis applied?	_____	_____	_____
(2) The nature of the contingencies?	_____	_____	_____

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	<b>Disclosure Made?</b>		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
l. For assets and liabilities arising from contingencies not recognized at the acquisition date, the disclosures required by CONTINGENCIES, RISKS, AND UNCERTAINTIES—Contingencies, if applicable? (Note: Disclosures should be included in the business combination footnote.)	_____	_____	_____
m. The total amount of goodwill expected to be deductible for tax purposes?	_____	_____	_____
n. If segment information is required to be reported in accordance with FASB ASC 280, the amount of goodwill by segment or the fact that the assignment of goodwill to reporting units has not been completed as of the date the financial statements are issued?	_____	_____	_____
o. For transactions that are recognized separately from the acquisition of assets and assumption of liabilities in the business combination:			
(1) A description of each transaction?	_____	_____	_____
(2) The accounting for each transaction?	_____	_____	_____
(3) The amounts recognized for each transaction and the line item in the financial statements in which each amount is recognized?	_____	_____	_____
(4) If the transaction is the effective settlement of a preexisting relationship, the method used to determine the settlement amount?	_____	_____	_____
(5) The amount of acquisition-related costs for each transaction, the amount recognized as an expense, and the line item(s) in the statement of comprehensive income in which those expenses are recognized?	_____	_____	_____
(6) The amount of any issuance costs not recognized as an expense, and the manner of recognition?	_____	_____	_____
p. In a bargain purchase:			
(1) The gain recognized and the line item in the statement of comprehensive income where recognized?	_____	_____	_____
(2) A description of the reasons why the transaction resulted in a gain?	_____	_____	_____
q. For each business combination where less than 100% of the equity interests in the acquiree is held at the acquisition date:			
(1) The fair value of the noncontrolling interest at the acquisition date?	_____	_____	_____
(2) The valuation technique(s) and significant inputs used to measure the fair value of the noncontrolling interest?	_____	_____	_____
r. In a business combination achieved in stages:			
(1) The acquisition-date fair value of the equity interest in the acquiree held immediately before the acquisition date?	_____	_____	_____
(2) The gain or loss recognized as a result of remeasuring to fair value the equity interest in the acquiree held immediately before the business combination and the line item in the statement of comprehensive income in which the gain or loss is recognized?	_____	_____	_____
(3) The valuation technique(s) used to measure the acquisition-date fair value of the equity interest in the acquiree held by the acquirer immediately before the business combination?	_____	_____	_____

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	Disclosure Made?		
	Yes	No	N/A
(4) Information for assessing the inputs used to develop the fair value measurement of the equity interest in the acquiree held by the acquirer immediately before the business combination?	_____	_____	_____
s. The revenue and earnings of the acquiree since the acquisition date included in the consolidated statement of comprehensive income, or an explanation of why it is impractical to do so?	_____	_____	_____
t. If comparative financial statements are not presented, the revenue and earnings of the combined entity as though all acquisitions that occurred during the year had been as of the beginning of the annual reporting period (supplemental pro forma information), or an explanation of why it is impracticable to do so?	_____	_____	_____
u. In comparative financial statements, the revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period (supplemental pro forma information), or an explanation of why it is impracticable to do so?	_____	_____	_____
v. The nature and amount of any material, nonrecurring pro forma adjustments directly attributable to the business combination(s) included in the reported pro forma revenue and earnings (supplemental pro forma information), or an explanation of why it is impracticable to do so?	_____	_____	_____
w. If material, any amounts related to the transaction separately accounted for as debt issue costs?	_____	_____	_____
x. If the acquisition date is after the reporting date but before the financial statements are issued and the initial accounting for the business combination is incomplete at the time the financial statements are issued, a description of the disclosures that could not be made and the reasons?	_____	_____	_____
y. If the disclosures in items 1(a)–(x) are not sufficient for financial statement users to evaluate the nature and financial effect of a business combination that occurs during the reporting period or after the reporting date but before the financial statements are issued, has additional disclosure been made as necessary?	_____	_____	_____
2. Has the following information been disclosed for each material business combination (or in the aggregate for individually immaterial business combinations that are collectively material): (FASB ASC 805-10-50-5 and 50-7; 805-20-50-4 and 50-4A; 805-30-50-4)			
a. If the initial accounting for a business combination is incomplete for particular assets, liabilities, noncontrolling interests, or items of consideration and the amounts recognized in the financial statements are provisional:			
(1) The reasons why the initial accounting is incomplete?	_____	_____	_____
(2) The assets, liabilities, equity interests, or items of consideration for which the initial accounting is incomplete?	_____	_____	_____

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	<b>Disclosure Made?</b>		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p>(3) The nature and amount of any measurement-period adjustments recognized during the reporting period, including separate disclosure of the adjustment to current-period statement of comprehensive income line items that relate to the income effects that would have been recognized in prior periods if the adjustment to provisional amounts had been recognized at the acquisition date? (Alternatively, such amounts can be presented separately on the face of the statement of comprehensive income.)</p>	_____	_____	_____
<p>b. For each reporting period after the acquisition date until the collection, sale, or loss of the right to a contingent consideration asset, or until settlement, cancellation or expiration of a contingent consideration liability:</p>			
<p>(1) Any changes in the recognized amounts, including any differences arising upon settlement?</p>	_____	_____	_____
<p>(2) Any changes in the range of outcomes (undiscounted) and the reasons for those changes?</p>	_____	_____	_____
<p>(3) The disclosures required for Fair Value Measurements in FAIR VALUE MEASUREMENTS?</p>	_____	_____	_____
<p>c. A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period?</p>	_____	_____	_____
<p>d. If the disclosures in items (a)–(c) are not sufficient for financial statement users to evaluate the financial effects of adjustments recognized in the current period that relate to business combinations that occurred in the current or previous reporting periods, additional disclosures as necessary?</p>	_____	_____	_____
<p>3. For years and interim periods beginning after December 15, 2022, if the acquirer uses any of the practical expedients in FASB ASC 805-20-30-29 in connection with the measurement of contract assets and contract liabilities under FASB ASC 606, have the following been disclosed: (FASB ASC 805-20-50-5)</p>			
<p>a. The practical expedient(s) used?</p>	_____	_____	_____
<p>b. Where reasonably possible, a qualitative assessment of the estimated effect of the application of each practical expedient?</p>	_____	_____	_____
<p>Practical Consideration:</p> <ul style="list-style-type: none"> <li>• The disclosures in Question No. 3 apply after the adoption of ASU 2021-08, <i>Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers</i>. For public business entities, the ASU is effective for fiscal years, including interim periods within those fiscal years, beginning after December 15, 2022. Earlier application is permitted, including in any interim period, for which financial statements have not been issued.</li> </ul>			
<p>4. For transfers of net assets or exchanges of equity interests between entities under common control that result in a change of reporting entity, has the following information been disclosed by the receiving entity in the period of the transaction: (FASB ASC 805-50-50-3)</p>			
<p>a. The name and brief description of the entity included as a result of the transaction?</p>	_____	_____	_____
<p>b. The method of accounting for the transfer or exchange?</p>	_____	_____	_____

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**Disclosure Made?**

**Yes      No      N/A**

c. The nature of and effects on earnings per share of nonrecurring intercompany transactions involving long-term assets and liabilities? (FASB ASC 805-50-50-2)

\_\_\_\_\_

**Pushdown Accounting in an Acquiree's Separate Financial Statements**

5. For an acquiree (the acquired entity) that has elected and applied the pushdown accounting option in its separate financial statements, has information been disclosed in the period in which pushdown accounting was applied (or in the current period if pushdown accounting adjustments were recognized) that allows financial statement users to evaluate the effect of pushdown accounting? (An acquiree is required to consider other disclosure requirements of FASB ASC 805 to meet this objective.) (FASB ASC 805-50-50-5)

\_\_\_\_\_

6. In meeting the objective in Question No. 5, has consideration been given to disclosing the following information: (NOTE: This is not an exhaustive list of disclosure requirements; additional disclosures may be necessary.) (FASB ASC 805-50-50-6)

a. Name and description of the acquirer?

\_\_\_\_\_

b. Description of how the acquirer obtained control of the acquiree?

\_\_\_\_\_

c. Acquisition date?

\_\_\_\_\_

d. Acquisition-date fair value of the total consideration that the acquirer transferred?

\_\_\_\_\_

e. As of the acquisition date, amounts recognized by the acquiree for each major class of assets and liabilities as a result of applying pushdown accounting?

\_\_\_\_\_

f. When the initial application of pushdown accounting is incomplete for any amounts recognized by the acquiree, the reasons why it is incomplete?

\_\_\_\_\_

g. For goodwill recognized, a qualitative description of the factors that make up the amount (such as expected synergies from the combined operations of the acquiree and acquirer or intangible assets not qualifying for separate recognition)?

\_\_\_\_\_

h. For bargain purchases, the amount recognized in additional paid-in capital and the reasons why the transaction resulted in a gain?

\_\_\_\_\_

i. For adjustments in the current period that relate to pushdown accounting that occurred in the current or previous reporting periods (including adjustments due to the initial accounting for pushdown accounting being incomplete), information to evaluate the financial effects of such adjustments?

\_\_\_\_\_

**CASINOS**

NOTE: The following applies to entities that operate as casinos and the casino operations of other entities.

1. Are the revenue-producing activities and the related costs and expenses of a casino (e.g., casino, hotel, restaurant, etc.) presented separately on the statement of comprehensive income? (S-X 5-03; SAB T.11L) (FASB ASC 924-10-S99-1)

\_\_\_\_\_

**COLLABORATIVE ARRANGEMENTS**

1. Has the policy for collaborative arrangements been disclosed? (FASB ASC 808-10-50-1)

\_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

- |  |       |       |       |
|--|-------|-------|-------|
| 2. Where the entity is a participant to collaborative arrangements, has the following been disclosed for the initial period and all annual periods thereafter: (FASB ASC 808-10-50-1) (Information related to individually significant collaborative arrangements should be disclosed separately.) |       |       |       |
| a. Information about the nature and purpose of collaborative arrangements?   | _____ | _____ | _____ |
| b. The entity’s rights and obligations under the arrangement?  | _____ | _____ | _____ |
| c. The statement of comprehensive income classification and amounts attributable to transactions arising from the arrangement for each period a statement of comprehensive income is presented?  | _____ | _____ | _____ |

**COLLECTIONS**

NOTE: The following disclosures are applicable to for-profit entities that own collections.

- |   |       |       |       |
|---|-------|-------|-------|
| 1. Has the capitalization policy for contributions of collection items (that is, capitalization, prospective capitalization, or no capitalization) been disclosed? (FASB ASC 360-10-15-6; 958-360-50-1)   | _____ | _____ | _____ |
| 2. Has the policy for the use of proceeds from the disposal of collection items been disclosed, including whether the proceeds could be used for (a) acquiring new collection items, (b) the direct care of existing collections, or (c) both? (FASB ASC 360-10-15-6; 958-360-50-7) | _____ | _____ | _____ |
| 3. If the proceeds from the disposal of collection items are allowed to be used for the direct care of existing collections, has the definition of direct care been disclosed? (FASB ASC 958-360-50-7)  | _____ | _____ | _____ |
| 4. If collections are not recognized and capitalized, does the income statement present, separately from revenues, expenses, gains, and losses: (FASB ASC 360-10-15-6; 958-360-45-5)  |       |       |       |
| a. Costs of collection items purchased?   | _____ | _____ | _____ |
| b. Proceeds from sale of collection items?  | _____ | _____ | _____ |
| c. Proceeds from insurance recoveries of lost or destroyed collection items?  | _____ | _____ | _____ |
| 5. If collections are capitalized prospectively, are proceeds from sales and insurance recoveries of items not previously capitalized reported separately from revenues, expenses, gains, and losses? (FASB ASC 360-10-15-6; 958-360-45-5)  | _____ | _____ | _____ |
| 6. If the entity does not recognize and capitalize its collections or capitalizes its collections prospectively, do the financial statements include the following: (FASB ASC 360-10-15-6; 958-360-45-3; 958-360-50-6)  |       |       |       |
| a. A description of the collections, including their relative significance?   | _____ | _____ | _____ |
| b. A description of the stewardship policies for collections?   | _____ | _____ | _____ |
| c. The fair value or a description of collection items that are given away, damaged, destroyed, lost, or otherwise decreased during the period?   | _____ | _____ | _____ |
| d. A separate line item in the balance sheet that refers to the disclosures in items (a) through (c) above? [The line item should be dated if collections are capitalized prospectively; for example, “Collections acquired since January 1, 2005 (Note H).”]                       | _____ | _____ | _____ |

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**Disclosure Made?**

**Yes      No      N/A**

**COMPUTER SOFTWARE REVENUES AND COSTS**

1. Have the following been disclosed for computer software costs to be sold, leased, or otherwise marketed, whether internally developed, produced, or purchased (except costs incurred for computer software created for others under a contractual arrangement): (FASB ASC 985-20-50-1)

a. Unamortized computer software costs included in each balance sheet presented?

\_\_\_\_\_

b. The total amount charged to expense in each statement of comprehensive income presented for amortization of capitalized computer software costs and for amounts written down to net realizable value?

\_\_\_\_\_

**CONSOLIDATIONS**

**Consolidations—General**

1. For legal entities not consolidated under the scope exception of FASB ASC 810-10-15-12f because they are required to comply with or operate in accordance with requirements similar to Rule 2a-7 of the Investment Company Act of 1940 for registered money market funds (and other similar entities), have the following been disclosed: (FASB ASC 810-10-15-12)

a. Any explicit arrangements to provide financial support to such entities?

\_\_\_\_\_

b. For each period for which a statement of comprehensive income is presented, any instances of financial support provided to such entities?

\_\_\_\_\_

**Consolidated Financial Statements**

2. If consolidated statements are presented:

a. Are interentity balances and transactions eliminated? (FASB ASC 810-10-45-1)

\_\_\_\_\_

b. If the financial reporting periods of subsidiaries differ from that of the parent, is recognition given by disclosure or otherwise to the effect of intervening events that materially affect financial position or the results of operations? (FASB ASC 810-10-45-12)

\_\_\_\_\_

3. If there has been a change to (or elimination of) a difference between the parent's reporting period and that of a consolidated entity (or equity method investee), have the applicable disclosures for a change in accounting principle in ACCOUNTING CHANGES AND CORRECTION OF AN ERROR been made? (FASB ASC 810-10-50-2)

\_\_\_\_\_

4. If the company has had a change in entity, have the entities included and the entities excluded been disclosed? {For larger domestic issuers, [S-X 3A-03(b)] (FASB ASC 810-10-S99-3)} (Accepted practice for smaller reporting companies)

\_\_\_\_\_

5. If foreign subsidiaries that are consolidated are operated under political, economic, or currency restrictions, have the effects of foreign exchange restrictions upon the consolidated financial position and operating results of the company been disclosed? {For larger domestic issuers, [S-X 3-20(b)] (FASB ASC 810-10-S99-2)} (Accepted practice for smaller reporting companies)

\_\_\_\_\_

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**Interests in Variable Interest Entities**

NOTE: Disclosures about variable interest entities (VIEs) may be reported in the aggregate for similar entities when separate reporting would not provide more useful information. (FASB ASC 810-10-50-8 and 50-9)

- |   |       |       |       |
|---|-------|-------|-------|
| 6. If applicable, has disclosure been made about how similar entities are aggregated, distinguishing between VIEs that are consolidated and those that are not consolidated because the reporting entity is not the primary beneficiary but holds a variable interest in the VIE? (FASB ASC 810-10-50-9)  | _____ | _____ | _____ |
| 7. Have the (a) assets of a consolidated VIE that can be used only to settle liabilities of the consolidated VIE and (b) liabilities of a consolidated VIE for which creditors or beneficial interest holders do not have recourse to the general credit of the primary beneficiary been presented separately on the face of the balance sheet? (FASB ASC 810-10-45-25) | _____ | _____ | _____ |
| 8. For primary beneficiaries of a VIE, have the following been disclosed: (FASB ASC 810-10-50-3; 50-5A; and 50-5B) [NOTE: Items (a) through (d) do not need to be disclosed if the primary beneficiary holds a majority voting interest in the VIE, the VIE is a business, and the VIE's assets can be used for purposes other than settling the VIE's obligations.]    |       |       |       |
| a. The methodology for determining that the reporting entity is the primary beneficiary, including the significant judgments and assumptions used to make the determination?  | _____ | _____ | _____ |
| b. If the conclusion that the reporting entity is the primary beneficiary of a VIE has changed in the most recent financial statements, the primary factors resulting in the change and the effect of the change on the reporting entity's financial statements?  | _____ | _____ | _____ |
| c. Whether explicit or implicit financial or other support has been provided to the VIE during the periods presented that was not previously contractually required or whether such support is intended, including:   |       |       |       |
| (1) The type and amount of support, including situations in which the reporting entity aided the VIE in obtaining another kind of support?  | _____ | _____ | _____ |
| (2) The primary reasons for providing the support?  | _____ | _____ | _____ |
| d. Qualitative and quantitative information about the reporting entity's involvement (considering both explicit arrangements and implicit variable interests) with the VIE, including the VIE's nature, purpose, size, activities, and financing?   | _____ | _____ | _____ |
| e. The disclosures required by other guidance, if the VIE is a business?  | _____ | _____ | _____ |
| f. Amount of any gain or loss recognized on the initial consolidation of the VIE if the VIE is not a business?  | _____ | _____ | _____ |
| g. Unless the primary beneficiary holds a majority voting interest, the VIE is a business, and the VIE's assets can be used for purposes other than settling the VIE's obligations:   |       |       |       |
| (1) Classification and carrying amounts of the assets and liabilities of the VIE that are consolidated in the balance sheet, including qualitative information about the relationship between those assets and liabilities?   | _____ | _____ | _____ |

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**Disclosure Made?**

**Yes      No      N/A**

(2) If creditors or beneficial interest holders of the VIE have no recourse to the general credit of the primary beneficiary, the lack of recourse? \_\_\_\_\_

(3) Terms of arrangements that could require the primary beneficiary to provide financial support to the VIE including events or circumstances that could expose the reporting entity to loss (giving consideration to both explicit arrangements and implicit variable interests)? \_\_\_\_\_

9. For entities that hold a variable interest in a VIE (including an implicit variable interest) but are not the primary beneficiary, have the following been disclosed: (FASB ASC 810-10-50-4 and 50-5A)

a. The methodology for determining that the reporting entity is not the primary beneficiary, including the significant judgments and assumptions used to make the determination? \_\_\_\_\_

b. If the conclusion that the reporting entity is the primary beneficiary of a VIE has changed in the most recent financial statements, the primary factors resulting in the change and the effect of the change on the reporting entity's financial statements? \_\_\_\_\_

c. Whether explicit or implicit financial or other support has been provided to the VIE during the periods presented that was not previously contractually required or whether such support is intended, including:

(1) The type and amount of support, including situations in which the reporting entity aided the VIE in obtaining another kind of support? \_\_\_\_\_

(2) The primary reasons for providing the support? \_\_\_\_\_

d. Qualitative and quantitative information about the reporting entity's involvement (considering both explicit arrangements and implicit variable interests) with the VIE, including the VIE's nature, purpose, size, activities, and financing? \_\_\_\_\_

e. Classification and carrying amounts of the assets and liabilities in the balance sheet that relate to the variable interest in the VIE? \_\_\_\_\_

f. Maximum exposure to loss due to involvement with the VIE, how the maximum exposure is determined, and the significant sources of the reporting entity's exposure to the VIE, or a statement that the maximum exposure cannot be quantified? \_\_\_\_\_

g. Tabular comparison of the amounts required to be disclosed under items (e) and (f) including qualitative and quantitative information necessary to understand the differences between those amounts? [This information should include, at a minimum, the terms of arrangements that could require the reporting entity to provide financial support to the VIE including events or circumstances that could expose the reporting entity to loss (giving consideration to both explicit arrangements and implicit variable interests).] \_\_\_\_\_

h. Description of any liquidity arrangements, guarantees, or other third party commitments that may impact the fair value or risk of the variable interest in the VIE? (NOTE: This disclosure is encouraged but not required.) \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- i. If a conclusion has been made that the power to direct the VIE’s activities that most significantly impact the VIE’s economic performance is shared, the significant factors considered and the judgments made in making that assessment? \_\_\_\_\_
- 10. If the disclosures about interests in variable interest entities are provided in more than one note to the financial statements, has a cross-reference to other notes been provided? (FASB ASC 810-10-50-2AC) \_\_\_\_\_
- 11. If the disclosures about interests in variable interest entities are not sufficient for financial statement users to understand (a) the significant judgments and assumptions made in assessing whether the reporting entity must consolidate a VIE or disclose its involvement with the VIE, (b) if the reporting entity consolidates a VIE, the nature of any restrictions on the VIE’s assets and on the settlement of its liabilities included in the consolidated balance sheet, including the carrying amounts of those assets and liabilities, (c) the nature of the risks related to the reporting entity’s involvement with the VIE and changes in those risks, and (d) how the reporting entity’s involvement with the VIE impacts financial position, financial performance, and cash flows, has additional disclosure been made as necessary? (FASB ASC 810-10-50-2AA and 50-2AB) \_\_\_\_\_
- 12. If accounting standards for interests in VIEs are not applied to an interest in a potential VIE created before December 31, 2003, because information cannot be obtained to (a) determine whether the entity is a VIE, (b) determine the VIE’s primary beneficiary, or (c) perform the accounting necessary to consolidate the entity, has the following been disclosed: (FASB ASC 810-10-50-6)
  - a. Number of entities to which the standards are not being applied and the reason the information needed to apply the standards is not available? \_\_\_\_\_
  - b. Nature of involvement with the entity and the nature, purpose, size, and activities of the entity? \_\_\_\_\_
  - c. Maximum exposure to loss as a result of involvement with the entity? \_\_\_\_\_
  - d. Income, expense, purchases, sales, or other measure of activity with the entity for all periods presented? (Information about prior periods is not required in the first year this requirement applies if it is not practicable to present that information.) \_\_\_\_\_

**Noncontrolling Interests**

- 13. For parents with one or more less-than-wholly-owned subsidiaries, has the following been disclosed in each reporting period: (FASB ASC 810-10-50-1A)
  - a. Separately, on the face of the consolidated financial statements, the amounts of consolidated net income and consolidated comprehensive income and amounts of each attributable to the parent and the noncontrolling interest? \_\_\_\_\_
  - b. Either in the notes or on the face of the consolidated statement of comprehensive income, amounts attributable to the parent for the following:
    - (1) Income from continuing operations? \_\_\_\_\_
    - (2) Discontinued operations? \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- c. Either in the consolidated statement of changes in equity or in the notes to consolidated financial statements, a reconciliation at the beginning and the end of the period of the carrying amount of total equity and the amounts attributable to the parent and to the noncontrolling interest with separate disclosure of:
  - (1) Net income? \_\_\_\_\_
  - (2) Transactions with owners, with separate amounts for contributions from and distributions to owners? \_\_\_\_\_
  - (3) Each component of other comprehensive income? \_\_\_\_\_
- d. In the notes to the consolidated financial statements, a separate schedule reflecting the effects of any changes in a parent's ownership interest in a subsidiary on the equity attributable to the parent? \_\_\_\_\_

14. In the consolidated balance sheet, has the noncontrolling interest been clearly identified, labeled, and reported separately from the parent's equity within the equity section? (FASB ASC 810-10-45-16) \_\_\_\_\_

**Deconsolidation**

15. For subsidiaries that are deconsolidated or a group of assets that is derecognized, have the following been disclosed: (FASB ASC 810-10-50-1B)
- a. The amount of any gain or loss recognized in net income attributable to the parent? \_\_\_\_\_
  - b. The portion of any gain or loss related to the remeasurement of any retained investment in the former subsidiary or group of assets to its fair value? \_\_\_\_\_
  - c. The caption in the statement of comprehensive income where the gain or loss is recognized unless separately presented on the face of the statement of comprehensive income? \_\_\_\_\_
  - d. A description of the valuation technique(s) used to measure the fair value of any direct or indirect retained investment in the former subsidiary or group of assets? \_\_\_\_\_
  - e. Information that enables users of the parent's financial statements to assess the inputs used to develop the fair value in item (d)? \_\_\_\_\_
  - f. The nature of continuing involvement with the subsidiary or entity acquiring the group of assets after it has been deconsolidated or derecognized? \_\_\_\_\_
  - g. Whether the transaction that resulted in the deconsolidation or derecognition was with a related party? \_\_\_\_\_
  - h. Whether the former subsidiary or entity acquiring a group of assets will be a related party after deconsolidation? \_\_\_\_\_

**Collateralized Financing Entities**

NOTE: The following disclosures apply to entities that consolidate a collateralized financing entity using the measurement alternative for financial assets and financial liabilities indicated in FASB ASC 810-10-30-10 through 30-15 and FASB ASC 810-10-35-6 through 35-8. These disclosures do not apply to the financial assets and financial liabilities that are incidental to the collateralized financing entity's operations and have carrying amounts that approximate fair value. (FASB ASC 810-10-50-20 and 50-22)

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**Disclosure Made?**  
**Yes      No      N/A**

- |   |       |       |       |
|---|-------|-------|-------|
| 16. Have the disclosures required by FASB ASC 820 (see FAIR VALUE MEASUREMENTS) on fair value measurement and FASB ASC 825 (see FINANCIAL INSTRUMENTS) on financial instruments been made for the financial assets and the financial liabilities of the consolidated collateralized financing entity? (FASB ASC 810-10-50-20) | _____ | _____ | _____ |
| 17. For the less observable of the fair value of the financial assets and financial liabilities of the collateralized financing entity using the measurement alternative, has disclosure been made that the measurement amount was based on the more observable fair value amount? (FASB ASC 810-10-50-21)                    | _____ | _____ | _____ |

**DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES**

**Derivative Instruments and Embedded Derivatives—General**

- |  |       |       |       |
|--|-------|-------|-------|
| 1. If the entity holds or issues derivative instruments (or nonderivative instruments that are designated and qualify as hedging instruments), have the following been disclosed each period for which a balance sheet and statement of comprehensive income are presented: (FASB ASC 815-10-50-1A and 50-1B, 50-2, 50-4, and 50-5)  |       |       |       |
| a. The entity’s objectives for holding or issuing the instruments, the context needed to understand the objectives, and the entity’s strategies for achieving those objectives? (Disclosure should be made in the context of each instrument’s primary underlying risk exposure. Instruments should be distinguished between those used for risk management purposes and those used for other purposes.) | _____ | _____ | _____ |
| b. For derivative instruments (and nonderivative instruments) designated as hedging instruments, does the description in item 1(a) distinguish between:  |       |       |       |
| (1) Derivative instruments (and nonderivative instruments) designated as fair value hedging instruments?   | _____ | _____ | _____ |
| (2) Derivative instruments designated as cash flow hedging instruments?  | _____ | _____ | _____ |
| (3) Derivative instruments (and nonderivative instruments) designated as hedging instruments of the foreign currency exposure of a net investment in a foreign operation?  | _____ | _____ | _____ |
| c. For derivative instruments not designated as hedging instruments, does the description in item (a) indicate the purpose of the derivative activity?   | _____ | _____ | _____ |
| d. Information about the volume of the entity’s activity in derivative instruments (or nonderivative instruments that are designated and qualify as hedging instruments)?  | _____ | _____ | _____ |
| e. If additional qualitative disclosures about the entity’s overall exposures to interest rate risk, foreign currency exchange rate risk, commodity price risk, credit risk, and equity price risk are made, do the disclosures include a discussion of those exposures even though the entity does not manage some of those exposures by using derivative instruments?                                  | _____ | _____ | _____ |

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**Disclosure Made?**  
**Yes      No      N/A**

2. If the entity holds or issues derivative instruments (and nonderivative instruments that are designated and qualify as hedging instruments), have the following been disclosed for each period for which a balance sheet and statement of comprehensive income are presented: (The quantitative disclosures required should be presented in tabular format.) (FASB ASC 815-10-50-4A and 50-4B; 815-10-50-4E)
- a. The financial statement line item(s) and fair value amounts of derivative instruments (and such nonderivative instruments) reported in the balance sheet? \_\_\_\_\_
  - b. Does the disclosure in item (a) present the fair value of such instruments on a gross basis, even when those instruments are subject to master netting arrangements and qualify for net presentation in the balance sheet? (Cash collateral payables and receivables related to the instruments may not be added to or netted against the fair value amounts.) \_\_\_\_\_
  - c. Does the disclosure in item (a) present fair value amounts as separate asset and liability values segregated between (1) instruments that are designated and qualifying as hedging instruments and (2) those that are not, with further separate presentation by type of contract within those two categories? \_\_\_\_\_
3. If the entity holds or issues derivative instruments (and nonderivative instruments that are designated and qualify as hedging instruments), have the following been disclosed for each period for which a balance sheet and statement of comprehensive income are presented: (The quantitative disclosures should be presented in tabular format.) (FASB ASC 815-10-50-4A; 815-10-50-4C through 50-4E)
- a. The financial statement line item(s) and amount of the gains and losses on derivative instruments (and such nonderivative instruments) and related hedged items reported in the statement of comprehensive income (or when applicable, the balance sheet, such as for gains and losses initially recognized in other comprehensive income)? \_\_\_\_\_
  - b. The total amount of each income and expense line item presented in the statement of comprehensive income in which the results of fair value or cash flow hedges are recorded? \_\_\_\_\_
  - c. For qualifying fair value and cash flow hedges, the gains and losses presented separately by type of contract (such as interest rate contracts, foreign exchange contracts, equity contracts, commodity contracts, credit contracts, and other contracts) and by income and expense line item (if applicable) for all of the following:
    - (1) Derivative instruments (and nonderivative instruments) designated and qualifying as hedging instruments in fair value hedges and related hedged items designated and qualifying in fair value hedges? \_\_\_\_\_
    - (2) The gains and losses on derivative instruments designated and qualifying in cash flow hedges included in the assessment of effectiveness that were recognized in other comprehensive income during the current period? \_\_\_\_\_
    - (3) Amounts excluded from the assessment of effectiveness recognized in other comprehensive income during the period for which an amortization approach is applied? \_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

- (4) The gains and losses on derivative instruments designated and qualifying in cash flow hedges included in the assessment of effectiveness and recorded in accumulated other comprehensive income during the term of the hedging relationship and reclassified into earnings during the current period? \_\_\_\_\_
- (5) The portion of gains and losses on derivative instruments designated and qualifying in fair value and cash flow hedges representing the amount, if any, excluded from the assessment of hedge effectiveness that is recognized in earnings, with separate disclosure of amounts recognized in earnings through an amortization approach and amounts recognized through changes in fair value in earnings? \_\_\_\_\_
- (6) The gains and losses reclassified into earnings due to the discontinuance of cash flow hedges because it is probable that the original forecasted transactions will not occur by the end of the originally specified time period or within the additional period of time discussed in FASB ASC 815-30-40-4 and 40-5? \_\_\_\_\_
- (7) The amount of net gain or loss recognized in earnings when a hedged firm commitment no longer qualifies as a fair value hedge? \_\_\_\_\_
- d. For qualifying net investment hedges, the gains and losses presented separately by type of contract (such as interest rate contracts, foreign exchange contracts, equity contracts, commodity contracts, credit contracts, and other contracts) for all of the following:
  - (1) The gains and losses on derivative instruments (and nonderivative instruments) designated and qualifying in net investment hedges recognized in the cumulative translation adjustment section of other comprehensive income during the current period? \_\_\_\_\_
  - (2) The gains and losses on derivative instruments (and nonderivative instruments) designated and qualifying in net investment hedges recorded in the cumulative translation adjustment section of accumulated other comprehensive income during the hedging relationship term and reclassified into earnings in the current period? \_\_\_\_\_
  - (3) The portion of gains and losses on derivative instruments (and nonderivative instruments) designated and qualifying in net investment hedges representing the amount (if any) excluded from the assessment of hedge effectiveness? \_\_\_\_\_
- e. Gains and losses for derivative instruments not designated or qualifying as hedging instruments presented separately by type of contract (such as interest rate contracts, foreign exchange contracts, equity contracts, commodity contracts, credit contracts, and other contracts)? \_\_\_\_\_
- 4. For items designated and qualifying as hedged items in fair value hedges, have the following been disclosed: [A tabular format is required except for item 4(e) or 4(f). The disclosures in items (b) and (d) should exclude cumulative basis adjustments related to foreign exchange risk.] (FASB ASC 815-10-50-4EE and 50-4EEE)
  - a. Carrying amount of hedged assets and liabilities recognized in the balance sheet? (NOTE: The amount disclosed for an available-for-sale debt security should be its amortized cost basis.) \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

- b. Cumulative amount of fair value hedging adjustments to hedged assets and liabilities included in the carrying amount of hedged assets and liabilities recognized in the balance sheet? \_\_\_\_\_
- c. The line item in the balance sheet that includes the hedged assets and liabilities? \_\_\_\_\_
- d. Cumulative amount of remaining fair value hedging adjustments for any hedged assets and liabilities where hedge accounting has been discontinued? \_\_\_\_\_

NOTE: The disclosures in item 4(e) apply prior to the adoption of ASU 2022-01, *Derivatives and Hedging (Topic 815): Fair Value Hedging—Portfolio Layer Method*. For public business entities, the ASU is effective for fiscal years beginning after December 15, 2022, and interim periods within those years. Early adoption is permitted on any date after March 28, 2022. The disclosures in item 4(f) apply after the adoption of ASU 2022-01.

- e. For fiscal years beginning on or before December 15, 2022, for each balance sheet line item disclosed in item 4(c) that includes hedging relationships designated under the last-of-layer method, disclosure of (FASB ASC 815-10-50-4EEE):
  - (1) Amortized cost basis of the closed portfolio(s) of prepayable financial assets or the beneficial interest(s)? \_\_\_\_\_
  - (2) Amount representing the hedged item(s) (i.e., designated last of layer)? \_\_\_\_\_
  - (3) Basis adjustment associated with the hedged item(s) (i.e., designated last of layer)? \_\_\_\_\_
- f. For fiscal years beginning after December 15, 2022, for each balance sheet line item disclosed in item 4(c) that includes hedging relationships designated under the portfolio layer method (FASB ASC 815-10-50-4EEE):
  - (1) Amortized cost basis of the closed portfolio(s) of financial assets or the beneficial interest(s)? \_\_\_\_\_
  - (2) Amount representing the hedged item(s) (i.e., hedged layer or layers)? \_\_\_\_\_
  - (3) Basis adjustment associated with the hedged item(s) (i.e., hedged layer or layers)? \_\_\_\_\_

NOTE: The disclosures in Question Nos. 5 through 6 apply after the adoption of ASU 2022-01, *Derivatives and Hedging (Topic 815): Fair Value Hedging—Portfolio Layer Method*. For public business entities, the ASU is effective for fiscal years beginning after December 15, 2022, and interim periods within those years. Early adoption is permitted on any date after March 28, 2022. Refer to the ASU for additional information on transition.

- 5. Has disclosure been made of the total amount of the portfolio layer method adjustment which was excluded from the amortized cost basis of assets included in a closed portfolio if other GAAP requires disclosure of such assets on a disaggregated basis? (FASB ASC 815-10-50-5B) \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- |   |  |  |  |
|---|--|--|--|
| <p>6. For hedging relationships designated under the portfolio layer method, when a breach has occurred where the outstanding amount of the closed portfolio is less than the hedged layer or layers, has the following been disclosed: (FASB ASC 815-10-50-5C)</p> <p style="margin-left: 20px;">a. As a result of the breach, the amount of the hedge basis adjustment recognized in current-period interest income?</p> <p style="margin-left: 20px;">b. Circumstances that led to the breach?</p>   | <p>_____</p> <p>_____</p>              | <p>_____</p> <p>_____</p>              | <p>_____</p> <p>_____</p>              |
| <p>7. For fair value and cash flow hedges, where the entity has elected to record changes in the fair value of amounts excluded from the assessment of effectiveness in current earnings, has that election been disclosed in the summary of significant accounting policies? (FASB ASC 815-10-50-4EEEE)</p>  | <p>_____</p>                           | <p>_____</p>                           | <p>_____</p>                           |
| <p>8. For derivative instruments that are not designated or qualifying as hedging instruments, if the entity’s policy is to include those derivative instruments in its trading activities and the entity elects to not separately disclose gains and losses as indicated in item 3(e), have the following been disclosed: (FASB ASC 815-10-50-4F)</p> <p style="margin-left: 20px;">a. The gains and losses on its trading activities (including both derivative and nonderivative instruments) recognized in the statement of comprehensive income, separately by major types of items (such as fixed income/interest rates, foreign exchange, equity, commodity, and credit)?</p> <p style="margin-left: 20px;">b. The line items in the statement of comprehensive income in which trading activities gains and losses are included?</p> <p style="margin-left: 20px;">c. A description of the nature of its trading activities and related risks, and how the entity manages those risks?</p> <p>Practical Consideration:</p> <ul style="list-style-type: none"> <li>• If this disclosure option is elected, a footnote should be included in the required tables that refers to the use of alternative disclosures for trading activities.</li> </ul>   | <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> |
| <p>9. In the fiscal year that ASU 2022-01 is adopted (including interim periods), have the following transition disclosures been made: (FASB ASC 815-20-65-6i)</p> <p style="margin-left: 20px;">a. The nature of and reason for the change in accounting principle related to the accounting for hedge basis adjustments?</p> <p style="margin-left: 20px;">b. The effect of the adoption on any line item in the balance sheet, if material, as of the beginning of the first period of application?</p> <p style="margin-left: 20px;">c. The cumulative effect of the change on retained earnings or other equity components in the balance sheet as of the beginning of the first period of application?</p> <p>Practical Considerations:</p> <ul style="list-style-type: none"> <li>• The transition disclosures in Question No. 9 apply upon the adoption of ASU 2022-01, <i>Derivatives and Hedging (Topic 815): Fair Value Hedging—Portfolio Layer Method</i>. For public business entities, the ASU is effective for fiscal years beginning after December 15, 2022, and interim periods within those years. Early adoption is permitted on any date on or after March 28, 2022. Readers should refer to the ASU for additional information on transition requirements.</li> <li>• The disclosures should be provided for each interim and the annual financial statement of the fiscal year of adoption.</li> </ul> | <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> | <p>_____</p> <p>_____</p> <p>_____</p> |





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**Disclosure Made?**

**Yes**      **No**      **N/A**

**Credit Derivatives**

19. For each balance sheet presented, has the seller of a credit derivative disclosed the following information for each credit derivative, or each group of similar credit derivatives (even if the likelihood of the seller having to make any payments under the credit derivative is remote): (For hybrid instruments with embedded credit derivatives, the seller should disclose the required information for the entire hybrid instrument not just the embedded credit derivatives. The disclosures do not apply to an embedded derivative feature related to the transfer of credit risk that is only in the form of subordination of one financial instrument to another.) (FASB ASC 815-10-50-4K and 50-4L)

a. The nature of the credit derivative, including the approximate term, the reason(s) for entering into the credit derivative, the events or circumstances that would require the seller to perform under the credit derivative, and the current status (as of the balance sheet date) of the payment/performance risk of the credit derivative?

\_\_\_\_\_

b. For internal groupings, how groupings are determined and used for managing risk?

\_\_\_\_\_

c. The maximum potential amount of future payments (undiscounted) the seller could be required to make under the credit derivative? (The maximum potential amount of future payments should not be reduced by any amounts that may possibly be recovered under recourse or collateralization provisions.)

\_\_\_\_\_

d. If applicable, the fact that the terms of the credit derivative provide for no limitation to the maximum potential future payments under the contract?

\_\_\_\_\_

e. If the seller is unable to develop an estimate of the maximum potential amount of future payments under the credit derivative, the reasons why an estimate cannot be made?

\_\_\_\_\_

f. The fair value of the credit derivative as of the balance sheet date?

\_\_\_\_\_

g. The nature of:

(1) Any recourse provisions that would enable the seller to recover from third parties amounts paid under the credit derivative?

\_\_\_\_\_

(2) Any assets held either as collateral or by third parties that, upon the occurrence of a specified triggering event or condition, the seller can obtain and liquidate to recover all or a portion of the amounts paid under the credit derivative? [If estimable, the seller should indicate the approximate extent to which the proceeds from liquidation of those assets would be expected to cover the maximum potential amount of future payments under the credit derivative. In its estimate, the seller of credit protection should consider the effect of any purchased credit protection with identical underlying(s).]

\_\_\_\_\_

h. If the disclosures about credit derivatives (and hybrid instruments with embedded credit derivatives) in items (a)–(g) are not sufficient for users of the financial statements to assess their potential effect on financial position, financial performance, and cash flows, has additional disclosure been made as necessary?

\_\_\_\_\_

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**Disclosure Made?**

<u>Yes</u>	<u>No</u>	<u>N/A</u>
		<input type="checkbox"/>

**Hedging Activities**

20. For derivative instruments designated and qualifying as cash flow hedging instruments and for the related hedged transactions, have the following been disclosed for each period for which a balance sheet and statement of comprehensive income are presented: (FASB ASC 815-30-50-1)

- a. A description of the transactions or other events that will result in the reclassification into earnings of gains and losses that are reported in accumulated other comprehensive income? \_\_\_\_\_
- b. The estimated net amount of the existing gains or losses reported in accumulated other comprehensive income at the reporting date that is expected to be reclassified into earnings within the next 12 months? \_\_\_\_\_
- c. The maximum length of time over which the entity is hedging its exposure to the variability in future cash flows for forecasted transactions excluding those forecasted transactions related to the payment of variable interest on existing financial instruments? \_\_\_\_\_

**Contracts Indexed to, or Settled in, an Entity's Own Stock**

NOTE: The following section applies to entities with contracts that are indexed to, and occasionally settled in, their own stock. As noted in Question Nos. 21, 25(b), 25(e), 25(g), and 26, certain requirements are amended after the adoption of ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*.

Additionally, the amendments in ASU 2020-06 indicate that the disclosures apply to freestanding instruments that are potentially indexed to, and settled in, the entity's own stock, regardless of whether the contract meets the criteria for qualification as a scope exception in FASB ASC 815-40-15 and 815-40-25. Also, contracts that are equity classified under FASB ASC 815-40 are not required to make the disclosures in STOCKHOLDERS' EQUITY, except as indicated in Question No. 25. (FASB ASC 815-40-50-2)

For public business entities, excluding entities eligible to be smaller reporting companies, ASU 2020-06 is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. For smaller reporting companies, the amendments are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early application is allowed but no earlier than for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years.

- 21. Has disclosure been made of changes in fair value of all contracts that remain classified as assets or liabilities? (FASB ASC 815-40-50-1; 815-40-50-2A after the adoption of ASU 2020-06) \_\_\_\_\_
- 22. If contracts classified as assets or liabilities meet the definition of a derivative instrument under FASB ASC 815-10, have other disclosures in DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES been made? (FASB ASC 815-40-50-2) \_\_\_\_\_





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**Disclosure Made?**

**Yes      No      N/A**

- |   |       |       |       |
|---|-------|-------|-------|
| 26. Upon the adoption of ASU 2020-06, the transition disclosures in Question No. 30 of ACCOUNTS PAYABLE, NOTES PAYABLE, LONG-TERM DEBT, AND OTHER OBLIGATIONS—Convertible Debt?   | _____ | _____ | _____ |
| 27. For any of the periods presented where a freestanding equity-classified written call option was modified or exchanged and the effect was recognized under FASB ASC 815-40-35-17, have the following disclosures been made: (FASB ASC 815-40-50-6) |       |       |       |
| a. The nature of the modification or exchange transaction?  | _____ | _____ | _____ |
| b. The amount of the effect of the modification or exchange?  | _____ | _____ | _____ |
| c. How the effect of the modification or exchange has been recognized?  | _____ | _____ | _____ |

**DISCONTINUED OPERATIONS**

- |   |       |       |       |
|---|-------|-------|-------|
| 1. Does the statement where net income is presented for current and prior periods report the results of operations of the discontinued operation (including any gain or loss recognized on disposal or loss recognized on classification as held for sale) in the period in which a discontinued operation either has been disposed of or is classified as held for sale? (FASB ASC 205-20-45-3)  | _____ | _____ | _____ |
| 2. Are the results of all discontinued operations, less applicable income taxes or benefit, reported as a separate component of income? (FASB ASC 205-20-45-3A)   | _____ | _____ | _____ |
| 3. Is any gain or loss recognized on the disposal (or loss recognized on classification as held for sale) presented separately on the face of the statement where net income is presented or disclosed in the notes to the financial statements? [See item 7(b).] (FASB ASC 205-20-45-3B)   | _____ | _____ | _____ |
| 4. Are any adjustments to amounts previously reported in discontinued operations in a prior period presented separately in the current period in the discontinued operations section of the statement where net income is presented? (FASB ASC 205-20-45-4)   | _____ | _____ | _____ |
| 5. In the period(s) that a discontinued operation is classified as held for sale and for all prior periods presented, have the assets and liabilities of the discontinued operation been presented separately in the asset and liability sections of the balance sheet? (If the discontinued operation is part of a disposal group that includes other assets and liabilities that are not part of the discontinued operation, the assets and liabilities of the disposal group may be presented separately in the asset and liability sections of the balance sheet. If a discontinued operation is disposed of before meeting the criteria to be classified as held for sale, the assets and liabilities of the discontinued operation should be presented separately in the asset and liability sections of the balance sheet for the periods before the period that includes the disposal.) (FASB ASC 205-20-45-10) | _____ | _____ | _____ |
| 6. For any discontinued operation initially classified as held for sale in the current period, have the major classes of assets and liabilities of the discontinued operation been presented on the face of the balance sheet or disclosed in the notes to the financial statements for all periods presented? (Any loss recognized on a discontinued operation classified as held for sale should not be allocated to the major classes of assets and liabilities of the discontinued operation.) (FASB ASC 205-20-45-11)  | _____ | _____ | _____ |



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**Disclosure Made?**

**Yes      No      N/A**

- (2) Amount of pretax income of the investee in which the entity retains an equity method investment for all periods presented in the statement where net income is presented after the period that the discontinued operation was disposed of? \_\_\_\_\_
  - (3) The entity's ownership interest in the discontinued operation before the disposal? \_\_\_\_\_
  - (4) The entity's ownership interest in the investee after the disposal? \_\_\_\_\_
  - (5) The entity's share of the income or loss of the investee in the period(s) after the disposal and the line item in the statement where net income is presented that includes the income or loss? \_\_\_\_\_
13. If a discontinued operation comprises a component or a group of components of the entity, have the following disclosures been made to the extent the item is not presented on the face of the financial statements as part of discontinued operations: (These disclosures are not required for a discontinued operation that was an equity method investment before the disposal.) (FASB ASC 205-20-50-5A and 50-5B)
- a. For the periods that the results of operations of the discontinued operation are presented in the statement where net income is presented:
    - (1) Pretax profit or loss of the discontinued operation? \_\_\_\_\_
    - (2) Major classes of line items constituting the pretax profit or loss of the discontinued operation? \_\_\_\_\_
    - (3) Either (a) the total operating and investing cash flows of the discontinued operation or (b) the depreciation, amortization, capital expenditures, and significant operating and investing noncash items of the discontinued operation? \_\_\_\_\_
    - (4) If the discontinued operation includes a noncontrolling interest, pretax profit or loss attributable to the parent? \_\_\_\_\_
  - b. For the period in which the discontinued operation is classified as held for sale and all prior periods presented in the balance sheet, the carrying amount(s) of major classes of assets and liabilities included as part of a discontinued operation classified as held for sale? (Any loss recognized on the discontinued operation classified as held for sale should not be allocated to the major classes of assets and liabilities of the discontinued operation.) \_\_\_\_\_
14. If the disclosures in item 13(b) are provided in the notes to the financial statements, has a reconciliation of the following been disclosed for the initial period in which the disposal group is classified as held for sale and all prior periods presented in the balance sheet: (These disclosures are not required for a discontinued operation that was an equity method investment before the disposal.) (FASB ASC 205-20-50-5A and 50-5C)
- a. Carrying amount(s) of major classes of assets and liabilities included as part of a discontinued operation classified as held for sale disclosed in item 13(b)? \_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

b. Total assets and total liabilities of the disposal group classified as held for sale that are presented separately on the face of the balance sheet? (If the disposal group includes assets and liabilities that are not part of the discontinued operation, those assets and liabilities should be presented in line items in the reconciliations separate from the discontinued operation's assets and liabilities.)

\_\_\_\_\_

Practical Consideration:

- FASB ASC 205-20-50-5D states that amounts that are not considered major may be aggregated and presented as one line item for purposes of the reconciliation.

15. If the disclosures in items 13(a)(1) and 13(a)(2) are provided in the notes to the financial statements, has a reconciliation of the following been disclosed for the periods in which the results of operations of the discontinued operation are reported in the statement where net income is presented: (These disclosures are not required for a discontinued operation that was an equity method investment before the disposal.) (FASB ASC 205-20-50-5A and 50-5C)

a. The amounts of pretax profit or loss of the discontinued operation disclosed in item 13(a)(1) and major classes of line items constituting the pretax profit or loss of the discontinued operation disclosed in item 13(a)(2)?

\_\_\_\_\_

b. After-tax profit or loss from discontinued operations presented on the face of the statement where net income is presented?

\_\_\_\_\_

Practical Consideration:

- FASB ASC 205-20-50-5D states that amounts that are not considered major may be aggregated and presented as one line item for purposes of the reconciliation.

16. If a discontinued operation comprises a component or a group of components of an entity that was an equity method investment before the disposal, has summarized information about the assets, liabilities, and results of operations of the investee been disclosed if the information in item 1(f) in INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD was disclosed in financial reporting periods before the disposal? (FASB ASC 205-20-50-7)

\_\_\_\_\_

**EMPLOYEE STOCK OWNERSHIP PLANS (ESOPS)**

NOTE: The disclosures required by FASB ASC 718-40-50 apply to shares acquired by an ESOP after December 31, 1992 (new shares). Shares acquired on or before December 31, 1992 (old shares), may be accounted for following the guidance in FASB ASC 718-40 or SOP 76-3. If SOP 76-3 is followed, the applicable disclosures required by FASB ASC 718-40-50 should be made in addition to the disclosures required by SOP 76-3.

**FASB ASC 718-40-50**

1. Do the financial statements disclose the following general information regarding the plan: (FASB ASC 718-40-50-1)

a. A description of the plan?

\_\_\_\_\_

b. The basis for determining contributions to the plan?

\_\_\_\_\_

c. The employee groups covered by the plan?

\_\_\_\_\_

d. The nature and effect of significant matters affecting comparability of information for the periods presented?

\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- e. The basis for releasing shares and how dividends on allocated and unallocated shares are used (applies to leveraged ESOPs and pension reversion ESOPs)? \_\_\_\_\_
- 2. Have the following accounting policy disclosures been made: (The disclosures are required for both *old shares* and *new shares* if the employer does not adopt the guidance in FASB ASC 718-40 for old shares.) (FASB ASC 718-40-50-1)
  - a. The method of measuring compensation? \_\_\_\_\_
  - b. The classification of dividends on ESOP shares? \_\_\_\_\_
  - c. How ESOP shares are treated in the employer’s earnings per share calculations? \_\_\_\_\_
- 3. Do the financial statements disclose the amount of plan compensation cost recognized during the period? (FASB ASC 718-40-50-1) \_\_\_\_\_
- 4. Do the financial statements disclose the number of allocated shares, committed-to-be-released shares, and suspense shares held by the plan at the balance sheet date? (Separate disclosure is required for both old shares and new shares if the employer does not adopt the guidance in FASB ASC 718-40 for the old shares.) (FASB ASC 718-40-50-1) \_\_\_\_\_
- 5. Is the fair value of unearned ESOP shares at the balance sheet date disclosed? (This disclosure need not be made for old ESOP shares if the employer does not adopt the guidance in FASB ASC 718-40 for the old shares.) (FASB ASC 718-40-50-1) \_\_\_\_\_
- 6. Do the financial statements disclose the existence and nature of any repurchase obligations, including the fair value of any shares subject to a repurchase obligation and allocated as of the balance sheet date? (FASB ASC 718-40-50-1) \_\_\_\_\_
- 7. Amount and treatment in the EPS computation of tax benefits related to dividends paid to an ESOP? (FASB ASC 718-40-50-1) \_\_\_\_\_

**SOP 76-3**

- 8. If an employer has, in substance, guaranteed the debt of an ESOP, do the employer’s financial statements disclose: (Grandfathered; SOP 76-3, para. 10)
  - a. The compensation element and the interest element of annual contributions to the ESOP? \_\_\_\_\_
  - b. The interest rate and debt terms? \_\_\_\_\_

**ENVIRONMENTAL REMEDIATION OBLIGATIONS AND CONTINGENCIES**

- 1. Has the following information been disclosed about recorded accruals for environmental remediation loss contingencies and related assets for third-party recoveries:
  - a. Whether the accrual for environmental remediation liabilities is measured on a discounted basis? (FASB ASC 410-30-50-4) \_\_\_\_\_
  - b. The nature and amount of the accrual (if necessary for the financial statements not to be misleading)? (FASB ASC 410-30-50-5; 450-20-50-1) \_\_\_\_\_
  - c. If any portion of the accrued obligation is discounted, the undiscounted amount of the obligation and the discount rate used? (FASB ASC 410-30-50-7) \_\_\_\_\_

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	Disclosure Made?		
	Yes	No	N/A
d. If it is at least reasonably possible that the accrued obligation or any recognized asset for third-party recoveries will change in the near term and the effect is material, an indication that it is at least reasonably possible that a change in the estimate will occur in the near term? (FASB ASC 275-10-50-9; 410-30-50-6)	_____	_____	_____
2. Have the following disclosures been made about unaccrued environmental remediation contingencies (including exposures in excess of amounts accrued):			
a. A description of the reasonably possible loss contingency and an estimate of the possible loss (or the fact that such an estimate cannot be made)? (FASB ASC 410-30-50-5; 450-20-50-4)	_____	_____	_____
b. If it is at least reasonably possible that the estimated loss (or gain) contingency will change in the near term and the effect is material, an indication that it is at least reasonably possible that a change in the estimate will occur in the near term? (FASB ASC 275-10-50-9; 410-30-50-6)	_____	_____	_____
3. For probable but not reasonably estimable loss contingencies that may be material, have the following disclosures been made: (FASB ASC 450-20-50-4; 410-30-50-5)			
a. A description of the remediation obligation?	_____	_____	_____
b. The fact that a reasonable estimate cannot currently be made?	_____	_____	_____
4. If assertion of a claim is probable or if existing laws require the entity to report the release of hazardous substances and begin a remediation study, has a loss contingency been disclosed? (FASB ASC 410-30-50-13)	_____	_____	_____
5. In addition to the disclosures noted in Question Nos. 1 through 4, have the following been disclosed (if necessary) for recorded and unrecorded product or environmental remediation liabilities: (SAB T.5Y) (FASB ASC 450-20-S99-1)			
a. Circumstances affecting the reliability and precision of loss estimates?	_____	_____	_____
b. Extent to which unasserted claims are reflected in any accrual or may affect the magnitude of the loss contingency?	_____	_____	_____
c. Uncertainties pertaining to joint and several liability that may affect the magnitude of the contingency, including the aggregate expected amount to remediate sites that are individually material and the likelihood of contribution by another significant party has not been established?	_____	_____	_____
d. Nature and terms of cost-sharing arrangements with other potentially responsible parties?	_____	_____	_____
e. Extent to which disclosed but unaccrued contingencies are expected to be recoverable through insurance, indemnification agreements, or other sources, noting any material limitations to such recovery?	_____	_____	_____
f. Uncertainties regarding the legal sufficiency of insurance claims or solvency of insurance carriers?	_____	_____	_____
g. Amount of any recorded claim for recovery that is being contested by the indemnifying party and the reasons for concluding that the recovery is probable?	_____	_____	_____
h. Time frame over which the accrued or presently unaccrued amounts may be paid out?	_____	_____	_____

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**Disclosure Made?**  
**Yes      No      N/A**

i. Material components of the accruals and significant assumptions underlying estimates?

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

**EXIT OR DISPOSAL ACTIVITIES**

NOTE: See also RESTRUCTURING CHARGES.

1. Have the following been disclosed if an exit or disposal activity was initiated or in process during the period (until the activity is completed): (FASB ASC 420-10-50-1)

a. A description of the exit or disposal activity, including the facts and circumstances leading to the activity and the expected completion date?

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

b. For each major type of cost associated with the activity (one-time termination benefits, contract termination costs, and other associated costs):

(1) The total amount expected to be incurred in connection with the activity, the amount incurred during the period, and the cumulative amount incurred to date?

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

(2) A reconciliation of the beginning and ending liability balances showing separately the changes during the period attributable to costs incurred and charged to expense, costs paid or otherwise settled, and any adjustments to the liability? (The reasons for any adjustments should be explained.)

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

c. The line items in the statement of comprehensive income in which the exit or disposal costs are included?

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

d. If a liability for a cost associated with the activity is not recognized because fair value cannot be reasonably estimated, that fact and the reasons therefor?

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

2. For each reportable segment, do the financial statements disclose the total amount of costs expected to be incurred in connection with an exit or disposal activity that was initiated or in process during the period, the amount incurred in the period, and the cumulative amount incurred to date, net of any adjustments to the liability? (The reasons for any adjustments should be explained.) (FASB ASC 420-10-50-1)

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

**EXTINGUISHMENT OF DEBT**

1. If debt is considered to be extinguished prior to December 31, 1996, under the provisions of SFAS No. 76, para. 3(c) relating to cash or other assets placed in trust, is a general description of the transaction and the amount of debt that is considered extinguished at the end of each period that debt remains outstanding disclosed? (FASB ASC 470-50-50-1)

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

**FOREIGN OPERATIONS**

1. Are significant foreign operations disclosed, including foreign earnings reported in excess of amounts received in the U.S. (or available for unrestricted transmittal to the U.S.)? (Accepted practice)

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

2. Has the following information about foreign currency translations been disclosed: (FASB ASC 830-20-50-1 and 50-2; 830-30-50-1 and 50-2)

a. Aggregate foreign currency transaction gain or loss included in net income?

\_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- b. Analysis of the changes during the period in accumulated other comprehensive income for cumulative translation adjustments, including at a minimum: (FASB ASC 830-30-45-18 and 45-20)
    - (1) Beginning and ending amount of cumulative translation adjustments? \_\_\_\_\_
    - (2) Aggregate adjustment for the period resulting from translation adjustments and gains and losses from hedges of a net investment in a foreign entity and long-term intercompany foreign currency transactions? \_\_\_\_\_
    - (3) Amount of taxes for the period allocated to translation adjustments? \_\_\_\_\_
    - (4) Amounts transferred from cumulative translation adjustments and included in net income as a result of the sale or liquidation of an investment in a foreign entity? \_\_\_\_\_
  - c. Information about investments designated as hedges of the foreign currency exposure of a net investment in a foreign operation? (See DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES.) \_\_\_\_\_
  - d. Exchange rate changes occurring after the balance sheet date (if their effects are significant), including their effects on unsettled foreign currency transactions? (If it is not practicable to determine the effect of the rate changes, that fact should be stated.) \_\_\_\_\_
- Practical Considerations:
- The disclosure of rate changes may also include those after the date of the foreign currency statements of a foreign entity that are consolidated, combined, or accounted for by the equity method.
  - When applicable, the disclosure of the effects on unsettled transactions should consider changes from the date of the financial statements to the date the rate changes.
- 3. Where reported balances for financial reporting purposes are different from the actual U.S. dollar denominated balances due to the remeasurement into a functional currency and translation into the reporting currency at different exchange rates, have the following been disclosed: (FASB ASC 830-30-S99-1)
    - a. Rates used for remeasurement and translation? \_\_\_\_\_
    - b. Description of why the actual U.S. dollar denominated balances differ from the financial reporting amounts, including the reasons for using different rates for remeasurement and translation? \_\_\_\_\_
    - c. Line items on the financial statements for which the amounts differ? \_\_\_\_\_
    - d. For each relevant line item, the difference between reported and actual U.S. dollar denominated amounts? \_\_\_\_\_
    - e. If applicable, the amount that will be recognized through the statement of comprehensive income and the impact on the other financial statements as part of highly inflationary accounting? \_\_\_\_\_

**FRANCHISE FEE REVENUES**

- 1. Has the nature of all significant commitments and obligations resulting from franchise agreements, including a description of the services that have not yet been substantially performed, been disclosed? (FASB ASC 952-10-50-2) \_\_\_\_\_
- 2. Have costs related to franchisor-owned outlets been presented separately from costs related to franchised outlets, when practical? (FASB ASC 952-10-45-1) \_\_\_\_\_



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**Disclosure Made?**

<u>Yes</u>	<u>No</u>	<u>N/A</u>
		<input type="checkbox"/>

**GOVERNMENT ASSISTANCE**

1. Have the following been disclosed about transactions with a government that are accounted for by applying a grant or contribution accounting model by analogy: (FASB ASC 832-10-50-3)
  - a. The nature of the transactions, including a general description of the transactions and the form of the assistance received, such as cash or other assets? \_\_\_\_\_
  - b. The accounting policies used? \_\_\_\_\_
  - c. The line items on the balance sheet or income statement that are affected, including the amounts applicable to each line item in the current reporting period? \_\_\_\_\_
2. Have the significant terms and conditions of transactions with a government been disclosed, including: (FASB ASC 832-10-50-2 and 50-4)
  - a. The duration or period of the agreement? \_\_\_\_\_
  - b. Commitments made by the entity and the government? \_\_\_\_\_
  - c. Provisions for any recapture, if any, including conditions under which recapture is allowed? \_\_\_\_\_
  - d. Other contingencies? \_\_\_\_\_
3. If the disclosures in Question Nos. 1 and 2 are omitted because the information is legally prohibited from being disclosed, has the general nature of the information been disclosed, as well as an indication that the omitted information is prohibited from being disclosed? (FASB ASC 832-10-50-5) \_\_\_\_\_

**GUARANTORS AND ISSUERS OF GUARANTEED SECURITIES**

NOTE: The following disclosures apply to guaranteed securities where the parent company is the registrant and one or more subsidiaries issue or guarantee the guaranteed security. Sufficient information should be provided to ensure that the financial and nonfinancial information is not misleading. {For larger domestic issuers, (S-X 13-01) (FASB ASC 470-10-S99-1A); for smaller reporting companies, [S-X 8-01(c)]} Parent companies may choose to provide these disclosures either in a note to the consolidated financial statements or in management’s discussion and analysis of financial condition and results of operations. [See MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)—FORM 10-K, ITEM 7 AND ANNUAL REPORT TO SECURITY HOLDERS, ITEM (5)(II) (REG. S-K, ITEM 303) at PCA-CX-13.3, “Disclosure Requirements for Other Information in Form 10-K.”]

Consolidated issuers or guarantors of a guaranteed security may omit otherwise required financial statements under Regulation S-X if consolidated financial statements have been filed and the following disclosures are made by the parent. {For larger domestic issuers, (S-X 3-10) (FASB ASC 470-10-S99-1); for smaller reporting companies, [S-X 8-01(c)]}

1. Have the following disclosures and presentation been made for each guaranteed security: (S-X 13-01) (FASB ASC 470-10-S99-1A)
  - a. A description of the issuers and guarantors of the guaranteed security? \_\_\_\_\_
  - b. A description of the following:
    - (1) The terms and conditions of the guarantees? \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

(2) How payments to holders of the guaranteed security could be impacted by the relationships and composition of issuers, guarantors, and parent company subsidiaries that are not issuers or guarantors? \_\_\_\_\_

(3) Other factors that may impact payments to holders of the guaranteed security, such as restrictions on dividends, the enforceability of guarantees, or the rights of noncontrolling interest holders? \_\_\_\_\_

c. As of and for the most recently ended fiscal year and year-to-date interim period in the parent’s consolidated financial statements, summarized financial information of each issuer and guarantor of the security and a note describing the basis of presentation? \_\_\_\_\_

Practical Consideration:

- Summarized financial information of each consolidated issuer and guarantor may be presented on a combined basis with the parent’s summarized financial information. When done, intercompany balances and transactions should be eliminated.

d. For the summarized financial information in item 1(c):

(1) Have subsidiaries and investments in subsidiaries that are not issuers or guarantors been excluded? \_\_\_\_\_

(2) Have the issuer’s or guarantor’s amounts due to or from, along with transactions with, subsidiaries that are not issuers or guarantors and related parties been presented in separate line items? \_\_\_\_\_

(3) If required information such as item 1(b)(3) applies to one or more, but not all, issuers and/or guarantors, has the summarized financial information applicable to those issuers or guarantors been separately disclosed? \_\_\_\_\_

Practical Consideration:

- For item (d)(3), in limited situations such as when the information can be easily explained and understood, narrative disclosure may be provided instead of the summarized financial information.

e. If the summarized financial information in item 1(c) has been omitted due to one of the exceptions noted in the following Practical Considerations, an explanation of the omission? \_\_\_\_\_

Practical Consideration:

- In addition to immaterial financial information, summarized financial information may be omitted if one of the following applies:
  - Assets, liabilities, and results of operations of combined issuers and guarantors of the guaranteed security are not materially different than that presented in the consolidated financial statements.
  - The assets, liabilities, and results of operations of combined issuers and guarantors (excluding investments in subsidiaries that are not issuers or guarantors) are not material.
  - The issuer is a finance subsidiary where the parent company has fully and unconditionally guaranteed the security.
  - The issuer is a finance subsidiary that co-issued the security with the parent company, jointly and severally.



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**Disclosure Made?**

**Yes      No      N/A**

b. If the individually significant component of an entity includes a noncontrolling interest, pretax profit or loss attributable to the parent for the period that it is disposed of or is classified as held for sale?

\_\_\_\_\_

**INCOME TAXES—SPECIAL AREAS**

1. Have the following disclosures been made whenever a deferred tax liability is not recognized because of the exceptions to comprehensive recognition of deferred taxes related to subsidiaries or corporate joint ventures (undistributed earnings of subsidiaries or corporate joint ventures, bad debt reserves of savings and loan associations, or policy holders' surplus of life insurance companies), or for inside basis differences of foreign subsidiaries in the consolidated financial statements of the parent and its foreign subsidiaries: (FASB ASC 740-30-50-2; 942-740-50-1; 944-740-50-1)

a. A description of the types of temporary differences for which a deferred tax liability has not been recognized and the types of events that would cause those temporary differences to become taxable?

\_\_\_\_\_

b. For periods before adoption of ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, the cumulative amount of each type of temporary difference?

\_\_\_\_\_

Practical Consideration:

- The disclosure requirement in item 1(b) is superseded by ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. For public business entities, the ASU is effective for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued.

c. The amount of the unrecognized deferred tax liability for temporary differences related to investments in foreign subsidiaries and foreign corporate joint ventures that are essentially permanent in duration if determination of that liability is practicable or a statement that determination is not practicable?

\_\_\_\_\_

d. The amount of the unrecognized deferred tax liability for temporary differences related to undistributed domestic earnings, the bad debt reserve for tax purposes of a U.S. savings and loan association or other qualified thrift lender and the policy holders' surplus of a life insurance company?

\_\_\_\_\_

**INSURANCE CONTRACTS, PROCEEDS, AND ASSESSMENTS**

1. Have the following been disclosed for insurance and reinsurance contracts accounted for as deposits: (FASB ASC 340-30-50-1)

a. A description of the contracts accounted for as deposits?

\_\_\_\_\_

b. Total deposit assets reported in the balance sheet?

\_\_\_\_\_

c. Total deposit liabilities reported in the balance sheet?

\_\_\_\_\_

2. If business interruption insurance proceeds were received during the period, have the following been disclosed: (FASB ASC 220-30-50-1)

a. Nature of the event resulting in business interruption losses?

\_\_\_\_\_

b. Aggregate amount of proceeds recognized during the period and the statement of comprehensive income line item in which they are presented?

\_\_\_\_\_

3. For purchases of life insurance, has the existence of contractual restrictions on the ability to surrender a policy been disclosed? (FASB ASC 325-30-50-1)

\_\_\_\_\_

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**Disclosure Made?**  
**Yes      No      N/A**

4. For insurance-related assessments, have the following been disclosed: (FASB ASC 405-30-50-1)

a. If the amounts have been discounted:

- (1) Undiscounted amounts of the liability? \_\_\_\_\_
- (2) Any related asset for premium offsets or policy surcharges? \_\_\_\_\_
- (3) Discount rate used? \_\_\_\_\_

b. If the amounts have not been discounted:

- (1) Amounts of the liability? \_\_\_\_\_
- (2) Any related assets for premium offsets or policy surcharges? \_\_\_\_\_
- (3) Periods that the assessment is expected to be paid? \_\_\_\_\_
- (4) Period the recorded tax offsets or policy surcharges are expected to be realized? \_\_\_\_\_

**INTANGIBLES**

**Intangible Assets Other Than Goodwill**

1. Are individual intangible assets or classes of intangible assets presented (or, at a minimum, aggregated and presented) as separate line items in the balance sheet along with the basis for determining the amounts? (FASB ASC 350-30-45-1 through 45-3) [For larger domestic issuers, disclosure should be made if individual intangible assets or classes of intangible assets exceed 5% of total assets. (S-X 5-02.15) (FASB ASC 210-10-S99-1)]

\_\_\_\_\_

2. Have the following been disclosed in the period intangible assets are acquired (where applicable, disclosure should be made separately for each material business combination or in the aggregate for individually immaterial combinations that are collectively material, if the aggregate fair values of intangible assets acquired, other than goodwill, are significant): (FASB ASC 350-30-50-1)

a. For intangible assets subject to amortization, the amount, residual value, and weighted-average amortization period, in total and by major intangible asset class?

\_\_\_\_\_

b. Amount assigned to intangible assets not subject to amortization, in total and by major intangible asset class?

\_\_\_\_\_

c. Amount of research and development assets acquired (other than in business combinations) and written off in the period and the statement of comprehensive income line item in which the amounts written off are aggregated?

\_\_\_\_\_

Practical Consideration:

- After the adoption of ASU 2023-05, *Business Combinations—Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement*, the phrase “other than in business combinations” in item 2(c) should be replaced by “other than in business combinations or joint venture formations.” The ASU is effective prospectively for joint ventures with a formation date on or after January 1, 2025. Joint ventures with a formation date prior to January 1, 2025, may elect to apply the ASU retrospectively if sufficient information is available. Early adoption is permitted in interim or annual periods for which financial statements have not been made available for issuance.

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**Disclosure Made?**

**Yes      No      N/A**

- d. For intangible assets with renewal or extension terms, the weighted-average period prior to the next renewal or extension (both explicit and implicit), by major intangible asset class? \_\_\_\_\_
- 3. Have the following been disclosed for each period for which a balance sheet is presented: (FASB ASC 350-30-50-2)
  - a. For intangible assets subject to amortization, the gross carrying amount and accumulated amortization, in total and by major intangible asset class, the aggregate amortization expense for the period, and the estimated aggregate amortization expense for each of the five succeeding fiscal years? \_\_\_\_\_
  - b. Carrying amount of intangible assets not subject to amortization, in total and by major intangible asset class? \_\_\_\_\_
  - c. For larger domestic issuers, significant additions or deletions of intangible assets? (S-X 5-02.15) (FASB ASC 210-10-S99-1) (Accepted practice for smaller reporting companies) \_\_\_\_\_
- 4. Have the following been disclosed for each period for which a balance sheet is presented for intangible assets that have been renewed or extended in the period: (FASB ASC 350-30-50-2)
  - a. When renewal or extension costs are capitalized, the total amount of costs incurred in the period to renew or extend the term of a recognized intangible asset, by major intangible asset class? \_\_\_\_\_
  - b. The weighted-average period prior to the next renewal or extension (both explicit and implicit), by major intangible asset class? \_\_\_\_\_
- 5. For recognized intangible assets, has disclosure been made about the extent to which expected future cash flows associated with the asset are affected by the entity's ability or intent to renew or extend the arrangement? (FASB ASC 350-30-50-4) \_\_\_\_\_
- 6. Have the following been disclosed for each intangible asset impairment loss recognized during the period: (FASB ASC 350-30-50-3)
  - a. Description of the impaired intangible asset and the facts and circumstances leading to the impairment? \_\_\_\_\_
  - b. Amount of impairment loss and method of determining fair value? \_\_\_\_\_
  - c. Statement of comprehensive income caption in which the impairment loss is aggregated? \_\_\_\_\_

**Hosting Arrangements**

- 7. Have the following been disclosed for hosting arrangements that are service contracts: (FASB ASC 350-40-50-2 and 50-3)
  - a. The nature of the hosting arrangement(s)? \_\_\_\_\_
  - b. The disclosures in PROPERTY AND EQUIPMENT as if the capitalized implementation costs for hosting arrangements were a separate major class of depreciable asset? \_\_\_\_\_

**Disclosure Made?**

<u>Yes</u>	<u>No</u>	<u>N/A</u>
		☐

**Crypto Assets**

NOTE: Question Nos. 8 through 13 apply after the adoption of ASU 2023-08, *Intangibles—Goodwill and Other—Crypto Assets (Subtopic 350-60): Accounting for and Disclosure of Crypto Assets*. The ASU is effective for fiscal years beginning after December 15, 2024, including interim periods within those fiscal years. Early adoption is permitted for both interim and annual financial statements that have not yet been issued. When adopted in an interim period, the amendments must be adopted as of the beginning of the fiscal year including that interim period. The cumulative effect of initially applying the guidance should be recognized as an adjustment to opening retained earnings at the beginning of the annual reporting period of when the ASU is first applied.

8. Have crypto assets been presented separately from other intangible assets in the balance sheet? (Crypto assets may be presented on a more disaggregated basis.) (FASB ASC 350-60-45-1)	_____	_____	_____
9. Have gains and losses from the remeasurement of crypto assets been presented separately from changes in the carrying amount of other intangible assets in the income statement? (FASB ASC 350-60-45-2)	_____	_____	_____
10. For crypto assets received as noncash consideration in the ordinary course of business and converted nearly immediately into cash, is the cash received classified as operating activities in the statement of cash flows? (FASB ASC 350-60-45-3; 230-10-45-27A)	_____	_____	_____
11. Have the following disclosures been made: (FASB ASC 350-60-50-1)			
a. At interim and annual reporting periods, for each significant crypto asset holding:			
(1) Crypto asset name?	_____	_____	_____
(2) Cost basis?	_____	_____	_____
(3) Fair value?	_____	_____	_____
(4) Number of units held?	_____	_____	_____
b. For crypto asset holdings that are not individually significant, their aggregated cost bases and fair values?	_____	_____	_____
12. Have the following been disclosed for annual periods: (FASB ASC 350-60-50-2 through 50-4)			
a. The method, such as specific identification and first-in, first-out, used to determine the cost basis which is then used to compute gains and losses?	_____	_____	_____
b. The line item where gains and losses are reported in the income statement, if not presented separately?	_____	_____	_____
c. A reconciliation of the aggregate activity of opening to closing balances of crypto assets, with separate disclosure of:			
(1) Additions?	_____	_____	_____
(2) Dispositions?	_____	_____	_____
(3) Gains included in net income for the period, determined on a crypto-asset by crypto-asset basis? (Holdings with a net gain from remeasurement included in net income should be reflected in the gains line.)	_____	_____	_____

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**Disclosure Made?**

**Yes      No      N/A**

(4) Losses included in net income for the period, determined on a crypto-asset by crypto-asset basis? (Holdings with a net loss from remeasurement included in net income should be reflected in the losses line.) \_\_\_\_\_

d. For the reconciliation in item 12(c):

(1) A description of the activities that result in additions and dispositions? \_\_\_\_\_

(2) The total amount of cumulative realized gains and cumulative realized losses from dispositions? \_\_\_\_\_

**Practical Consideration:**

- The disclosures in items 12(c) and 12(d) are not required for crypto assets received as noncash consideration in the ordinary course of business and converted nearly immediately into cash. (FASB ASC 350-60-50-5)

13. For interim and annual reporting periods, for crypto assets subject to contractual sale restrictions at the balance sheet date, have the following been disclosed: (For multiple crypto assets with contractual sale restrictions, consideration should be given to the level of detail; the amount of emphasis; the amount of aggregation or disaggregation; and whether users need additional information to evaluate the quantitative information when providing the disclosures.) (FASB ASC 350-60-50-6 and 50-7)

a. Fair value of restricted crypto assets? \_\_\_\_\_

b. Nature and remaining duration of restrictions? \_\_\_\_\_

c. Circumstances that could result in the restrictions lapsing? \_\_\_\_\_

**Goodwill**

14. Is the aggregate amount of goodwill presented as a separate line item in the balance sheet? (FASB ASC 350-20-45-1) \_\_\_\_\_

15. Is the aggregate amount of any goodwill impairment loss presented as a separate line item in the statement of comprehensive income and included in income from continuing operations (unless it relates to discontinued operations, in which case is it included in discontinued operations, net of tax)? (FASB ASC 350-20-45-2 through 45-3) \_\_\_\_\_

16. Have changes in the carrying amount of goodwill during the period been disclosed for each period for which a balance sheet is presented, showing separately: (FASB ASC 350-20-50-1)

a. The gross amount and accumulated impairment losses at the beginning of the period? \_\_\_\_\_

b. Additional goodwill recognized, except goodwill included in a disposal group that, on acquisition, meets the criteria to be classified as held for sale? \_\_\_\_\_

c. Adjustments resulting from the subsequent recognition of deferred tax assets during the period? \_\_\_\_\_

d. Goodwill included in a disposal group classified as held for sale, and goodwill derecognized not previously reported in a disposal group classified as held for sale? \_\_\_\_\_

e. Impairment losses? \_\_\_\_\_

f. Net foreign exchange differences that arose during the period? \_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

- g. Any other changes in the carrying amounts? \_\_\_\_\_
- h. The gross amount and accumulated impairment losses at the end of the period? \_\_\_\_\_

NOTE: The disclosure requirements in Question Nos. 17 and 18 apply prior to the adoption of ASU 2017-04, *Intangibles—Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*. For entities qualifying as smaller reporting companies, the ASU is effective for annual and interim impairment tests performed for periods beginning after December 15, 2022. For other public business entities that are SEC filers, the ASU is effective for annual and interim impairment tests performed for periods beginning after December 15, 2019. Early adoption is permitted for interim and annual goodwill impairment tests with a measurement date on or after January 1, 2017. The effective date reflects the deferral of the original effective date in ASU 2017-04 for entities eligible to be smaller reporting companies as defined by the SEC, through the issuance of ASU 2019-10, *Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*. Question Nos. 19 through 21 provide amended disclosure requirements after the adoption of ASU 2017-04.

- 17. Have the following been disclosed for each goodwill impairment loss recognized during the period: (FASB ASC 350-20-50-2)
  - a. Description of the facts and circumstances leading to the impairment? \_\_\_\_\_
  - b. Amount of impairment loss and the method of determining the fair value of the associated reporting unit? \_\_\_\_\_
  - c. If the impairment loss is an estimate, that fact and the reasons therefor? \_\_\_\_\_
- 18. If significant adjustments to a prior-period estimated goodwill impairment loss have been made in the current period, have the nature and amount of the adjustments been disclosed? (FASB ASC 350-20-50-2) \_\_\_\_\_

NOTE: The disclosure requirements in Question Nos. 19 through 21 result from the issuance of ASU 2017-04, *Intangibles—Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*. For entities qualifying as smaller reporting companies, the ASU is effective for annual an interim impairment tests performed for periods beginning after December 15, 2022. For other public business entities that are SEC filers, the ASU is effective for annual and interim impairment tests performed for periods beginning after December 15, 2019. Early adoption is permitted for interim and annual goodwill impairment tests with a measurement date on or after January 1, 2017. The effective date reflects the deferral of the original effective date in ASU 2017-04 for entities qualifying to be smaller reporting companies as defined by the SEC, through the issuance of ASU 2019-10, *Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*. The ASU should be applied on a prospective basis.

- 19. For entities that have reporting units with zero or negative carrying amounts of net assets, has disclosure been made of those reporting units with allocated goodwill, the amount allocated to each, and the reportable segment in which the reporting unit is included? (FASB ASC 350-20-50-1A) \_\_\_\_\_
- 20. Have the following been disclosed for each goodwill impairment loss recognized during the period: (FASB ASC 350-20-50-2)
  - a. Description of the facts and circumstances leading to the impairment? \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

b. Amount of impairment loss and the method of determining the fair value of the associated reporting unit?

\_\_\_\_\_

21. In the fiscal period in which ASU 2017-04 is adopted, have the following been disclosed: (The disclosures should be made in both the interim period of the change and the related annual period.) (FASB ASC 350-20-65-3)

a. Nature of and reason for the change in accounting principle?

\_\_\_\_\_

b. An explanation of why the new principle is preferable?

\_\_\_\_\_

**INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD**

1. Have the following been disclosed if the investor owns 20% or more of the common stock and uses the equity method: (FASB ASC 323-10-50-2 and 50-3) {For larger domestic issuers, also [S-X 4-08(g)] (FASB ASC 235-10-S99-1)}

a. The name of each investee and percentage of ownership of common stock, if significant?

\_\_\_\_\_

b. Accounting policies of the investor relative to investments in common stock?

\_\_\_\_\_

c. Difference, if any, between the amount at which the investment is carried and the amount of underlying equity in net assets for the latest balance sheet presented and the accounting treatment of the difference?

\_\_\_\_\_

d. The aggregate market value of each identified investment for which a market value is available? (Not required for investments in common stock of subsidiaries.)

\_\_\_\_\_

e. Material effects of possible conversions, exercises, or contingent issuances of the investee?

\_\_\_\_\_

f. When investments in unconsolidated subsidiaries and 50% or less owned investees accounted for under the equity method are, in the aggregate, material, has summarized information as to assets, liabilities, and results of operations been disclosed either individually or in groups as appropriate, including (1) current and noncurrent assets, (2) current and noncurrent liabilities, (3) redeemable stock and noncontrolling interest, if applicable, (4) net sales or gross revenue, (5) gross profit, (6) income or loss from continuing operations before cumulative effect adjustments, and (7) net income or loss?

\_\_\_\_\_

2. If the investor does not use the equity method, is disclosure made of the names of any significant investee entities in which the investor owns 20% or more of the voting stock, together with the reasons the equity method is not considered appropriate? (FASB ASC 323-10-50-3)

\_\_\_\_\_

3. Is disclosure made of the names of any significant investee corporations in which the investor owns less than 20% of the voting stock and the common stock is accounted for on the equity method, together with the reasons the equity method is considered appropriate? (FASB ASC 323-10-50-3)

\_\_\_\_\_

4. Are investments in common stock shown in the balance sheet of an investor as a single amount, and the investor's share of earnings or losses of investees shown in the statement of comprehensive income as a single amount? (FASB ASC 323-10-45-1)

\_\_\_\_\_

5. Is the investor's share of accounting changes reported in the investee's financial statements separately classified? (FASB ASC 323-10-45-2)

\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

6. If the entity has elected to apply the *nature of the distribution approach* of classifying distributions from equity method investees on the statement of cash flows, but the information to apply that approach was not available to the entity, have the following been disclosed: (FASB ASC 230-10-45-21D)

a. That a change in accounting principle has occurred regarding the investee because of a lack of available information? \_\_\_\_\_

b. In both the interim and annual period of the change, the disclosures in item 1(b) in ACCOUNTING CHANGES AND CORRECTION OF AN ERROR—Change in Accounting Principle? \_\_\_\_\_

Practical Consideration:

- FASB ASC 230-10-45-21D allows for two different approaches to classifying distributions received from equity method investees: the cumulative earnings approach and the nature of the distribution approach. The selection of either approach is an accounting policy election subject to the requirements in item 1(ab) in ACCOUNTING POLICIES.

**INVESTMENTS IN NONCORPORATE REAL ESTATE JOINT VENTURES**



NOTE: The following disclosures relate to investments in noncorporate real estate joint ventures. For investments in corporate joint ventures, refer to the disclosure requirements for INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD.

1. For investments that are accounted for by the equity method, are the following items disclosed: (FASB ASC 323-10-50-3)

a. Investee's name and percentage of ownership? \_\_\_\_\_

b. Legal form of venture and accounting policies regarding the investment? \_\_\_\_\_

c. For limited partnership interests of less than 20%, an explanation of why the equity method is used? \_\_\_\_\_

d. Material differences at the balance sheet date between the book value of the investment and the underlying equity in net assets, and the manner of accounting for those differences? \_\_\_\_\_

e. Summary financial information about the assets, liabilities, and results of operations of material investments? \_\_\_\_\_

f. Effects of contingent issuances or provisions of the venture agreement that, if exercised, would materially affect the investor's share of venture profits and losses? \_\_\_\_\_

g. Market value of the investment, if a quoted market price is available? \_\_\_\_\_

2. For limited partnership interests of 20% or more that are accounted for by the cost method, are the following items disclosed: (Accepted practice)

a. Investee's name and percentage of ownership? \_\_\_\_\_

b. Explanation of why the cost method is used? \_\_\_\_\_

3. For investments that are accounted for by proportionate consolidation, are the following items disclosed: (Accepted practice)

a. Investee's name and percentage of ownership? \_\_\_\_\_

b. Legal form of venture? \_\_\_\_\_

c. An explanation of why proportionate consolidation is used? \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

4. For investments that are consolidated:

- a. Is the consolidation policy disclosed? (FASB ASC 810-10-50-1) \_\_\_\_\_
- b. Are intra-entity balances and transactions eliminated? (FASB ASC 810-10-45-1) \_\_\_\_\_
- c. If the financial reporting periods of subsidiaries differ from that of the parent, is recognition given by disclosure or otherwise to the effect of intervening events that materially affect financial position or the results of operations? (FASB ASC 810-10-45-12) \_\_\_\_\_

**JOINT VENTURE FORMATIONS**



NOTE: The following disclosures result from the issuance of ASU 2023-05, *Business Combinations—Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement*. The ASU is effective prospectively for joint ventures with a formation date on or after January 1, 2025. Joint ventures with a formation date prior to January 1, 2025, may elect to apply the ASU retrospectively if sufficient information is available. Early adoption is permitted in interim or annual periods for which financial statements have not been made available for issuance.

In the period of the formation date, joint ventures are required to disclose information in their financial statements to allow users to understand the nature and financial effect of the joint venture formation. (FASB ASC 805-60-50-1)

1. In the period of formation, have the following been disclosed by the joint venture: (FASB ASC 805-60-45-1; 805-60-50-2)

- a. The formation date? \_\_\_\_\_
- b. The purpose of the joint venture? \_\_\_\_\_
- c. The fair value of the joint venture as a whole at the formation date? \_\_\_\_\_
- d. A description of the assets and liabilities recognized at the formation date? \_\_\_\_\_
- e. On the face of the balance sheet or in the notes to the financial statements, the amounts recognized for each major class of assets and liabilities? \_\_\_\_\_
- f. A qualitative description of the factors contributing to recognized goodwill, such as expected synergies from combining operations, intangible assets not qualifying for separate recognition, or other factors? \_\_\_\_\_

2. When the initial accounting is incomplete for the joint venture formation and amounts have been determined provisionally relating to particular assets, liabilities, noncontrolling interests, or the fair value of the joint venture as a whole as of the formation date, have the following been disclosed: (FASB ASC 805-60-50-3)

- a. The reasons for the incomplete initial accounting? \_\_\_\_\_
- b. The assets, liabilities, noncontrolling interests, or the fair value of the joint venture as a whole as of the formation date for which the accounting is incomplete? \_\_\_\_\_
- c. For measurement period adjustments recognized during the period:
  - (1) The nature and amount of the adjustment(s)? \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

(2) The amount of the adjustment to current period income statement line items that would have been recognized in previous periods if they were recognized at the formation date?

\_\_\_\_\_

3. When ASU 2023-05 is applied retrospectively in accordance with FASB ASC 805-60-65-1(d), have the disclosures in Question No. 1 in ACCOUNTING CHANGES AND CORRECTION OF AN ERROR—Change in Accounting Principle and Question No. 32 in PCA-IR-5, “Disclosure Requirements for Interim Financial Information of Issuers,” been made in the period that includes the initial application date? (FASB ASC 805-60-65-1g)

\_\_\_\_\_

**LEASES IN FINANCIAL STATEMENTS OF LESSORS**

**General**

NOTE: The following disclosures should allow financial statement users to assess the amount, timing, and uncertainty of cash flows resulting from leases. To satisfy that objective, qualitative and quantitative information should be disclosed about (1) the entity’s leases, (2) significant judgments that were made in applying GAAP related to leases, and (3) the related amounts recognized in the financial statements. Consideration should be given to the level of detail needed to satisfy the disclosure objective and the degree of emphasis placed on each disclosure requirement. Disclosures should be aggregated or disaggregated to ensure that useful information is not obscured by including a large amount of detail that is not significant or by aggregating items with differing characteristics. (FASB ASC 842-30-50-1 and 50-2)

1. Has information about the following been disclosed: (FASB ASC 842-30-50-3)

a. The nature of the entity’s leases, including:

(1) A general description of the leases?

\_\_\_\_\_

(2) For variable lease payments, the basis and terms and conditions on which the payments are determined?

\_\_\_\_\_

(3) The existence, terms, and conditions of any options to extend or terminate a lease?

\_\_\_\_\_

(4) The existence, terms, and conditions of any options that allow the lessee to purchase the underlying asset?

\_\_\_\_\_

b. Significant assumptions and judgments made in the application of the requirements of FASB ASC 842, which may include those relating to: (Additional disclosures may be required.)

(1) Determination of whether a contract includes a lease?

\_\_\_\_\_

(2) Allocation of the contract consideration between lease and nonlease components? [This item is not applicable if the entity elects the practical expedient on not separating nonlease components from lease components and all nonlease components in the contract qualify for the practical expedient. (See Question No. 2, following.)]

\_\_\_\_\_

(3) Determination of the expected amount to be obtained at the end of the lease term from the underlying asset?

\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- 2. If the entity elects the practical expedient on not separating nonlease components from lease components, has the following information been disclosed by class of underlying asset: (FASB ASC 842-30-50-3A)
  - a. The accounting policy election and the class(es) of underlying assets for which the practical expedient has been elected? \_\_\_\_\_
  - b. The nature of:
    - (1) The lease and nonlease components combined under the practical expedient? \_\_\_\_\_
    - (2) The nonlease components, if any, accounted for separately from the combined component because they fail to qualify for the practical expedient? \_\_\_\_\_
  - c. Whether the combined component is accounted for under FASB ASC 842 or FASB ASC 606? \_\_\_\_\_
- 3. Have the disclosures in RELATED PARTY TRANSACTIONS AND COMMON CONTROL been made for lease transactions between related parties? (FASB ASC 842-30-50-4) \_\_\_\_\_
- 4. For each annual and interim period, has recognized lease income been disclosed in a tabular format that includes: (FASB ASC 842-30-50-5)
  - a. For sales-type leases and direct financing leases:
    - (1) Profit or loss recognized (on a gross or net basis) at the commencement date? \_\_\_\_\_
    - (2) Interest income, either in aggregate or by components of the net investment in the lease? \_\_\_\_\_
  - b. For operating leases, lease income pertaining to lease payments? \_\_\_\_\_
  - c. When not included in the measurement of the lease receivable, lease income pertaining to variable lease payments? \_\_\_\_\_
- 5. Have the components of the aggregate net investment in sales-type and direct financing leases (i.e., the carrying amounts of lease receivables, unguaranteed residual assets, and any deferred selling profit on direct financing leases) been disclosed? (FASB ASC 842-30-50-6) \_\_\_\_\_
- 6. Has information been disclosed about how the entity manages the risk relating to the residual value of its leased assets, including: (FASB ASC 842-30-50-7)
  - a. Risk management strategy for residual assets? \_\_\_\_\_
  - b. Carrying amount of residual assets covered by residual value guarantees (excluding those guarantees considered to be lease payments for the lessor)? \_\_\_\_\_
  - c. Other ways residual asset risk is reduced, such as through buyback agreements or variable lease payments for use in excess of specific limits? \_\_\_\_\_

**Sales-type and Direct Financing Leases**

- 7. Have lease assets (i.e., the aggregate of the net investment in sales-type leases and direct financing leases) been presented separately from other assets in the balance sheet? (NOTE: Lease assets should be appropriately classified as current and noncurrent in classified balance sheets.) (FASB ASC 842-30-45-1 and 45-2) \_\_\_\_\_



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**Disclosure Made?**

Yes      No      N/A

**Transition Disclosures**

17. Have the disclosures in ACCOUNTING CHANGES AND CORRECTION OF AN ERROR—Change in Accounting Principle been made with the exception of item 1(b)(2) upon the adoption of ASU 2023-01? [NOTE: If the retrospective method is used as specified in FASB ASC 842-10-65-7(c)(2) or 842-10-65-8(c)(3), the disclosure in item 1(b)(3) of ACCOUNTING CHANGES AND CORRECTION OF AN ERROR—Change in Accounting Principle should be made as of the beginning of the earliest period presented but not before the adoption date of FASB ASC 842.] (FASB ASC 842-10-65-7 and 65-8)

\_\_\_\_\_

Practical Consideration:

- The disclosures in Question No. 17 apply after the adoption of ASU 2023-01, *Leases (Topic 842): Common Control Arrangements*. The ASU is effective for fiscal years, including interim periods within those fiscal years, beginning after December 15, 2023. Earlier application is permitted, including in any interim period, for which financial statements have not been issued. Refer to the ASU for various transition provisions. (FASB ASC 842-10-65-8)

**LENDING ACTIVITIES, LOAN PURCHASES, AND MODIFICATIONS FOR DEBTORS EXPERIENCING FINANCIAL DIFFICULTIES**

NOTE: For periods after the adoption of ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, mark Question Nos. 3 through 8 as “N/A” and refer to the disclosure requirements in FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13.

**Lending Activities—General**

1. Have the accounting policy, net capitalized amount at the balance sheet date, and amortization period for credit card fees and costs (for cards other than private label credit cards) been disclosed? (FASB ASC 310-20-50-4)
2. If the entity anticipates prepayments in applying the interest method, has that policy and the significant assumptions underlying prepayment estimates been disclosed? (FASB ASC 310-20-50-2)

\_\_\_\_\_

\_\_\_\_\_

**Allowance for Credit Losses**

3. If the company has an allowance for loan losses, has the allowance been presented as a reduction of the carrying amount of the related balance sheet item? Also, the liability for guarantees should be classified separately from the allowance for loan losses. (Current Accounting and Disclosure Issues in the Division of Corporation Finance, 11/30/06, IIP2, Allowance for Loan Losses)
4. For financing receivables (other than receivables measured at fair value with changes in fair value reported in earnings; receivables measured at lower of cost or fair value; trade accounts receivable, except for credit card receivables, that have a contractual maturity of one year or less and arose from the sale of goods or services; and lessor’s net investments in leveraged leases), is there disclosure of the following, by portfolio segment, for each period: (FASB ASC 310-10-50-11A through 50-11C)
  - a. Accounting policies and methodology used to estimate the allowance for credit losses, including:
    - (1) A description of the factors that influenced management’s judgment, including historical losses and existing economic conditions?

\_\_\_\_\_

\_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

(2) A discussion of risk characteristics relevant to each portfolio segment?	_____	_____	_____
(3) Identification of any changes to the entity’s accounting policies or methodology from the prior period and the entity’s rationale for the change?	_____	_____	_____
(4) A description of the policy for charging off uncollectible financing receivables?	_____	_____	_____
b. The activity in the allowance for credit losses for each period, including the following:			
(1) Balance at the beginning and end of each period?	_____	_____	_____
(2) Current period provision?	_____	_____	_____
(3) Direct write-downs charged against the allowance?	_____	_____	_____
(4) Recoveries of amounts previously charged off?	_____	_____	_____
c. The quantitative effect on the current period provision of any changes in the accounting policies or methodology from the prior period?	_____	_____	_____
d. The amount of any significant purchases of financing receivables, sales of financing receivables, or reclassifications of financing receivables to held for sale during each reporting period?	_____	_____	_____
e. The balance in the allowance for credit losses at the end of each period disaggregated on the basis of the entity’s impairment method?	_____	_____	_____
f. The recorded investment in financing receivables at the end of each period related to each balance in the allowance for credit losses, disaggregated on the basis of the entity’s impairment methodology in the same manner as the disclosure in item (e)?	_____	_____	_____
g. To disaggregate the information in items (e) and (f), is there separate disclosure of amounts collectively evaluated for impairment, amounts individually evaluated for impairment, and amounts related to loans acquired with deteriorated credit quality?	_____	_____	_____

**Credit Quality Information**

5. Is there disclosure of the following quantitative and qualitative information, by class of financing receivable: (This disclosure does not apply to receivables measured at fair value with changes in fair value reported in earnings; receivables measured at lower of cost or fair value; or trade accounts receivable, except for credit card receivables, with a contractual maturity of one year or less that arose from the sale of goods or services.) (FASB ASC 310-10-50-27 through 50-30)			
a. A description of the credit quality indicator?	_____	_____	_____
b. The recorded investment in financing receivables by credit quality indicator?	_____	_____	_____
c. For each credit quality indicator, the date or range of dates when information for that credit quality indicator was updated?	_____	_____	_____
d. If internal risk ratings are disclosed, qualitative information about how those internal risk ratings relate to the likelihood of loss?	_____	_____	_____

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**Disclosure Made?**  
**Yes**    **No**    **N/A**

e. If the disclosures in items (a)–(d) are not sufficient to enable financial statement users to (1) understand how and to what extent management performs ongoing monitoring of the credit quality of its financing receivables and (2) assess the quantitative and qualitative risks arising from the credit quality of financing receivables, has additional disclosure been made as necessary?

_____	_____	_____
		<input type="checkbox"/>

**Impaired Loans**

6. Has the following information about impaired loans been disclosed by class of financing receivable: [Restructured loans are not required to be included in disclosure items (a) and (b) in years after the restructuring, if the restructured loan's interest rate was comparable to a rate that the creditor would have accepted on other loans with similar risks and the restructured loan is not considered impaired based on the new terms.] (FASB ASC 310-10-50-15; 310-40-50-2)

a. As of the date of each balance sheet presented:

- (1) The recorded investment in impaired loans? \_\_\_\_\_
- (2) The recorded investment in impaired loans that have a related allowance for credit losses? \_\_\_\_\_
- (3) The recorded investment in impaired loans that do not have an allowance for credit losses? \_\_\_\_\_
- (4) The total allowance for credit losses on impaired loans? \_\_\_\_\_
- (5) The total unpaid principal balance of the impaired loans? \_\_\_\_\_

b. For each period for which a statement of comprehensive income is presented:

- (1) The average recorded investment in the impaired loans? \_\_\_\_\_
- (2) The related amount of interest income recognized for the time that the loans were impaired during the period? \_\_\_\_\_
- (3) The amount of interest income recognized using a cash-basis method for the time that the loans were impaired during the period, if practical? \_\_\_\_\_

c. The entity's policy for recognizing interest income on impaired loans, including how cash receipts are recorded? \_\_\_\_\_

d. The entity's policy for determining which loans it assesses for impairment and the factors considered in determining that the loan is impaired? \_\_\_\_\_

7. If an entity recognizes the change in present value of impaired loans attributable to the passage of time as interest income (versus including it in bad debt expense), has the amount of interest income recognized been disclosed? (FASB ASC 310-10-50-19)

_____	_____	_____
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8. For each class of financing receivable, is the following disclosed for impaired loans (individually evaluated for impairment): (FASB ASC 310-10-50-14A)

- a. The accounting for impaired loans? \_\_\_\_\_
- b. The amount of impaired loans? \_\_\_\_\_

_____	_____	_____
_____	_____	_____

**Disclosure Made?**

**Yes**      **No**      **N/A**

**Modifications for Debtors Experiencing Financial Difficulty**

NOTE: The disclosures in Question Nos. 9 through 14 are effective upon the adoption of ASU 2022-02, *Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures*. For entities that have not adopted ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, and related subsequent ASUs, the effective date of the ASU is the same as the effective dates of ASU 2016-13. For entities that have adopted ASU 2016-13, ASU 2022-02 is effective for fiscal years beginning after December 15, 2022, including interim periods within those years. Early adoption, including adoption in any interim period, is permitted provided that ASU 2016-13 has been adopted in the financial statements of fiscal years or interim periods that have not been issued. Disclosures required by Question Nos. 10 through 14 are required for modifications starting in the period of adoption. (FASB ASC 326-10-65-5) Refer to ASU 2022-02 for additional information about specific transition requirements. See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for the effective dates of ASU 2016-13 and related subsequent ASUs.

The disclosures in this section should be provided for modifications of receivables from debtors experiencing financial difficulty through principal forgiveness, interest rate reduction, significant payment delay, or a term extension (other than covenant waivers and modifications of contingent acceleration clauses). (FASB ASC 310-10-50-36 and 50-39)

- 9. Has the amount of any commitments to lend additional funds to debtors with financial difficulty whose receivables terms were modified been disclosed as of the date of each balance sheet presented? (FASB ASC 310-10-50-36)

\_\_\_\_\_

NOTE: The objective of the disclosures in Question Nos. 10 through 12 is to provide information about the type and magnitude of certain modifications of receivables from debtors experiencing financial difficulty, the financial impact of such modifications, and whether the modifications have successfully mitigated potential credit losses. The disclosures are required regardless of whether a modification of a receivable results in a new loan. (FASB ASC 310-10-50-38 and 50-41) The disclosures do not apply to financing receivables measured at fair value with changes in fair value reported in earnings; receivables measured at lower of amortized cost basis or fair value; or trade accounts receivable, except for credit card receivables, that have a contractual maturity of one year or less and arose from the sale of goods or services. (FASB ASC 310-10-50-40)

- 10. For each income statement period presented, have the following disclosures been made related to modifications of receivables: (FASB ASC 310-10-50-42)

- a. By class of financing receivable, qualitative and quantitative information about:

- (1) Types of modifications utilized, including total period-end amortized cost basis of the modified receivables and the percentage of modifications of receivables made for debtors experiencing financial difficulty relative to total period-end amortized cost basis of receivables in the financing receivable class?

\_\_\_\_\_

- (2) By type of modification, the financial effect of the modification including information about contractual term changes, the incremental effect of principal forgiveness on the amortized cost basis of modified receivables, or the reduction in weighted-average interest rates for interest rate reductions, where applicable?

\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- (3) Receivable performance in the 12 months after a modification of a receivable? \_\_\_\_\_
- b. By portfolio segment, qualitative information about how the modifications and debtor's later performance are considered when determining the allowance for credit losses? \_\_\_\_\_
- 11. If the same receivable has been modified in more than one manner, has sufficient disclosure been made to explain the different types of combinations of modifications provided to debtors? (For example, if a receivable has been modified for both an interest rate reduction and principal forgiveness, disclosure should be of the period-end amortized cost basis in a separate category that reflects the combination of modification types.) (FASB ASC 310-10-50-43) \_\_\_\_\_
- 12. For each income statement period presented, have the following disclosures been made about financing receivables which experienced a payment default during the period and had been modified within the prior 12 months preceding the default when the debtor was experiencing financial difficulty at the time of the modification: (FASB ASC 310-10-50-44)
  - a. By class of financing receivable, qualitative and quantitative information about the defaulted receivables, including:
    - (1) Type of contractual change under the modification? \_\_\_\_\_
    - (2) Amount of financing receivables that defaulted, including the period-end amortized cost basis? \_\_\_\_\_
  - b. Qualitative information, by portfolio segment, about how the defaults were considered when determining the allowance for credit losses? \_\_\_\_\_
- 13. If accrued interest receivable balances have been excluded from the amortized cost basis of financing receivables in the disclosures for Question Nos. 10 through 12 using the practical expedient for disclosures under FASB ASC 326-20 (see FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13—General—Credit Losses on Financial Instruments Measured at Amortized Cost), has the total amount of the accrued interest excluded been disclosed? (FASB ASC 310-10-50-41) \_\_\_\_\_
- 14. In addition to the disclosures in Question Nos. 10 through 12, has consideration been given to providing additional disclosures that aid users in understanding the significant changes in the type or magnitude of modifications, including modifications such as those caused by a major credit event? (FASB ASC 310-10-50-38) \_\_\_\_\_

**LIQUIDATION BASIS OF ACCOUNTING**



NOTE: The following requirements are applicable to entities that determine liquidation is imminent unless the liquidation follows a plan for liquidation specified in the governing documents at the inception of the entity. The requirements do not apply to investment companies regulated under the Investment Company Act of 1940.

- 1. At a minimum, are the following statements presented for an entity applying the liquidation basis of accounting: (FASB ASC 205-30-45-1)
  - a. A statement of net assets in liquidation? \_\_\_\_\_
  - b. A statement of changes in net assets in liquidation? \_\_\_\_\_

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	<b>Disclosure Made?</b>		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
2. During the course of liquidation, have the following been disclosed: (FASB ASC 205-30-50-1)			
a. All disclosures required by other GAAP that are necessary to understand the entity's statement of net assets in liquidation and statement of changes in net assets in liquidation?	_____	_____	_____
b. Information about the amount of cash or other consideration expected to be collected?	_____	_____	_____
c. Information about the amount of cash or other consideration the entity is required or expects to be required to pay?	_____	_____	_____
3. Have the following been disclosed: (FASB ASC 205-30-50-2)			
a. The fact that the financial statements have been prepared using the liquidation basis of accounting?	_____	_____	_____
b. The facts and circumstances concerning the adoption of the liquidation basis of accounting and the entity's determination that liquidation is imminent?	_____	_____	_____
4. Has the entity provided a description of the plan for liquidation, including a description of the following: (FASB ASC 205-30-50-2)			
a. How the entity plans to dispose of its assets and other items expected to be sold that had not previously been recognized as assets (such as trademarks)?	_____	_____	_____
b. How the entity plans to settle its liabilities?	_____	_____	_____
c. The date by which the entity expects the liquidation to be completed?	_____	_____	_____
5. Have the methods and significant assumptions, including any subsequent changes, for measuring assets and liabilities been disclosed? (FASB ASC 205-30-50-2)	_____	_____	_____
6. Have the following been disclosed: (FASB ASC 205-30-50-2)			
a. The type and amount of costs and income accrued in the statement of net assets in liquidation?	_____	_____	_____
b. The period over which the accrued costs and income are expected to be paid or earned?	_____	_____	_____

**LONG-LIVED ASSET RETIREMENT OBLIGATIONS**

1. Do disclosures include a general description of asset retirement obligations and the related long-lived assets? (FASB ASC 410-20-50-1)	_____	_____	_____
2. Has the fair value of assets legally restricted for purposes of settling asset retirement obligations been disclosed? (FASB ASC 410-20-50-1)	_____	_____	_____
3. If the fair value of the asset retirement obligation cannot be reasonably estimated, has that fact and the reasons therefor been disclosed? (FASB ASC 410-20-50-2)	_____	_____	_____
4. Do disclosures include a reconciliation of the beginning and ending aggregate carrying amount of asset retirement obligations that shows separately significant changes attributable to (a) liabilities incurred during the period, (b) liabilities settled during the period, (c) accretion expense, and (d) revisions in estimated cash flows? (FASB ASC 410-20-50-1)	_____	_____	_____

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**Disclosure Made?**

**Yes      No      N/A**

**LONG-TERM CONTRACTS**

NOTE: This section need not be completed when preparing the financial statements of a construction contractor or homebuilder. Instead, refer to the "Supplemental Disclosure Checklist for Construction Contractors and Homebuilders" in *PPC's Guide to Construction Contractors* for GAAP disclosure requirements and to additional SEC rules and regulations.

- |  |       |       |       |
|--|-------|-------|-------|
| <p>1. Have the unbilled costs and fees under cost-type contracts been shown separately from billed accounts receivable? (FASB ASC 912-310-45-2)</p>  | _____ | _____ | _____ |
| <p>2. Have the following disclosures been made relating to receivables due under long-term contracts: (FRR 206) {For larger domestic issuers, also [S-X 5-02.3; S-X 5-02.6(d)] (FASB ASC 210-10-S99-1)}</p> <p style="margin-left: 20px;">a. Balances billed but not paid by customers under retainage provisions?</p> <p style="margin-left: 20px;">b. Amounts representing the recognized sales value of performance and such amounts that had not been billed and were not billable to customers at the balance sheet date, including a description of the prerequisites for billing?</p> <p style="margin-left: 20px;">c. Billed or unbilled amounts representing claims or other similar items subject to uncertainty concerning their determination or ultimate realization, including a description of the nature and status of the principal items comprising such amount?</p> <p style="margin-left: 20px;">d. With respect to a. through c. above, the amounts included in each item that are expected to be collected after one year, presented by year, if practicable, when the amounts of retainage are expected to be collected?</p>  | _____ | _____ | _____ |
| <p>3. For long-term contracts or programs that give rise to material amounts of inventory, have the following been disclosed: {For larger domestic issuers, [S-X 5-02.6(d)] (FASB ASC 210-10-S99-1)} (Accepted practice for smaller reporting companies)</p> <p style="margin-left: 20px;">a. The aggregate amount of manufacturing or production costs and any related deferred costs that exceeds the aggregate estimated cost of all in-process and delivered units on the basis of the estimated average cost of all units expected to be produced under long-term contracts and programs not yet complete, and the portion of such amount that would not be absorbed in cost of sales based on existing firm orders at the latest balance sheet date?</p> <p style="margin-left: 20px;">b. The amount of deferred costs by type of cost (e.g., initial tooling, deferred production, etc.), if practicable?</p> <p style="margin-left: 20px;">c. The aggregate amount representing claims or other similar items subject to uncertainty concerning their determination or ultimate realization, and a description of the nature and status of the principal items comprising such aggregate amount?</p> <p style="margin-left: 20px;">d. The amount of progress payments netted against inventory at the date of the balance sheet?</p> | _____ | _____ | _____ |

**NONMONETARY TRANSACTIONS**

- |  |       |       |       |
|--|-------|-------|-------|
| <p>1. Are nonmonetary transactions disclosed adequately, including the nature of the transactions, the basis of accounting for assets transferred, and any related gains or losses recognized on transfers? (FASB ASC 845-10-50-1)</p> | _____ | _____ | _____ |
|--|-------|-------|-------|

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**Disclosure Made?**

**Yes      No      N/A**

- 2. For nonmonetary exchanges of inventory within the same line of business recognized at fair value, has disclosure been made of the associated revenue and costs (or gains and losses)? (FASB ASC 845-10-50-3)

\_\_\_\_\_

**OBLIGATIONS RESULTING FROM JOINT AND SEVERAL LIABILITY ARRANGEMENTS**

NOTE: The disclosures in this section do not apply to the following obligations: (1) asset retirement and environmental obligations accounted for under FASB ASC 410, (2) contingencies accounted for under FASB ASC 450, (3) guarantees accounted for under FASB ASC 460, (4) retirement benefits compensation accounted for under FASB ASC 715, and (5) income taxes accounted for under FASB ASC 740.

- 1. Have the following been disclosed about each obligation (or each group of similar obligations) resulting from a joint and several liability arrangement if the total amount of the obligation is fixed at the reporting date: (FASB ASC 405-40-50-1)

- a. The nature of the arrangement, including how the liability was created, the relationship with other co-obligors, and the arrangement's terms and conditions?

\_\_\_\_\_

- b. The total amount outstanding under the arrangement? (This amount should not be reduced by the effect of any amounts potentially recoverable from other entities.)

\_\_\_\_\_

- c. The carrying amounts of any liability and recognized receivable?

\_\_\_\_\_

- d. The nature of any recourse provisions that would allow for recovery from other entities of the amounts paid, as well as any limitations on the amounts that might be recovered?

\_\_\_\_\_

- e. In the period of initial recognition and measurement of the liability or in a period in which the measurement changes significantly:

- (1) The corresponding entry?

\_\_\_\_\_

- (2) The location in the financial statements where the entry was recorded?

\_\_\_\_\_

**PENSION AND POSTRETIREMENT BENEFIT PLANS—DEFINED BENEFIT**

(See Part I for defined contribution plans.)

**Defined Benefit Plans—General**

- 1. If a classified balance sheet is presented, has the excess of the actuarial present value of benefits payable in the next 12 months (or longer operating cycle) over the fair value of plan assets been classified as a current liability and has the asset for an overfunded plan been classified as a noncurrent asset? (FASB ASC 715-20-45-3)

\_\_\_\_\_

- 2. Have the following been reported in the statement of comprehensive income related to the components of net periodic pension cost and net periodic postretirement benefit cost: (FASB ASC 715-20-45-3A)

- a. The service cost component in the same line item(s) as other compensation costs due to services rendered by applicable employees during the period (excluding any amounts capitalized as part of the cost of inventory or other assets)?

\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

b. The other components, separate from the service cost component and outside the subtotal of income from operations, if one is presented? [NOTE: If separate line item(s) are used to present the other components, the line items should be appropriately described. Further, a gain or loss from a settlement or curtailment or the cost of certain termination benefits should be reported similar to the other components.]

\_\_\_\_\_

3. Has disclosure been made of the method used to determine the vested benefit obligation under FASB ASC 715-30-35-41? (FASB ASC 715-20-S99-2)

\_\_\_\_\_

NOTE: The disclosures required by FASB ASC 715-20-50 in the Defined Benefit Plans—General and in the Plan Assets sections of this checklist may be combined for all of the entity’s defined benefit pension plans and for all of the entity’s defined benefit postretirement plans, or information about plans may be presented in groups, whichever is more useful. Disclosures for plans outside the U.S. may be combined with those for U.S. plans unless the benefit obligations of the plans outside the U.S. are significant relative to the total benefit obligation and those plans use significantly different assumptions. (FASB ASC 715-20-50-2 and 50-4)

4. Has the following information about the plan been disclosed: (FASB ASC 715-20-50-1)

a. A reconciliation of the beginning and ending benefit obligation, separately showing, if applicable, the effects of the following:

- (1) Service cost? \_\_\_\_\_
- (2) Interest cost? \_\_\_\_\_
- (3) Contributions by plan participants? \_\_\_\_\_
- (4) Actuarial gains and losses? \_\_\_\_\_
- (5) Foreign currency exchange rate changes (for plans of a foreign operation whose functional currency is not the reporting currency)? \_\_\_\_\_
- (6) Benefits paid? \_\_\_\_\_
- (7) Plan amendments? \_\_\_\_\_
- (8) Business combinations? \_\_\_\_\_
- (9) Divestitures? \_\_\_\_\_
- (10) Curtailments? \_\_\_\_\_
- (11) Settlements? \_\_\_\_\_
- (12) Special termination benefits? \_\_\_\_\_

b. A reconciliation of the beginning and ending fair value of plan assets, separately presenting the following, if applicable:

- (1) Actual return on plan assets? \_\_\_\_\_
- (2) Foreign currency exchange rate changes (for foreign operations whose functional currency is not the reporting currency)? \_\_\_\_\_
- (3) Employer contributions? \_\_\_\_\_
- (4) Plan participant contributions? \_\_\_\_\_



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	Disclosure Made?		
	Yes	No	N/A
(5) Benefits paid?	_____	_____	_____
(6) Business combinations?	_____	_____	_____
(7) Divestitures?	_____	_____	_____
(8) Settlements?	_____	_____	_____
c. The funded status of the plan and the amounts recognized in the balance sheet, showing separately the assets and current and noncurrent liabilities recognized?	_____	_____	_____
d. For defined pension plans, the accumulated benefit obligation?	_____	_____	_____
e. Benefits expected to be paid in each of the next five fiscal years and in the aggregate for the five fiscal years thereafter?	_____	_____	_____
f. Contributions expected to be paid to the plan during the next fiscal year beginning after the date of the latest balance sheet, presented separately or in the aggregate, for the following:			
(1) Contributions required by funding regulations or laws?	_____	_____	_____
(2) Discretionary contributions?	_____	_____	_____
(3) Noncash contributions?	_____	_____	_____
g. The net benefit cost recognized during the period, showing separately each of the following:			
(1) Service cost component?	_____	_____	_____
(2) Interest cost component?	_____	_____	_____
(3) Expected return on plan assets?	_____	_____	_____
(4) Gain or loss component?	_____	_____	_____
(5) Prior service cost or credit component?	_____	_____	_____
(6) The transition asset or obligation component?	_____	_____	_____
(7) Gain or loss recognized due to settlements or curtailments?	_____	_____	_____
h. If the components of net periodic benefit cost other than the service cost component are not presented in a separate line item(s) in the statement of comprehensive income, the amount of the other components and the statement of comprehensive income line item(s) used for presentation?	_____	_____	_____
i. The following, separately disclosed:			
(1) The net gain or loss and net prior service cost or credit recognized in other comprehensive income for the period?	_____	_____	_____
(2) Reclassification adjustments of other comprehensive income for the period, as those amounts, including amortization of the net transition asset or obligation, are recognized as components of net periodic benefit cost?	_____	_____	_____
j. The amounts in accumulated other comprehensive income that have not yet been recognized in net periodic benefit cost, with separate disclosure of:			
(1) Net gain or loss?	_____	_____	_____
(2) Net prior service cost or credit?	_____	_____	_____

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**Disclosure Made?**

**Yes      No      N/A**

(3) Net transition asset or obligation?	_____	_____	_____
k. On a weighted-average basis, the following assumptions used in the accounting for the plans, specifying in tabular format the assumptions used to determine the benefit obligation and the assumptions used to determine net benefit cost:			
(1) Discount rates?	_____	_____	_____
(2) Rates of compensation increase (for pay-related plans)?	_____	_____	_____
(3) Expected long-term rate of return on plan assets?	_____	_____	_____
(4) Interest crediting rates (for cash balance and other plans with promised interest crediting rates)?	_____	_____	_____
l. The assumed health care cost trend rate(s) for the next year used to measure the expected cost of benefits covered by the plan (gross eligible charges), and a general description of the direction and pattern of change in the assumed trend rates thereafter, together with the ultimate trend rate(s) and when that rate is expected to be achieved?	_____	_____	_____
m. If applicable, the amounts and types of securities of the employer and related parties included in plan assets?	_____	_____	_____
n. If applicable, any alternative amortization method used to amortize prior service amounts or net gains and losses?	_____	_____	_____
o. If applicable, any substantive commitment used as the basis for accounting for the benefit obligation (such as past practice or a history of regular benefit increases)?	_____	_____	_____
p. If applicable, the cost of providing special or contractual termination benefits recognized during the period and a description of the nature of the event?	_____	_____	_____
q. An explanation of the following:			
(1) The reasons for significant gains and losses due to changes in the defined benefit obligation for the period?	_____	_____	_____
(2) Any other significant change in the benefit obligation or plan assets not otherwise apparent in the other disclosures?	_____	_____	_____

**Disclosure Made?**

Yes      No      N/A

**Plan Assets**

5. Disclosures about postretirement benefit plan assets should describe (a) how investment allocation decisions are made, including the factors important to understanding investment policies and strategies, (b) classes of plan assets, (c) inputs and valuation techniques used to measure the fair value, (d) effect of fair value measurements using significant unobservable inputs (Level 3) on changes in plan assets for the period, and (e) significant concentrations of risk within plan assets. Disclosures should consider classes of plan assets based on the nature, characteristics, and risks of the assets, and the level of the fair value hierarchy within which the fair value measurement of the assets is categorized. Examples of classes may include (but are not limited to) cash and equivalents; equity securities (segregated by industry, company size, or investment objective); debt securities (corporate and government); asset-backed securities; structured debt; derivatives on a gross basis (segregated by underlying risk); investment funds (separated by fund); and real estate. In meeting those objectives, has the following information about plan assets been disclosed: (FASB ASC 715-20-50-1)

a. A description of investment policies and strategies, including target allocation percentages or ranges considering the classes of plan assets as of the latest balance sheet presented (on a weighted-average basis for employers with more than one plan) and other factors, such as investment goals, risk management practices, permitted and prohibited investments including the use of derivatives, diversification, and the relationship between plan assets and benefit obligations? (For investment funds, significant investment strategies for those funds should be disclosed.)

\_\_\_\_\_

b. Fair value of each class of plan assets as of each date for which a balance sheet is presented?

\_\_\_\_\_

c. A description of how the overall expected long-term rate-of-return-on-assets assumption was determined (for example, the general approach used, the extent to which the assumption was based on historical returns, the extent to which historical returns were adjusted to reflect expectations of future returns, and how those adjustments were determined)?

\_\_\_\_\_

d. For each annual period, the following information about the fair value measurement of plan assets for each class of plan assets:

(1) The level of the fair value hierarchy within which the fair value measurements are categorized in their entirety, segregating fair value measurements using Level 1 inputs, Level 2 inputs, and Level 3 inputs?

\_\_\_\_\_

(2) For measurements using significant Level 3 inputs, a reconciliation from the opening to closing balances, separately disclosing changes attributable to (i) actual return on plan assets (with separate identification of amounts relating to assets still held and assets sold); (ii) purchases, sales, and settlements (net); and (iii) transfers in or out of Level 3 (for example, transfers due to changes in the observability of significant inputs)?

\_\_\_\_\_

(3) The valuation technique(s) and inputs used in measuring fair value and a discussion of any changes in valuation techniques and inputs during the period?

\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

Practical Considerations:

- If the employer's fiscal year-end does not correspond with a month-end, the employer elects to measure defined benefit plan assets and benefit obligations using the month-end nearest to its fiscal year-end (see Question No. 8), and the employer has contributed assets to the plan in the period between the measurement date and its fiscal year-end, the fair value of each class of plan assets in items 5(b) and 5(d)(1) should not be adjusted for the effect of the contribution. Instead, the additional disclosures in Question No. 8 should be made.
- Investments for which net asset value per share (or equivalent) is used to measure fair value (see INVESTMENTS IN ENTITIES THAT CALCULATE NET ASSET VALUE PER SHARE) are not to be categorized within the fair value hierarchy under the requirement in item 5(d)(1). (FASB ASC 715-20-50-1)

6. If combined disclosures are presented for two or more plans, have the following been disclosed as of each balance sheet date: (FASB ASC 715-20-50-3)

- a. For pension plans with projected benefit obligations in excess of plan assets, the projected benefit obligation and fair value of plan assets? \_\_\_\_\_
- b. For pension plans with accumulated benefit obligations in excess of plan assets, the accumulated benefit obligation and fair value of plan assets? \_\_\_\_\_
- c. For other postretirement benefit plans with accumulated postretirement benefit obligations in excess of plan assets, the accumulated postretirement benefit obligation and fair value of plan assets? \_\_\_\_\_

7. If the beginning of year weighted-average expected long-term rate of return on plan assets changes due to a subsequent interim measurement of both plan assets and obligations, the beginning of year and most recent rate, or a weighted combination of the two? (FASB ASC 715-20-50-8) \_\_\_\_\_

NOTE: The disclosures in Question No. 8 apply when the employer's fiscal year-end does not correspond with a month-end and the employer elects to measure defined benefit plan assets and benefit obligations using the month-end nearest to its fiscal year-end.

8. If the employer has contributed assets to the plan in the period between the measurement date and its fiscal year-end, have the following been disclosed: (FASB ASC 715-20-50-1)

- a. The amount of the contribution to allow for the reconciliation of the total fair value of all classes of plan assets [the total of the amounts disclosed according to item 5(b)] to the ending balance of the fair value of plan assets? \_\_\_\_\_
- b. The amount of the contribution to allow for the reconciliation of the total fair value of all plan assets in the fair value hierarchy as required by item 5(d)(1) to the ending balance of the fair value of plan assets? \_\_\_\_\_

**Disclosure Made?**

**Yes**      **No**      **N/A**

**Multiemployer Plans That Provide Pension Benefits**

NOTE: Disclosures about the employer's contributions to the plan should include all items recognized as net pension costs. In addition, disclosures based on *the most recently available information* should be the most recently available through the date at which the employer has evaluated subsequent events. (FASB ASC 715-80-50-3)

- |  |       |       |       |
|--|-------|-------|-------|
| <p>9. If it is either probable or reasonably possible that (a) an employer would withdraw from the plan giving rise to an obligation or (b) an employer's contribution would be increased during the remainder of the contract period to make up a shortfall necessary to maintain the negotiated level of benefit coverage, have the contingency disclosures in CONTINGENCIES, RISKS, AND UNCERTAINTIES—Contingencies, been made? (FASB ASC 715-80-50-2)</p>  | _____ | _____ | _____ |
| <p>10. Has a narrative description that includes the following been disclosed: (FASB ASC 715-80-50-4)</p> <p style="margin-left: 20px;">a. The general nature of the multiemployer plans?</p> <p style="margin-left: 20px;">b. The general nature of the employer's participation in the plans, indicating how the risks of participating in them differ from single-employer plans?</p>   | _____ | _____ | _____ |
| <p>11. For each individually significant multiemployer plan, have the following items been disclosed, in a tabular format when feasible: (Information may be provided outside the table if further description is necessary. When determining whether a plan is significant, factors besides the amount of the employer's contribution to the plan may need to be considered, e.g., the severity of the underfunded status of the plan.) (FASB ASC 715-80-50-5 and 50-7)</p> <p style="margin-left: 20px;">a. The legal name of the plan?</p> <p style="margin-left: 20px;">b. The plan's Employer Identification Number?</p> <p style="margin-left: 20px;">c. The plan number, if available?</p> <p style="margin-left: 20px;">d. For each balance sheet presented—</p> <p style="margin-left: 40px;">(1) The most recent certified zone status provided by the plan (as defined by the Pension Protection Act of 2006 or subsequent amendments)? (The disclosure should indicate the plan's year-end to which the zone status relates and whether the plan has used any extended amortization provisions affecting the zone status calculation.)</p> <p style="margin-left: 40px;">(2) If the certified zone status is unavailable, has disclosure been made of total plan assets and accumulated benefit obligations and whether the plan was (a) less than 65% funded, (b) 65–80% funded, or (c) at least 80% funded as of the most recent date available based on the financial statements provided by the plan?</p> <p style="margin-left: 40px;">(3) If information about the funded status of the plan cannot be obtained to comply with the previous requirement without undue cost and effort and the employer elects to omit such disclosure, has a description of what information has been omitted and why been provided? (Disclosure should also include any qualitative information as of the most recent date available that would help users understand the financial information that otherwise is required to be disclosed about the plan.)</p> | _____ | _____ | _____ |

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**Disclosure Made?**

**Yes      No      N/A**

<p>e. The expiration date(s) of any collective-bargaining agreement(s) that require contributions to the plan? (If multiple agreements apply to the plan, a range of expiration dates should be provided and supplemented with qualitative information identifying the significant collective-bargaining agreements within that range and other information to help investors understand the significance of the agreements and their expiration date(s), e.g., the portion of employees each agreement covers or the portion of contributions each agreement requires.)</p>	_____	_____	_____
<p>f. For each period for which a statement of comprehensive income is presented—</p> <p>(1) The employer’s contribution to the plan?</p> <p>(2) Whether the employer’s contributions are greater than 5% of total plan contributions per the plan’s most recently available annual report (Form 5500) and the year-end date to which the annual report relates? (If this information cannot be obtained without undue cost and effort, the information may be omitted. However, the disclosures should describe what information has been omitted and why. The disclosures should also include any qualitative information as of the most recent date available that would help users understand the financial information that otherwise is required to be disclosed about the plan.)</p>	_____	_____	_____
<p>g. As of the end of the most recent year presented—</p> <p>(1) Whether a funding improvement or rehabilitation plan (as defined by the Employee Retirement Income Security Act of 1974) has been implemented or was pending?</p> <p>(2) Whether the employer paid a surcharge to the plan?</p> <p>(3) A description of any minimum contribution(s) required in the future by the collective-bargaining agreements, statutory requirements, or other contractual requirements?</p>	_____	_____	_____
<p>12. Do disclosures include a description of the nature and effect of significant changes, if any, that affect comparability of total employer contributions from period to period, such as (a) a business combination or divestiture, (b) a change in the employer’s contractual contribution rate, or (c) a change in the number of employees the plan covered each year? (FASB ASC 715-80-50-6)</p>	_____	_____	_____
<p>13. If plan information is unavailable in the public domain (e.g., from Form 5500), has the following additional information been disclosed for each significant plan: (The disclosures should be provided in a separate section of the required tabular disclosure about individually significant multiemployer plans.) (FASB ASC 715-80-50-7 and 50-8)</p> <p>a. A description of the nature of plan benefits?</p> <p>b. A qualitative description of the extent to which the employer could be responsible for the plan’s obligations, including benefits earned by employees from employment with another employer?</p>	_____	_____	_____

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**Disclosure Made?**

**Yes      No      N/A**

- c. Other quantitative information, if available and as of the most recent date available, to help users understand the plan’s financial information (e.g., total plan assets, actuarial present value of accumulated plan benefits, and total contributions received by the plan)? (If this information cannot be obtained without undue cost and effort, the information may be omitted. However, the disclosures should describe what information has been omitted and why. The disclosures should also include any qualitative information as of the most recent date available that would help users understand the financial information that otherwise is required to be disclosed about the plan.) \_\_\_\_\_
- 14. For each year for which a statement of comprehensive income is presented, are the following disclosed in a tabular format: (FASB ASC 715-80-50-9)
  - a. The total contributions the employer made to all plans that are not individually significant? \_\_\_\_\_
  - b. The total contributions the employer made to all plans? \_\_\_\_\_

**Multiemployer Plans That Provide Postretirement Benefits Other Than Pensions**

- 15. If it is either probable or reasonably possible that (a) an employer would withdraw from the plan giving rise to an obligation or (b) an employer’s contribution would be increased during the remainder of the contract period to make up a shortfall necessary to maintain the negotiated level of benefit coverage, have the contingency disclosures in CONTINGENCIES, RISKS, AND UNCERTAINTIES—Contingencies been made? (FASB ASC 715-80-50-2) \_\_\_\_\_
- 16. For multiemployer plans that provide postretirement benefits other than pensions, have the following been disclosed: (FASB ASC 715-80-50-11)
  - a. The amount of contributions for each year for which a statement of comprehensive income is presented? \_\_\_\_\_
  - b. A description of the nature and effect of any changes affecting comparability of total employer contributions from period to period, such as (1) a business combination or divestiture, (2) a change in the employer’s contractual contribution rate, or (3) a change in the number of employees the plan covered each year? \_\_\_\_\_
  - c. A description of the nature of the benefits and the types of employees covered by the benefits (e.g., medical benefits provided to active employees and retirees)? \_\_\_\_\_

**Medicare Prescription Drug, Improvement, and Modernization Act**

- 17. If the entity sponsors a postretirement health care plan that provides prescription drug benefits actuarially equivalent to Medicare Part D, has the gross amount of benefit payments, including drug benefits, and gross subsidy receipts included in items 4(a)(6) and 4(e) been separately disclosed? (FASB ASC 715-60-50-4) \_\_\_\_\_
- 18. For the first period in which the effects of the Medicare subsidy are included in measuring the accumulated postretirement benefit obligation and net periodic postretirement benefit cost, has disclosure been made of the following: (FASB ASC 715-60-50-3)
  - a. Reduction in the accumulated postretirement benefit obligation for the subsidy related to benefits attributed to past service? \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

b. Effect of the subsidy on the measurement of net periodic postretirement benefit cost for the current period?

\_\_\_\_\_

c. An explanation of any significant change in the benefit obligation or plan assets not otherwise apparent?

\_\_\_\_\_

19. Until it is determined whether benefits provided by the plan are actuarially equivalent to Medicare Part D, have the following disclosures been made for all periods presented: (FASB ASC 715-60-50-6)

a. Existence of the Medicare Prescription Drug, Improvement, and Modernization Act?

\_\_\_\_\_

b. The fact that the accumulated postretirement benefit obligation or net periodic postretirement benefit cost do not include amounts associated with the subsidy because a conclusion has not been made whether the benefits provided by the plan are actuarially equivalent to Medicare Part D?

\_\_\_\_\_

**POSTEMPLOYMENT BENEFITS**

1. If the entity has not accrued postemployment benefits solely because the amount cannot be reasonably estimated (such as salary continuation, supplemental unemployment benefits, severance benefits, disability-related benefits, job training and counseling, and continuation of health insurance coverage), has that been disclosed? (FASB ASC 712-10-50-2)

\_\_\_\_\_

**PREPAID STORED-VALUE PRODUCTS**

1. Has the methodology used to recognize any breakage amount, along with the significant judgments made, been disclosed? (FASB ASC 405-20-50-2)

\_\_\_\_\_

**QUASI-REORGANIZATION**

1. Following a corporate readjustment (quasi-reorganization), has a retained earnings account been established and dated to show that it runs from the time of the readjustment? (This dating generally should not continue for more than 10 years following the readjustment.) (FASB ASC 852-20-50-2)

\_\_\_\_\_

2. Has the company indicated the total amount of the deficit eliminated on the face of the balance sheet? {For larger domestic issuers, this requirement applies for 10 years following the effective date of the quasi-reorganization. [S-X 5-02.30(b)] (FASB ASC 210-10-S99-1)} (Accepted practice for smaller reporting companies)

\_\_\_\_\_

**REAL ESTATE ACTIVITIES**

NOTE: This section need not be completed when preparing the financial statements of certain real estate developers or real estate operators. Instead, refer to the "Supplemental Disclosure Checklist for Certain Real Estate Operators and Developers" in *PPC's Practice Aids for Audits of Real Estate Entities*.

**Real Estate Activities—General**

1. Have accounting policies for the capitalization and allocation of project costs relating to real estate development and construction activities been disclosed? (FASB ASC 235-10-50-3)

\_\_\_\_\_

2. Have accounting policies relating to sales of real estate been disclosed? (FASB ASC 235-10-50-3)

\_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

- 3. Have accounting policies relating to investments in real estate ventures been disclosed? (FASB ASC 323-10-50-3) \_\_\_\_\_
- 4. Has real estate held for production and real estate held for sale been disclosed separately on the balance sheet or in the notes? (Accepted practice) \_\_\_\_\_

**Retail Land Sales**

- 5. Are the following items relating to receivables disclosed: (FASB ASC 976-310-50-1)
  - a. Maturities of receivables for each of the five years following the balance sheet date? \_\_\_\_\_
  - b. Delinquent receivables and the method(s) for determining delinquency? \_\_\_\_\_
  - c. The weighted average and range of stated interest rates of receivables? \_\_\_\_\_
- 6. Has disclosure been made of estimated total costs and estimated dates of expenditures for improvements for major areas from which sales are being made for each of the five years after the balance sheet date? (FASB ASC 976-330-50-1) \_\_\_\_\_
- 7. Are recorded obligations for improvements disclosed? (FASB ASC 976-330-50-1) \_\_\_\_\_

**Participating Mortgage Loan Borrowers**

- 8. For participating mortgage loan borrowers, are the following items disclosed: (FASB ASC 470-30-50-1)
  - a. Description of the terms of the participation by the lender in the operations or appreciation of the real estate project? \_\_\_\_\_
  - b. The following amounts at the balance sheet date:
    - (1) Total participating mortgage obligations? \_\_\_\_\_
    - (2) Total participation liabilities? \_\_\_\_\_
    - (3) Total debt discounts on the participating mortgages? \_\_\_\_\_

**REDEEMABLE PREFERRED STOCK AND OTHER FINANCIAL INSTRUMENTS WITH CHARACTERISTICS OF LIABILITIES AND EQUITY**

- 1. Has the following information about future cash obligations of redeemable preferred stocks been provided in a separate note to the financial statements captioned "Redeemable Preferred Stocks": (FRR 211) (FASB ASC 480-10-S99-1)
  - a. Redemption terms? \_\_\_\_\_
  - b. Five-year maturity data? \_\_\_\_\_
  - c. Changes in the securities? \_\_\_\_\_
- 2. Have the following disclosures been made about redeemable equity instruments: (FRR 211 and FASB ASC 480-10-S99-3A)
  - a. The accounting method used to adjust the redemption amount? \_\_\_\_\_
  - b. If the entity has elected to accrete changes in the redemption amount, the redemption amount of the instrument as if it were currently redeemable? \_\_\_\_\_
  - c. If the instrument is not adjusted to its redemption amount, the reasons why it is not probable that the instrument will become redeemable? \_\_\_\_\_

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	Disclosure Made?		
	Yes	No	N/A
d. If charges or credits are material, a reconciliation between net income and income available to common shareholders?	_____	_____	_____
e. If a subsidiary is deconsolidated, the amount credited to equity of the parent upon deconsolidation?	_____	_____	_____
3. For financial instruments within the scope of FASB ASC 480-10-25 (i.e., mandatorily redeemable financial instruments, obligations to repurchase the company's equity shares by transferring assets, or certain obligations to issue a variable number of shares), have the nature and terms of the financial instruments, including rights and obligations and information about settlement alternatives and who controls them, been disclosed? (FASB ASC 480-10-50-1)	_____	_____	_____
4. For all outstanding financial instruments within the scope of FASB ASC 480-10-25, have the following been disclosed for each settlement alternative for the outstanding financial instruments: (FASB ASC 480-10-50-2)			
a. Amount that would be paid (or number of shares that would be issued and their fair value) if settlement occurred at the financial statement date?	_____	_____	_____
b. How changes in the equity shares' fair value would affect settlement amounts?	_____	_____	_____
c. Maximum amount the company could be required to pay (or shares the company could be required to issue) to redeem the instrument? (If the contract does not limit the amount, that fact should be disclosed.)	_____	_____	_____
d. For a forward contract or an option indexed to the company's equity shares, the forward price or option strike price, the number of shares to which the contract is indexed, and the settlement dates of the contract?	_____	_____	_____
5. If the company has no equity instruments outstanding but has financial instruments in the form of shares that are mandatorily redeemable financial instruments classified as liabilities:			
a. Are the instruments described in the balance sheet as "Shares subject to mandatory redemption?" (FASB ASC 480-10-45-2)	_____	_____	_____
b. Are the components of the liability (e.g., par value, paid-in capital, retained earnings, accumulated other comprehensive income, etc.) that would otherwise be related to the shares separately disclosed? (FASB ASC 480-10-50-4)	_____	_____	_____
6. For mandatorily redeemable preferred stock or any class of stock for which redemption is outside the control of the issuer, have the following disclosures been made: (SAB T.3C) (FASB ASC 480-10-S99-2); (FRR 211) (FASB ASC 480-10-S99-1) [For larger domestic issuers, also (S-X 5-02.27) (FASB ASC 210-10-S99-1)]			
a. The title of each issue of preferred stock, the carrying amount, and the redemption amount on the face of the balance sheet?	_____	_____	_____
b. The dollar amount of shares subscribed but unissued, and the deduction of the related receivable?	_____	_____	_____
c. The accounting treatment for any differences in carrying amount and redemption amount?	_____	_____	_____
d. The number of shares authorized and issued or outstanding?	_____	_____	_____
e. The changes in each class during the period for which statements of comprehensive income are required?	_____	_____	_____

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**Disclosure Made?**

**Yes      No      N/A**

- f. The terms of the shares (e.g., redemption features, rights in event of default, and rights precedent to junior securities)?  
\_\_\_\_\_
- g. Redemption requirements in each of the next five years?  
\_\_\_\_\_

**REFERENCE RATE REFORM**

NOTE: The following section provides disclosures relating to optional guidance for a limited time frame which addresses the accounting for reference rate reform on financial reporting. This guidance results from ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, which was issued to address the risk of the discontinuation of interbank offered rates, specifically the cessation of the London Interbank Offered Rate (LIBOR). ASU 2020-04 is only effective from March 12, 2020, through December 31, 2024, including interim periods. The effective date reflects the deferral provided through the amendments in ASU 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*. Refer to FASB ASC 848-10-65-1 for detailed transition guidance.

- 1. If a one-time election has been made to sell or transfer (or both sell and transfer) certain debt securities classified as held-to-maturity to available-for-sale or trading as indicated in FASB ASC 848-10-35-1 and 35-2, have the disclosures in Question No. 13 in INVESTMENTS IN DEBT AND EQUITY SECURITIES—Investments in Debt Securities—Available-for-sale, Held-to-maturity, and Trading Securities been made? (FASB ASC 848-10-50-1)  
\_\_\_\_\_
- 2. In each interim and annual financial statement period of the fiscal year of application of ASU 2020-04, have the nature of and reason for the election been disclosed? (FASB ASC 848-10-65-1)  
\_\_\_\_\_

NOTE: The following disclosure applies after the adoption of ASU 2021-01, *Reference Rate Reform (Topic 848): Scope*, which clarifies that certain provisions in FASB ASC 848, if elected, apply to derivative instruments that use an interest rate for margining, discounting, or contract price alignment that is modified as a result of reference rate reform. The ASU is effective as of January 7, 2021, through December 31, 2024. The effective date reflects the deferral provided through the amendments in ASU 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*. Refer to FASB ASC 848-10-65-2 for detailed transition information.

- 3. In connection with the adoption of ASU 2021-01, has disclosure of the nature and reason for electing the ASU been made in each applicable interim and annual financial statement in the fiscal year of application? (FASB ASC 848-10-65-2)  
\_\_\_\_\_

**RESEARCH AND DEVELOPMENT**

- 1. If the entity accounts for its obligations under a research and development arrangement as a contract to perform research and development for others, have the following been disclosed: (FASB ASC 730-20-50-1 through 50-3)
  - a. Terms of significant agreements under the research and development arrangements as of each balance sheet date presented?  
\_\_\_\_\_
  - b. Amount of compensation earned and cost incurred for each period for which a statement of comprehensive income is presented?  
\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

2. Is disclosure made of total research and development costs charged to expense in each period presented including research and development costs incurred for computer software costs to be sold, leased, or otherwise marketed? (FASB ASC 730-10-50-1; 985-20-50-2)

\_\_\_\_\_

**RESTRUCTURING CHARGES**

1. If a restructuring or exit plan has been initiated, have the disclosures in EXIT OR DISPOSAL ACTIVITIES been made in all periods, including interim periods, until the exit plan is completed? (SAB T.5P4) (FASB ASC 420-10-S99-2)

\_\_\_\_\_

2. Have restructuring charges been reported as: (SAB T.5P3) (FASB ASC 420-10-S99-1)

a. A component of income from continuing operations?

\_\_\_\_\_

b. Operating expenses, if they relate to activities for which revenues and expenses have historically been included in operating income?

\_\_\_\_\_

c. Other income and expenses, if they relate to activities previously included under that category?

\_\_\_\_\_

3. When exit and other types of restructuring charges (such as involuntary employee terminations and related costs; changes in valuation of current assets, such as inventory writedowns; long term asset disposals; adjustments for warranties and product returns; leasehold termination payments; and other facility exit costs; among others) are grouped in a note or statement of comprehensive income line item, has disclosure been made of: (SAB T.5P4) (FASB ASC 420-10-S99-2)

a. Nature and amounts of items that are quantitatively or qualitatively material?

\_\_\_\_\_

b. Separate identification of losses relating to asset impairments from charges based on estimates of future cash expenditures?

\_\_\_\_\_

4. For material exit or involuntary employee termination cost related to an acquired business, have the following disclosures been made: [(FASB ASC 420-10-50-1); (SAB T.5P3) (FASB ASC 420-10-S99-1); (SAB T.5P4) (FASB ASC 420-10-S99-2)] [For larger domestic issuers, also (S-X 5-04) (FASB ASC 205-10-S99-6)]

a. When the company began formulating exit plans for which accrual may be necessary?

\_\_\_\_\_

b. The types and amounts of liabilities recognized for exit costs and involuntary employee termination benefits included in the acquisition cost allocation?

\_\_\_\_\_

c. Any unresolved contingencies or purchase price allocation issues and the types of additional liabilities that may result in an adjustment of the acquisition cost allocation?

\_\_\_\_\_

**RETAINED EARNINGS RESTRICTIONS**

1. Are the following restrictions on retained earnings disclosed:

a. Restrictions as to dividend payments? (FASB ASC 440-10-50-1)

\_\_\_\_\_

b. If state laws relating to acquisition of stock restrict the availability of retained earnings for payment of dividends or have other effects of a significant nature, have those facts been disclosed? (FASB ASC 505-30-50-2)

\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

c. If a portion of retained earnings is “appropriated,” is the appropriation clearly shown as an appropriation of retained earnings within the stockholders’ equity section of the balance sheet? (FASB ASC 505-10-45-3)

\_\_\_\_\_

**SHARE-BASED PAYMENT ARRANGEMENTS**

NOTE: Entities with one or more share-based payment or compensation arrangements should disclose information that enables financial statement users to understand (1) the nature and terms of arrangements that existed during the period and the potential effects of the arrangement on shareholders, (2) the statement of comprehensive income effect of compensation cost arising from the arrangements, (3) the method of estimating the fair value of equity instruments granted or offered during the period, and (4) the cash flow effects of the arrangements (FASB ASC 718-10-50-1). The disclosures in Question Nos. 1 through 4 are minimum disclosure requirements. The entity may need to disclose additional information to meet the disclosure objectives. (FASB ASC 718-10-50-2)

1. Have the following been disclosed about the entity’s share-based payment arrangements [separately for each type of award (including nonemployee versus employee) to the extent separate disclosure would be useful]: (SAB T.14C) (FASB ASC 718-10-S99-1); (FASB ASC 718-10-50-2)

a. A description of the arrangement, including the general terms of the awards, such as the requisite service period for the employee and, if applicable, the vesting period for the nonemployee, as well as any other substantive conditions (including those related to vesting), the maximum contractual term of share options, and the number of shares authorized for awards?

\_\_\_\_\_

b. The method used to measure compensation cost from share-based payment arrangements?

\_\_\_\_\_

c. For the most recent year for which a statement of comprehensive income is presented:

(1) Number and weighted-average exercise prices for share options (or share units) outstanding at the beginning of the year; outstanding at the end of the year; exercisable or convertible at the end of the year; and granted, exercised or converted, forfeited, or expired during the year?

\_\_\_\_\_

(2) Number and weighted-average grant-date fair value of equity instruments nonvested at the beginning of the year; nonvested at the end of the year; and granted, vested, or forfeited during the year?

\_\_\_\_\_

d. For each year for which a statement of comprehensive income is presented:

(1) Weighted-average grant-date fair value of equity options or other equity instruments granted during the year?

\_\_\_\_\_

(2) Total intrinsic value of options exercised or converted, share-based liabilities paid, and total fair value of shares vested during the year?

\_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

- e. For fully vested share options and share options expected to vest (or, if the entity accounts for forfeitures when they occur, unvested share options for which the requisite service period for the employee or the vesting period for the nonemployee has not been rendered but that are expected to vest based on the achievement of a performance condition) at the date of the latest balance sheet:
- (1) Number, weighted-average exercise price, aggregate intrinsic value, and weighted-average remaining contractual term of options outstanding? \_\_\_\_\_
  - (2) Number, weighted-average exercise price, aggregate intrinsic value, and weighted-average remaining contractual term of options currently exercisable? \_\_\_\_\_
- f. If the intrinsic value method is not used, for each year for which a statement of comprehensive income is presented:
- (1) Description of the method used during the year to estimate fair value? \_\_\_\_\_
  - (2) Description of the significant assumptions used during the year to estimate fair value, including (a) the expected term of share options, including the method used to incorporate the contractual term and grantees' expected exercise and postvesting termination behavior into the fair value; (b) expected volatility of the entity's shares and the method used to estimate it; (c) expected dividends; (d) risk-free rates; and (e) discount for postvesting restrictions and the method for estimating it? \_\_\_\_\_
- Practical Consideration:
- When disclosing expected volatility, the SEC indicates that, at a minimum, disclosures should include how assumptions were determined. For example, if historical volatility were used, entities would be expected to disclose how it determined significant adjustments to historical volatility. (SAB T.14D) (FASB ASC 718-10-S99-1)
- (3) If the entity has entered into any share-based payment transactions while in possession of material non-public information (e.g., "spring-loaded" awards), description of how the entity determined the current share price underlying the share options, including the accounting policy related to identifying when an adjustment is required and any significant assumptions used to determine the amount of the adjustment? (SAB T.14D) (FASB ASC 718-10-S99-1) \_\_\_\_\_
    - (a) If the characteristics of the share options, including their spring-loaded nature, differ significantly from the entity's other share-based payment arrangements, has information regarding the spring-loaded share options been disclosed separately from other share-based payment arrangements? (SAB T.14D) (FASB ASC 718-10-S99-1) \_\_\_\_\_
2. If the entity has changed valuation techniques or valuation assumptions used in the valuation method, has the basis for the change in technique or method or the change in assumptions been disclosed? (SAB T.14C) (FASB ASC 718-10-S99-1) \_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

5. In the period of adoption of ASU 2024-01, have the following transition disclosures been made: (FASB ASC 718-10-65-17)
- a. For retrospective application, the requirements in Question No. 1 in ACCOUNTING CHANGES AND CORRECTION OF AN ERROR—Change in Accounting Principle and Question No. 32 in PCA-IR-5, “Disclosure Requirements for Interim Financial Information of Issuers,” in the period of adoption? \_\_\_\_\_
  - b. For prospective application, the nature and reason for the change in accounting principle? \_\_\_\_\_

**SCHEDULES—FORM 10-K, ITEM 15**

NOTE: The following describes certain schedules under Rule 5-04 of Reg. S-X that are to be filed as indicated in Item 15 of Form 10-K. Other schedules are prescribed by Rule 5-04 that apply to specialized industries and are outside the scope of this *Guide*. In addition, Item 15 of Form 10-K may require other schedules to be filed. Readers should refer to the specific instruction to Form 10-K.

**Issuer Is a Larger Company**

1. If restricted net assets of consolidated subsidiaries exceed 25% of consolidated net assets as of the end of the most recently completed fiscal year, is *Schedule I, Condensed Financial Information of the Registrant*, presented? [S-X 5-04(c) (FASB ASC 205-10-S99-6). Reg. S-X, 1-02, defines *restricted net assets* of subsidiaries as “that amount of the [issuer’s] proportionate share of net assets (after intercompany eliminations) reflected in the balance sheets of its consolidated and unconsolidated subsidiaries as of the end of the most recent fiscal year which may not be transferred to the parent company in the form of loans, advances or cash dividends by the subsidiaries without the consent of a third party (that is, lender, regulatory agency, foreign government, etc.).”] \_\_\_\_\_
- a. Do the condensed financial statements— [S-X 10-01(a)] (FASB ASC 270-10-S99-1)
    - (1) Include only major captions? \_\_\_\_\_
    - (2) Disclose raw materials, work in progress, and finished goods components of inventories? \_\_\_\_\_
    - (3) Combine balance sheet items that are less than 10% of total assets and that have not changed by more than 25% since the end of the last preceding fiscal year? (Such combination is optional.) \_\_\_\_\_
    - (4) Combine statement of comprehensive income items that are less than 15% of the average net income for the most recent three fiscal years and that have not changed by more than 20% since the preceding period? (Such combination is optional.) \_\_\_\_\_
    - (5) Disclose investment gains and losses, regardless of size? \_\_\_\_\_
  - b. Are the following disclosures included: (Reg. S-X 12-04) (FASB ASC 235-10-S99-3)
    - (1) As of the same dates and for the same periods for which audited consolidated financial statements are required, the issuer’s—
      - (a) Financial position? \_\_\_\_\_



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**Disclosure Made?**

**Yes      No      N/A**

(b) Cash flows?	_____	_____	_____
(c) Results of operations?	_____	_____	_____
(2) If not already separately disclosed in the consolidated financial statements—			
(a) Material contingencies?	_____	_____	_____
(b) Provisions of the issuer’s long-term obligations and guarantees, including mandatory dividend or redemption requirements of redeemable stocks and five-year debt maturities?	_____	_____	_____
(3) Amounts of cash dividends paid to the issuer for each of the last three fiscal years by consolidated subsidiaries, unconsolidated subsidiaries, and 50% or less owned persons accounted by the equity method?	_____	_____	_____
2. Is <i>Schedule II, Valuation and Qualifying Accounts</i> , presented with the information supporting the valuation accounts shown in each balance sheet for each period for which an audited statement of comprehensive income is required to be filed? Does the schedule include: [Reg. S-X 5-04(c) (FASB ASC 205-10-S99-6) and 12-09 (FASB ASC 235-10-S99-4)]	_____	_____	_____
a. A description of the account?	_____	_____	_____
(1) Are accounts grouped by those that are deducted in the balance sheet from the assets to which they relate and those that support a balance sheet caption? (Accounts for which additions, deductions, and balances were individually insignificant may be grouped in one total.)	_____	_____	_____
b. The balance at the beginning of the period?	_____	_____	_____
c. Additions charged to costs and expenses, and charged to other accounts, which should be described?	_____	_____	_____
d. Deductions, which should be described?	_____	_____	_____
e. The balance at the end of the period?	_____	_____	_____

**SUPPLIER FINANCE PROGRAMS**

NOTE: The disclosures in Question Nos. 1 and 2 apply after the adoption of ASU 2022-04, *Liabilities—Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations*. The ASU is effective for fiscal years, including interim periods within those years, beginning after December 15, 2022, with the exception of the disclosures in item 1(b)(3), which has an effective date of fiscal years beginning after December 15, 2023. Early adoption is allowed. In the period of adoption, the ASU is to be applied retroactively to all periods in which a balance sheet is presented, except for the disclosures in item 1(b)(3), which requires prospective application. For the first fiscal year of application, the disclosures in items 1(a) through 1(b)(2) should be applied to each interim period. (FASB ASC 405-50-65-1)

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**Disclosure Made?**

**Yes      No      N/A**

Qualitative and quantitative information should be disclosed so that users can understand the nature, activity, changes from period to period, and potential magnitude of the supplier finance programs. In making these disclosures, the amount of detail required to meet this objective should be considered. If more than one supplier finance program is used, disclosures may be aggregated as long as useful information about programs with substantially different characteristics are not obscured. (FASB ASC 405-50-50-1 and FASB ASC 50-2)

1. In each annual period, has the following been disclosed about the existing supplier finance programs: (FASB ASC 405-50-50-3)

a. The key terms of the programs, including (but not limited to):

(1) Details about payment terms, including payment timing and its basis for determination? \_\_\_\_\_

(2) For committed payments to the finance provider or intermediary, assets pledged as security or other guarantees? \_\_\_\_\_

b. For obligations at the end of the reporting period that have been confirmed as valid to the finance provider or intermediary (i.e., the amount confirmed under the program that remain unpaid by the entity), the following information:

(1) The amount outstanding? \_\_\_\_\_

(2) Where the obligations are presented in the balance sheet? (If presented in multiple line items, the amount outstanding in each line item should be disclosed.) \_\_\_\_\_

(3) A rollforward of the obligations including, as a minimum, amounts outstanding at the beginning of the period, amounts added during the period, amounts settled during the period, and amounts outstanding at the end of the period? \_\_\_\_\_

2. For interim reporting periods, has disclosure been made of the amount of outstanding obligations at the end of the period that have been confirmed as valid to the finance provider or intermediary under the program? (FASB ASC 405-50-50-4) \_\_\_\_\_

**TERMINATION CLAIMS RECEIVABLE**

1. If the total of the undeterminable parts of a termination claim is believed to be material, have the essential facts been disclosed? (FASB ASC 912-275-50-3) \_\_\_\_\_

2. Have material termination claims been separately disclosed in the balance sheet? (FASB ASC 912-310-45-6) \_\_\_\_\_

3. Has disclosure been made of the relationship between advances or other loans received on terminated contracts and the potential termination claim receivable? (FASB ASC 912-310-45-4 through 45-7) \_\_\_\_\_

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**Disclosure Made?**

**Yes      No      N/A**

**TRANSFERS OF FINANCIAL ASSETS**

NOTE: Disclosures about transfers of financial assets may be reported in the aggregate for similar transfers if separate reporting would not provide more useful information. (This section does not provide disclosures for servicing assets and liabilities. See FASB ASC 860-50-50 for those disclosure requirements.)

**General**

1. Do disclosures of the transferor: (FASB ASC 860-10-50-4A)
  - a. Indicate how similar transfers are aggregated, if applicable? \_\_\_\_\_
  - b. Distinguish transfers that are accounted for as sales from those that are accounted for as secured borrowings? \_\_\_\_\_
  
2. If disclosures about transfers of financial assets are not sufficient for financial statement users to understand (a) a transferor's continuing involvement, if any, with transferred financial assets, (b) the nature of any restrictions on assets that relate to a transferred financial asset and the carrying amounts of those assets, and (c) for transfers accounted for as sales when the transferor has continuing involvement with the transferred financial assets and for transfers of financial assets accounted for as secured borrowings, how the transfer affects financial position, financial performance, and cash flows, has additional disclosure been made as necessary? (Disclosures should be presented in a manner that clearly and fully explains the transferor's risk exposure related to transferred assets and any restrictions on its assets. For purposes of these requirements, involvement by the transferor includes involvement by its consolidated affiliates and agents.) (FASB ASC 860-10-50-3 and 50-4; 860-10-50-6 and 50-7) \_\_\_\_\_

**Sales of Financial Assets**

NOTE: If specific disclosures for a particular form of a transferor's continuing involvement in transferred financial assets are required by other GAAP, the disclosures required by items 3(a), 3(b), and 4(a) should be made along with a cross-reference to the separate notes to the financial statements to allow users of the financial statement to understand the retained risks. The entity is not required to provide each specific disclosure required by item 3(c) and Question No. 4 if the disclosure is not required by other GAAP and the overall objectives of Question Nos. 3 and 4 are met. (The entity should assess whether the other disclosures required by Question Nos. 3 and 4 are necessary in order to meet the overall objectives of those questions.) (FASB ASC 860-20-50-2A)

3. For transfers accounted for as sales when the transferor has continuing involvement with the transferred financial assets, have the following been disclosed for each statement of comprehensive income presented: (FASB ASC 860-20-50-2 and 50-3)
  - a. Characteristics of the transfer (including a description of the transferor's continuing involvement with the transferred financial assets, the nature and initial fair value of the assets obtained as proceeds and liabilities incurred in the transfer, and the gain or loss from the sale of transferred financial assets)? \_\_\_\_\_
  - b. For initial fair value measurements of assets obtained and liabilities incurred in the transfer:
    - (1) The level within the fair value hierarchy in which the fair value measurements fall, segregating fair value measurements using Level 1 inputs, Level 2 inputs, and Level 3 inputs? \_\_\_\_\_

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	<b>Disclosure Made?</b>		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
(2) Key inputs and assumptions used in measuring the fair value of assets obtained and liabilities incurred as a result of the sale that relate to the transferor’s continuing involvement (including, where applicable, quantitative information about discount rates, expected prepayments including the expected weighted-average life of prepayable financial assets, and anticipated credit losses, including expected static pool losses)?	_____	_____	_____
(3) Valuation technique(s) used to measure fair value?	_____	_____	_____
c. Cash flows between a transferor and transferee (including proceeds from new transfers, proceeds from collections reinvested in revolving-period transfers, purchases of previously transferred financial assets, servicing fees, and cash flows received from a transferor’s beneficial interests)?	_____	_____	_____
4. For transfers accounted for as sales when the transferor has continuing involvement with the transferred financial assets, have the following been disclosed for each balance sheet presented, regardless of when the transfer occurred? (FASB ASC 860-20-50-2 and 50-4)			
a. Qualitative and quantitative information about the transferor’s continuing involvement with transferred financial assets that provides sufficient information about the reasons for the continuing involvement, the continuing risks related to the transferred financial assets, and the extent to which the transferor’s risk profile has changed as a result of the transfer (including credit risk, interest rate risk, and other risks), including:			
(1) Total principal amount outstanding, the amount that has been derecognized, and the amount that continues to be recognized in the balance sheet?	_____	_____	_____
(2) Terms of arrangements that could require the transferor to provide financial support to the transferee or its beneficial interest holders, including events or circumstances that could expose the transferor to loss and the amount of the maximum exposure to loss?	_____	_____	_____
(3) Whether the transferor has provided financial or other support to the transferee or its beneficial interest holders during the periods presented that was not previously contractually required, or assisted the transferee or its beneficial interest holders in obtaining support, including the type, amount, and reasons for providing the support?	_____	_____	_____
(4) Information about any liquidity arrangements, guarantees, or other commitments provided by third parties related to the transferred financial assets that may affect the transferor’s exposure to loss or risk of the transferor’s interest? (NOTE: This disclosure is encouraged but not required.)	_____	_____	_____
b. Accounting policies for subsequently measuring assets or liabilities that relate to the continuing involvement with the transferred financial assets?	_____	_____	_____
c. Key inputs and assumptions used in measuring the fair value of assets or liabilities related to the transferor’s continuing involvement (including, where applicable, quantitative information about discount rates, expected prepayments including the expected weighted-average life of prepayable financial assets, and anticipated credit losses, including expected static pool losses)?	_____	_____	_____

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**Disclosure Made?**

**Yes      No      N/A**

- d. For interests in the transferred financial assets, a sensitivity analysis or stress test showing the hypothetical effect on the fair value of those interests of two or more unfavorable variations from the expected levels for each key assumption reported in item (c) independent from changes in other key assumptions, and a description of the objectives, methodology, and limitations of the sensitivity analysis or stress test? \_\_\_\_\_
- e. Information about the asset quality of transferred financial assets and any other assets managed together with them, separated between assets that have been derecognized and assets that continue to be recognized in the balance sheet (for example, information on receivables would include delinquencies at the end of the period and credit losses, net of recoveries, during the period)? \_\_\_\_\_

NOTE: The following disclosures apply to transactions accounted for as a sale that comprise both (1) a transfer of financial assets to a transferee, and (2) an agreement entered into in connection with the initial transfer that results in the transferor keeping substantially all of the exposure to the economic return on the transferred financial assets throughout the transaction term. (FASB ASC 860-20-50-4A)

- 5. To provide an understanding of the transactions' nature, the transferor's continuing exposure to transferred financial assets, and the presentation of the transaction components in the financial statements, have the following been disclosed for outstanding transactions at the reporting date by type of transaction: (FASB ASC 860-20-50-4D)
  - a. Carrying amount of assets derecognized as of the derecognition date? \_\_\_\_\_
  - b. If amounts that have been derecognized have significantly changed from amounts derecognized in prior periods or are not representative of the activity during the period, a discussion of the reasons for the change? \_\_\_\_\_
  - c. Amount of gross cash proceeds that the transferor received for the assets derecognized as of the derecognition date? \_\_\_\_\_
  - d. Information about the transferor's ongoing exposure to the economic return on the transferred financial assets, including:
    - (1) Fair value of assets derecognized by the transferor as of the reporting date? \_\_\_\_\_
    - (2) Amounts reported in the balance sheet that arose from the transaction (such as the carrying value or fair value of forward repurchase agreements or swap contracts)? (If such amounts are captured in the derivative disclosures required by Question No. 2 of DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES, has a cross reference to the appropriate line item in that disclosure been provided?) \_\_\_\_\_
  - e. A description of the arrangements that resulted in the transferor retaining substantially all of the exposure to the economic return on the transferred financial assets along with associated risks? \_\_\_\_\_

Practical Consideration:

- FASB ASC 860-20-50-4B and 50-4C provide a listing of transactions that are subject to these disclosures as well as transactions that are outside the scope of the requirements.

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**Disclosure Made?**

**Yes**      **No**      **N/A**

**Secured Borrowing and Collateral**

- |  |       |       |       |
|--|-------|-------|-------|
| <p>6. If the entity has assets pledged as collateral, have the disclosures in Question No. 6 in FINANCIAL INSTRUMENTS—Fair Value of Financial Instruments been made?</p>   | _____ | _____ | _____ |
| <p>7. Has the following been disclosed about financial assets the entity has accepted as collateral and is permitted to sell or repledge: (FASB ASC 860-30-50-1A)</p>  |       |       |       |
| <p>a. The collateral’s fair value as of the date of each balance sheet presented?</p>  | _____ | _____ | _____ |
| <p>b. The fair value, as of the date of each balance sheet presented, of the portion of the collateral that has been sold or repledged?</p>  | _____ | _____ | _____ |
| <p>c. Information about the sources and uses of the collateral?</p>  | _____ | _____ | _____ |
| <p>8. If the entity enters into repurchase agreements or securities lending transactions, has its policy for requiring collateral or other security been disclosed? (FASB ASC 860-30-50-1A)</p>  | _____ | _____ | _____ |
| <p>9. To provide an understanding of the nature and risks of short-term collateralized financing obtained through repurchase agreements, securities lending transactions, and repurchase-to-maturity transactions accounted for as secured borrowings at the reporting date, have the following been disclosed for each interim and annual period about the collateral pledged and the related risks to which the transferor retains exposure after the transfer: (FASB ASC 860-30-50-7)</p> |       |       |       |
| <p>a. A disaggregation of the gross obligation by class of collateral pledged? (The appropriate level of disaggregation and classes should be determined based on the nature, characteristics, and risks of the collateral pledged.)</p>   | _____ | _____ | _____ |
| <p>b. A reconciliation of total borrowings under the agreements to the amount of the gross liability for repurchase agreements and securities lending transactions disclosed in accordance with item 1(a) of BALANCE SHEET OFFSETTING, before any adjustments for offsetting? [Any difference between the gross obligation disclosed under this item and the amount disclosed under that item 1(a) should be presented as a reconciling item.]</p>   | _____ | _____ | _____ |
| <p>c. Remaining contractual maturity of repurchase agreements, securities lending transactions, and repurchase-to-maturity transactions?</p>   | _____ | _____ | _____ |
| <p>d. Discussion of the potential risks associated with the agreements and associated pledged collateral, including obligations arising from a decline in the fair value of the pledged collateral and how risks are managed?</p>  | _____ | _____ | _____ |
| <p>10. Have the disclosures in BALANCE SHEET OFFSETTING been made for (a) recognized repurchase agreements and reverse repurchase agreements both accounted for as a collateralized borrowing and (b) recognized securities borrowing and lending transactions that are offset or subject to an enforceable master netting arrangement or similar agreement? (FASB ASC 860-30-50-8)</p>  | _____ | _____ | _____ |

**Disclosure Made?**

<u>Yes</u>	<u>No</u>	<u>N/A</u>
		<input type="checkbox"/>

**TROUBLED DEBT RESTRUCTURINGS—CREDITORS**

The disclosures in Question Nos. 1 through 5 are superseded upon the adoption of ASU 2022-02, *Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures*. For entities that have not adopted ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, and related subsequent ASUs, the effective date of the ASU is the same as the effective dates of ASU 2016-13. For entities that have adopted ASU 2016-13, the ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those years. (FASB ASC 310-10-65-5) See FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13 for effective dates of ASU 2016-13 and related subsequent ASUs. After the adoption of ASU 2022-02, refer to the disclosures in LENDING ACTIVITIES, LOAN PURCHASES, AND MODIFICATIONS FOR DEBTORS EXPERIENCING FINANCIAL DIFFICULTIES.

- |  |       |       |       |
|--|-------|-------|-------|
| <p>1. Has the amount of any commitments to lend additional funds to debtors owing receivables whose terms have been modified in troubled debt restructurings been disclosed as of the date of each balance sheet presented? (FASB ASC 310-40-50-1)</p>   | _____ | _____ | _____ |
| <p>2. For periods prior to the adoption of ASU 2016-13, for each period for which a statement of comprehensive income is presented, is the following disclosed about troubled debt restructurings of financing receivables: (This disclosure applies only to a creditor’s troubled debt restructurings of financing receivables. A creditor’s modification of a lease receivable that meets the definition of a troubled debt restructuring is subject to this disclosure guidance. This disclosure does not apply to receivables measured at fair value with changes in fair value reported in earnings; receivables measured at lower of cost or fair value; trade accounts receivable, other than credit card receivables, that have a contractual maturity of one year or less and arose from the sale of goods or services; or loans acquired with deteriorated credit quality that are accounted for within a pool.) (FASB ASC 310-10-50-31 through 50-34)</p> <p style="margin-left: 20px;">a. For restructurings that occurred during the period:</p> <p style="margin-left: 40px;">(1) By class of financing receivable, qualitative and quantitative information about how the financing receivables were modified and the financial effects of the modifications?</p> <p style="margin-left: 40px;">(2) By portfolio segment, qualitative information about how such modifications are factored into the determination of the allowance for credit losses?</p> <p style="margin-left: 20px;">b. For financing receivables modified as troubled debt restructurings within the previous 12 months and for which there was a payment default during the period:</p> <p style="margin-left: 40px;">(1) By class of financing receivable, qualitative and quantitative information about those defaulted financing receivables, including the types of financing receivables that defaulted and the amount of financing receivables that defaulted?</p> <p style="margin-left: 40px;">(2) By portfolio segment, qualitative information about how such defaults are factored into the determination of the allowance for credit losses?</p> | _____ | _____ | _____ |
|  | _____ | _____ | _____ |

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**Disclosure Made?**

**Yes      No      N/A**

3. If ASU 2016-13 has been adopted, for each period for which a statement of comprehensive income is presented, is the following information disclosed about troubled debt restructurings of financing receivables: (NOTE: This applies only to a creditor’s troubled debt restructurings of financing receivables. A creditor’s modification of a lease receivable that meets the definition of a troubled debt restructuring is subject to this disclosure requirement. This does not apply to receivables measured at fair value with changes in fair value reported in earnings; receivables measured at lower of amortized cost basis or fair value; or trade accounts receivable, except for credit card receivables, that have a contractual maturity of one year or less and arose from the sale of goods or services.) (FASB ASC 310-10-50-31 through 50-34)

a. For restructurings that occurred during the period—

(1) By class of financing receivable, qualitative and quantitative information about how the financing receivables were modified and the financial effects of the modifications?

\_\_\_\_\_

(2) By portfolio segment, qualitative information about how such modifications are factored into the determination of the allowance for credit losses?

\_\_\_\_\_

b. For financing receivables modified as troubled debt restructurings within the previous 12 months and for which there was a payment default (after the restructuring) during the period—

(1) By class of financing receivable, qualitative and quantitative information about those defaulted financing receivables, including the types of financing receivables that defaulted and the amount of financing receivables that defaulted?

\_\_\_\_\_

(2) By portfolio segment, qualitative information about how such defaults are factored into the determination of the allowance for credit losses?

\_\_\_\_\_

Practical Consideration:

- The disclosure requirements in Question No. 3 apply after the adoption of ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (but before the adoption of ASU 2022-02 as discussed in the NOTE to this section), and supersede the disclosures in Question No. 2. The effective dates of the ASU are indicated in FINANCIAL INSTRUMENTS, MEASUREMENT OF CREDIT LOSSES—ASU 2016-13.

4. Have the appropriate disclosures for impaired loans been made? (See LENDING ACTIVITIES, LOAN PURCHASES, AND MODIFICATIONS FOR DEBTORS EXPERIENCING FINANCIAL DIFFICULTIES—Impaired Loans)

\_\_\_\_\_

5. If the entity has restructured a loan in a troubled debt restructuring into two or more loan agreements, has the impact of the multiple loan structures on the impaired loan disclosures in LENDING ACTIVITIES, LOAN PURCHASES, AND MODIFICATIONS FOR DEBTORS EXPERIENCING FINANCIAL DIFFICULTIES in years after the restructuring been made clear to users? (FASB ASC 310-40-S99-1)

\_\_\_\_\_



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**Disclosure Made?**

**Yes**      **No**      **N/A**

**TROUBLED DEBT RESTRUCTURINGS—DEBTORS**

1. When troubled debt restructurings have occurred during a period for which financial statements are presented, have the following disclosures been made: (FASB ASC 470-60-50-1)
  - a. A description of the principal changes in terms, the major features of settlement, or both, for each restructuring? (Separate restructurings within a fiscal period for the same categories of payable may be grouped.)
  - b. The aggregate gain on restructuring of payables?
  - c. The aggregate gain or loss on transfers of assets recognized during the period?
  - d. The per share amount of the aggregate gain on restructuring of payables?
  
2. Have the following been disclosed for periods after a troubled debt restructuring has occurred: (FASB ASC 470-60-50-2)
  - a. The extent to which amounts contingently payable are included in the carrying amount of restructured payables?
  - b. Total amounts that are contingently payable on restructured payables and the conditions under which those amounts would become payable or would be forgiven when there is at least a reasonable possibility that a liability for contingent payments will be incurred?

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**UNCONDITIONAL PURCHASE OBLIGATIONS**

1. For unconditional purchase obligations that are not recorded on the purchaser's balance sheet, is the following information disclosed: (FASB ASC 440-10-50-4)
  - a. Nature and term of the obligation(s)?
  - b. Amount of the fixed and determinable portion of the obligation(s) as of the latest balance sheet presented and, if determinable, for each of the five succeeding fiscal years?
  - c. Nature of any variable components of the obligation(s)?
  - d. Amounts purchased under the obligation(s) for each period for which a statement of comprehensive income is presented?
  
2. For unconditional purchase obligations that are recorded on the purchaser's balance sheet, have the aggregate amount of payments for unconditional purchase obligations been disclosed for each of the five years following the date of the latest balance sheet presented? (FASB ASC 440-10-50-6)

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____