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## Checklists and illustrative financial statements for corporations, September 30, 2013

American Institute of Certified Public Accountants (AICPA)

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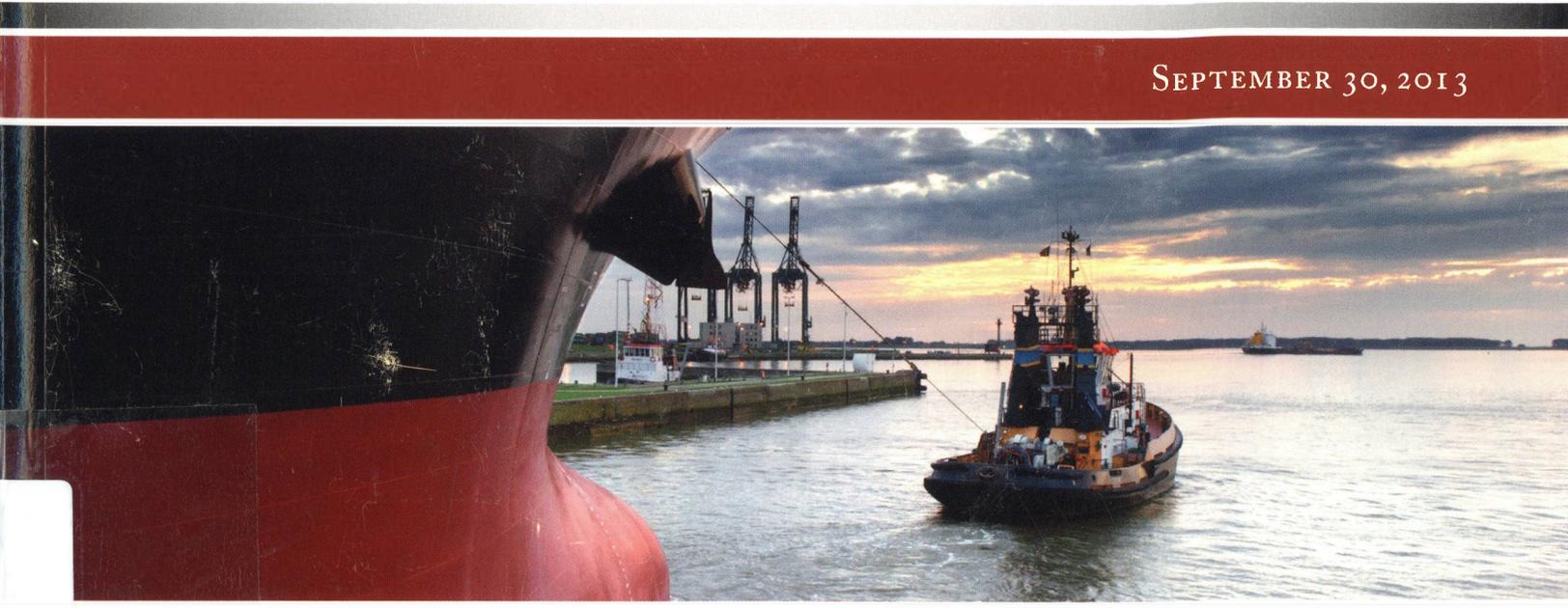
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CHECKLISTS & ILLUSTRATIVE FINANCIAL STATEMENTS

# Corporations

SEPTEMBER 30, 2013



AICPA<sup>®</sup>

CHECKLISTS & ILLUSTRATIVE FINANCIAL STATEMENTS

# Corporations

SEPTEMBER 30, 2013

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## Notice to Readers

The following checklists and illustrative materials have been developed by the staff of the AICPA Accounting and Auditing Content Development team to serve as nonauthoritative practice aids for use by preparers of financial statements and by practitioners who audit, review, or compile financial statements. The auditor's and accountant's report checklists address those requirements most likely to be encountered when reporting on financial statements of a commercial corporation prepared in conformity with U.S. generally accepted accounting principles (GAAP).

Relevant financial statement reporting and disclosure guidance issued through September 30, 2013, has been considered in the development of this edition of the checklist. It has been fully conformed to reflect the auditing standards resulting from the Auditing Standards Board's Clarity Project.

Any guidance issued subsequent to September 30, 2013, has not been included in this checklist; therefore, if your entity has a fiscal year-end after September 30, 2013, you need to consider the applicability of such guidance. In determining the applicability of newly issued guidance, its effective date also should be considered.

We hope you find this checklist helpful as you perform your audit and compilation and review engagements for entities that prepare their financial statements based on GAAP.

### Applicability

These checklists and illustrative materials are intended to be used in connection with engagements of non-public entities and are not intended to be used in connection with audits of public entities that are required to be audited under standards set by the Public Company Accounting Oversight Board.

They do not include reporting requirements relating to other matters such as internal control or agreed-upon procedures. The financial statement and notes checklist includes disclosure considerations applicable to commercial corporations in preparing financial statements in conformity with GAAP. The checklist does not include disclosures that are applicable only to entities in specific industries (such as insurance entities or not-for-profit entities) nor does it include disclosures prescribed by guidance whose applicability to commercial corporations is considered to be unlikely.

Users of the financial statements and notes checklist should remember that it is a disclosure checklist only and not a comprehensive GAAP application or measurement checklist. Accordingly, application and measurement issues related to preparing financial statements in conformity with GAAP are not included in the checklist.

These checklists contain numerous references to accounting and auditing guidance. Abbreviations and acronyms used in such references include the following:

AR	=	Reference to a section number in AICPA <i>Professional Standards</i> for compilation and review standards
AU-C	=	Reference to a section number in AICPA <i>Professional Standards</i> for U.S. clarified auditing standards that are applicable to nonissuers
AUD	=	Reference to a section number in AICPA <i>Technical Practice Aids</i> Statements of Position—Auditing and Attestation
FASB ASC	=	Reference to a topic, subtopic, section, or paragraph in Financial Accounting Standards Board <i>Accounting Standards Codification</i> ®

## Instructions

Within these checklists are a number of questions or statements that are accompanied by references to applicable authoritative guidance. The financial statements and notes checklist is organized into seven discrete sections. Disclosures listed in the “Presentation,” “Assets,” “Liabilities,” “Equity,” “Revenue,” and “Expenses” sections are common to most commercial corporations. Those listed in the “Broad Transactions” section are required when circumstances dictate.

The checklists provide spaces for checking off or initialing each question or point to indicate that it has been considered. Carefully review the topics listed and consider whether they represent potential disclosure items for the reporting entity for which you are preparing or auditing financial statements. Users should check or initial:

<b>Yes</b>	If the disclosure is required and has been made appropriately.
<b>No</b>	If the disclosure is required but has not been made.
<b>N/A (Not Applicable)</b>	If the disclosure is not applicable to the organization.

It is important that the effect of any “No” response be considered on the auditor or accountant’s report. For audited financial statements, a “No” response that is material to the financial statements may warrant a departure from an unqualified opinion as discussed in AU-C section 705, *Modifications to the Opinion in the Independent Auditor’s Report* (AICPA, *Professional Standards*). For reviewed or compiled financial statements, a “No” response that is material to the financial statements may warrant a departure from a standard report as discussed in AR sections 80, *Compilation of Financial Statements*, and 90, *Review of Financial Statements* (AICPA, *Professional Standards*). If a “No” response is indicated, the staff of the Accounting and Auditing Content Development team recommends that a notation be made in the margin to explain why the disclosure was not made (for example, because the item was not considered to be material to the financial statements).

Users may find it helpful to use the right margin for certain other remarks and comments as appropriate, including the following:

- a. For each disclosure for which a “Yes” is indicated, a notation regarding where the disclosure is located in the financial statements and a cross-reference to the applicable working papers where the support to a disclosure may be found.
- b. For items marked as “N/A,” the reasons for which they do not apply in the circumstances of the particular report.
- c. For each disclosure for which a “No” response is indicated, a notation regarding why the disclosure was not made (for example, because the item was not considered to be material to the financial statements).

This checklist includes guidance mandatorily effective for annual reporting periods ending on or before September 30, 2013. Recognizing that many entities have December 31 year-ends, this checklist also includes guidance issued through September 30, 2013, which may become effective for annual reporting periods ending on or before December 31, 2013, either because of the effective date or an entity’s decision to early adopt (where permitted). Any guidance included herein not yet mandatorily effective for annual reporting periods ending on or before December 31, 2013, is described within each section of the checklist where applicable.

Where this type of dual guidance is provided, the checklist questions are segregated into those denoted with “A” references and those denoted with “B” references. Checklist questions pertaining to guidance mandatorily effective for annual reporting periods ending on or before September 30, 2013, absent an entity’s decision to early adopt any superseding guidance (where applicable and permissible), are denoted with “A” references. Entities to which the “A” references apply should place an “N/A” mark in the related checklist questions denoted with a “B” reference. Checklist questions pertaining to guidance issued through September 30, 2013, which may become effective for entities with annual reporting periods ending on or before December 31, 2013, either because of the effective date or an entity’s decision to early adopt (where permit-

ted), are denoted with a “B” reference. Entities to which the “B” references apply should place an “N/A” mark by questions denoted with an “A” reference. Therefore, depending upon your entity’s(ies’) year-end(s) and decision(s) to early adopt (where permitted), the appropriate alternative questions should be answered when provided.

These checklists and illustrative materials have been prepared by the AICPA staff. They have not been reviewed, approved, disapproved, or otherwise acted on by any senior committee of the AICPA and do not represent official positions or pronouncements of the AICPA.

The use of these or any other checklists requires the exercise of individual professional judgment. These checklists are not substitutes for the original authoritative guidance. Users of these checklists and illustrative materials are urged to refer directly to applicable authoritative guidance when appropriate. The checklists and illustrative materials may not include all disclosures and presentation items promulgated, nor do they represent minimum standards or requirements. Additionally, users of the checklists and illustrative materials are encouraged to tailor them as required to meet specific circumstances of each particular engagement. As an additional resource, users may call the AICPA Technical Hotline at 1.877.242.7212.

## Recognition

Liese Faircloth  
*Technical Manager*  
Accounting and Auditing Content Development

## Feedback

*Checklists and Illustrative Financial Statements for Corporations* is published annually. As you encounter audit or industry issues that you believe warrant discussion in next year’s checklist, please feel free to share them with us. Any other comments you have about the checklist also would be appreciated. You may e-mail these comments to [A&APublications@aicpa.org](mailto:A&APublications@aicpa.org).

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# Part 1

## *Financial Statements and Notes Checklist*

**.01 Checklist Questionnaire.** This financial statement disclosure checklist is organized into sections. Carefully review the topics listed and consider whether they represent potential disclosure items for the entity for which you are preparing, compiling, reviewing, or auditing financial statements. Place a check mark by the topics or sections that are applicable and complete those sections of the checklist. Other sections may be marked “N/A” or left blank. For example, if the entity had a change in accounting principle, place a check mark by the section “Accounting Changes” and complete that section of the checklist. On the other hand, if the entity did not have a change in accounting principle, do not place a check mark by “Accounting Changes” and skip that section when completing the checklist.

	<i>Place ✓ by Sections Applicable</i>
I. Presentation	
A. Presentation of Financial Statements (Financial Accounting Standards Board [FASB] <i>Accounting Standards Codification</i> [ASC] 205-10)	_____
B. Presentation of Discontinued Operations in the Financial Statements (FASB ASC 205-20)	_____
C. Presentation of the Balance Sheet (FASB ASC 210-10)	_____
D. Presentation of Offsetting in the Balance Sheet (FASB ASC 210-20)	_____
E. Presentation of Comprehensive Income (FASB ASC 220-10)	_____
F. Presentation of the Income Statement (FASB ASC 225-10)	_____
G. Presentation of Extraordinary and Unusual Items in the Income Statement (FASB ASC 225-20)	_____
H. Presentation of Business Interruption Insurance (FASB ASC 225-30)	_____
I. Presentation of the Statement of Cash Flows (FASB ASC 230-10)	_____
J. Presentation of the Notes to Financial Statements (FASB ASC 235-10)	_____
K. Presentation of Accounting Changes and Error Corrections (FASB ASC 250-10)	_____
L. Presentation of Changing Prices (FASB ASC 255-10)	_____
M. Presentation of Earnings Per Share (FASB ASC 260-10)	_____
N. Presentation Regarding Interim Reporting (FASB ASC 270-10)	_____
O. Presentation Regarding Income Taxes for Interim Reporting (FASB ASC 740-270)	_____
P. Presentation of Risks and Uncertainties (FASB ASC 275-10)	_____
Q. Presentation Regarding Segment Reporting (FASB ASC 280-10)	_____
II. Assets	
A. Receivables (FASB ASC 310-10)	_____
B. Nonrefundable Fees and Other Costs (FASB ASC 310-20)	_____
C. Loans and Debt Securities Acquired With Deteriorated Credit Quality (FASB ASC 310-30)	_____

		<i>Place ✓ by Sections Applicable</i>
		<hr/>
D.	Troubled Debt Restructurings by Creditors (FASB ASC 310-40)	_____
E.	Investments—Debt and Equity Securities (FASB ASC 320-10)	_____
F.	Investments—Equity Method and Joint Ventures (FASB ASC 323-10)	_____
G.	Cost Method Investments (FASB ASC 325-10)	_____
H.	Investments in Insurance Contracts (FASB ASC 325-30)	_____
I.	Inventory (FASB ASC 330-10)	_____
J.	Capitalized Advertising Costs (FASB ASC 340-20)	_____
K.	Insurance Contracts That Do Not Transfer Insurance Risks (FASB ASC 340-30)	_____
L.	Goodwill (FASB ASC 350-20)	_____
M.	General Intangibles Other Than Goodwill (FASB ASC 350-30)	_____
N.	Property, Plant, and Equipment (FASB ASC 360-10)	_____
III.	Liabilities	
A.	Insurance-Related Assessment Liabilities (FASB ASC 405-30)	_____
B.	Asset Retirement and Environmental Obligations (FASB ASC 410-20)	_____
C.	Asset Retirement and Environmental Obligations—Environmental Obligations (FASB ASC 410-30)	_____
D.	Exit or Disposal Cost Obligations (FASB ASC 420-10)	_____
E.	Commitments (FASB ASC 440-10)	_____
F.	Loss Contingencies (FASB ASC 450-20)	_____
G.	Gain Contingencies (FASB ASC 450-30)	_____
H.	Guarantees (FASB ASC 460-10)	_____
I.	Debt—Overall (FASB ASC 470-10)	_____
J.	Debt—Debt With Conversion and Other Options (FASB ASC 470-20)	_____
K.	Participating Mortgage Loans (FASB ASC 470-30)	_____
L.	Debt Modifications and Extinguishments (FASB ASC 470-50)	_____
M.	Troubled Debt Restructuring by Debtors (FASB ASC 470-60)	_____
N.	Distinguishing Liabilities From Equity (FASB ASC 480-10)	_____
IV.	Equity	
A.	Equity (FASB ASC 505-10)	_____
B.	Stock Dividends and Stock Splits (FASB ASC 505-20)	_____
C.	Treasury Stock (FASB ASC 505-30)	_____
D.	Equity-Based Payments to Nonemployees (FASB ASC 505-50)	_____
V.	Revenue	
A.	Revenue Recognition—Products (FASB ASC 605-15)	_____
B.	Revenue Recognition—Services (FASB ASC 605-20)	_____
C.	Multiple Element Arrangements (FASB ASC 605-25)	_____
D.	Milestone Method Revenue Recognition (FASB ASC 605-28)	_____
E.	Construction Type and Production Type Contracts (FASB ASC 605-35)	_____
F.	Gains and Losses—Revenue Recognition (FASB ASC 605-40)	_____

*Place ✓ by  
Sections  
Applicable*

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- G. Principal Agent Considerations—Revenue Recognition (FASB ASC 605-45) \_\_\_\_\_
- H. Customer Payments and Incentives (FASB ASC 605-50) \_\_\_\_\_
- VI. Expenses
  - A. Compensation (FASB ASC 710-10) \_\_\_\_\_
  - B. Nonretirement Postemployment Benefits (FASB ASC 712-10) \_\_\_\_\_
  - C. Defined Benefit Plans—Compensation (FASB ASC 715-20) \_\_\_\_\_
  - D. Defined Benefit Plans—Other Postretirement (FASB ASC 715-60) \_\_\_\_\_
  - E. Defined Contribution Plans (FASB ASC 715-70) \_\_\_\_\_
  - F. Multiemployer Plans (FASB ASC 715-80) \_\_\_\_\_
  - G. Stock Compensation (FASB ASC 718-10) \_\_\_\_\_
  - H. Employee Stock Ownership Plans (FASB ASC 718-40) \_\_\_\_\_
  - I. Insurance Costs (FASB ASC 720-20) \_\_\_\_\_
  - J. Advertising Costs (FASB ASC 720-35) \_\_\_\_\_
  - K. Research and Development Expenses (FASB ASC 730-10) \_\_\_\_\_
  - L. Research and Development Arrangements (FASB ASC 730-20) \_\_\_\_\_
  - M. Income Taxes (FASB ASC 740-10) \_\_\_\_\_
  - N. Intraproduct Tax Allocations (FASB ASC 740-20) \_\_\_\_\_
  - O. Income Taxes—Other Considerations or Special Areas (FASB ASC 740-30) \_\_\_\_\_
  - P. Income Taxes—Interim Reporting (FASB ASC 740-270) \_\_\_\_\_
- VII. Broad Transactions
  - A. Business Combinations (FASB ASC 805-10) \_\_\_\_\_
  - B. Identifiable Assets and Liabilities, and Any Noncontrolling Interest—Business Combinations (FASB ASC 805-20) \_\_\_\_\_
  - C. Goodwill or Gain From Bargain Purchase, Including Consideration Transferred (FASB ASC 805-30) \_\_\_\_\_
  - D. Reverse Acquisitions (FASB ASC 805-40) \_\_\_\_\_
  - E. Business Combinations—Related Issues (FASB ASC 805-50) \_\_\_\_\_
  - F. Collaborative Arrangements (FASB ASC 808-10) \_\_\_\_\_
  - G. Consolidation (FASB ASC 810-10) \_\_\_\_\_
  - H. Derivatives and Hedging (FASB ASC 815-10) \_\_\_\_\_
  - I. Embedded Derivatives (FASB ASC 815-15) \_\_\_\_\_
  - J. Fair Value Hedging (FASB ASC 815-25) \_\_\_\_\_
  - K. Cash Flows Hedges (FASB ASC 815-30) \_\_\_\_\_
  - L. Net Investments Hedges (FASB ASC 815-35) \_\_\_\_\_
  - M. Contracts in Entity’s Own Equity (FASB ASC 815-40) \_\_\_\_\_
  - N. Weather Derivatives (FASB ASC 815-45) \_\_\_\_\_
  - O. Fair Value Measurements and Disclosures (FASB ASC 820-10) \_\_\_\_\_
  - P. Financial Instruments (FASB ASC 825-10) \_\_\_\_\_
  - Q. Financial Instruments—Registration Payment Arrangements (FASB ASC 825-20) \_\_\_\_\_
  - R. Foreign Currency Transactions (FASB ASC 830-20) \_\_\_\_\_

*Place ✓ by  
Sections  
Applicable*

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S.	Foreign Currency Matters—Translation of Financial Statements (FASB ASC 830-30)	_____
T.	Capitalization of Interest (FASB ASC 835-20)	_____
U.	Imputation of Interest (FASB ASC 835-30)	_____
V.	Leases—Overall (Lessees) (FASB ASC 840-10)	_____
W.	Operating Leases (Lessees) (FASB ASC 840-20)	_____
X.	Capital Leases (Lessees) (FASB ASC 840-30)	_____
Y.	Sale-Leaseback Transactions (Lessees) (FASB ASC 840-40)	_____
Z.	Leases—Overall (Lessors) (FASB ASC 840-10)	_____
AA.	Operating Leases (Lessors) (FASB ASC 840-20)	_____
BB.	Capital Leases (Lessors) (FASB ASC 840-30)	_____
CC.	Nonmonetary Transactions (FASB ASC 845-10)	_____
DD.	Related Party Disclosures (FASB ASC 850-10)	_____
EE.	Reorganizations (FASB ASC 852-10 and FASB ASC 852-20)	_____
FF.	Subsequent Events (FASB ASC 855-10)	_____
GG.	Transfers and Servicing (FASB ASC 860-10)	_____
HH.	Sales of Financial Assets (FASB ASC 860-20)	_____
II.	Secured Borrowing and Collateral (FASB ASC 860-30)	_____
JJ.	Servicing Assets and Liabilities (FASB ASC 860-50)	_____

## I. Presentation

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### Checklist Questions With A or B References

Checklist questions pertaining to guidance mandatorily effective for annual reporting periods ending on or before September 30, 2013, absent an entity's decision to early adopt any superseding guidance (where applicable and permissible), are denoted with "A" references. Checklist questions pertaining to guidance issued through September 30, 2013, which may become effective for entities with annual reporting periods ending on or before December 31, 2013, either because of the effective date or an entity's decision to early adopt (where permitted), are denoted with a "B" reference. FASB Accounting Standard Updates (ASUs) are listed at the beginning of each "B" question should the reader want to reference the standard as originally issued. Therefore, depending upon your entity's(ies) year-end(s) and decision(s) to early adopt (where permitted), the appropriate alternative questions should be answered when provided. There may not be an "A" and "B" question for each item.

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>A. Presentation of Financial Statements (FASB ASC 205-10)</b>			
<i>Presentation</i>			
Comparative Financial Statements			
1. (ASU No. 2011-05, <i>Comprehensive Income [Topic 220]: Presentation of Comprehensive Income</i> ) Has the entity properly included all of the following in the financial statements presented:			
a. Financial position at the end of the period?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. Earnings (net income) for the period, (which may be presented as a separate statement or within a continuous statement of comprehensive income)?	_____	_____	_____
c. Comprehensive income (total nonowner changes in equity) for the period in one statement or two separate but consecutive statements (if the entity is required to report comprehensive income [see FASB ASC 220-10-15-3])?	_____	_____	_____
d. Cash flows during the period?	_____	_____	_____
e. Investments by and distributions to owners during the period? [FASB ASC 205-10-45-1A]	_____	_____	_____
2. Has the entity properly presented the statement of financial position, the income statement, and the statement of changes in equity for one or more preceding years, as well as for the current year? [FASB ASC 205-10-45-2]	_____	_____	_____
3. Are prior year figures shown for comparative purposes in fact comparable with those shown for the most recent period? If not, has the entity properly presented appropriate explanations of changes related to any differences in the manner of or basis for presenting corresponding items for two or more periods? [FASB ASC 205-10-45-3]	_____	_____	_____
4. Has the entity properly presented, or at least referred to, if issuing comparative statements, notes and other disclosures in the financial statements of the preceding year(s) in the current year, to the extent that they continue to be of significance? [FASB ASC 205-10-45-4]	_____	_____	_____
<i>Disclosure</i>			
Changes Affecting Comparability			
5. Has the entity properly disclosed information (for example, about reclassifications or other reasons) that will explain a change in the manner of or basis for presenting corresponding items for two or more periods (for example, any change in practice that affects comparability of financial statements must be disclosed), if changes have occurred? [FASB ASC 205-10-50-1]	_____	_____	_____
<i>Other Guidance</i>			
6. Has the entity properly presented, for a full presentation in conformity with GAAP, the following financial statements:			
a. Balance sheet?	_____	_____	_____
b. Statement of comprehensive income or statements of net income and comprehensive income (operations)?	_____	_____	_____
c. Statement of retained earnings or changes in shareholders' equity?	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
d. Statement of cash flows?	_____	_____	_____
e. Description of accounting policies?	_____	_____	_____
f. Notes to the financial statements? [Common Practice]	_____	_____	_____
7. Has the entity properly presented each financial statement with a suitable title? [Common Practice]	_____	_____	_____
8. Has the entity properly presented a reference to the notes, which are an integral part of the financial statements? [Common Practice]	_____	_____	_____
<b>B. Presentation of Discontinued Operations in the Financial Statements (FASB ASC 205-20)</b>			
<i>Presentation</i>			
1. Has the entity properly presented, as discontinued operations, the results of operations of a component of an entity (as that phrase is defined in the FASB ASC glossary) that either has been disposed of or is classified as held for sale under the requirements of FASB ASC 360-10-45-9, in accordance with FASB ASC 205-20-45-3 if both of the following conditions are met:			
a. The operations and cash flows of the component have been (or will be) eliminated from the ongoing operations of the entity as a result of the disposal transaction?	_____	_____	_____
b. The entity will not have any significant continuing involvement in the operations of the component after the disposal transaction? [FASB ASC 205-20-45-1]	_____	_____	_____
2. Has the entity properly presented, in a period in which a component of an entity either has been disposed of or is classified as held for sale, in the income statement for current and prior periods, the results of operations of the component (including any gain or loss recognized in accordance with FASB ASC 360-10-35-40 and 360-10-40-5), in discontinued operations? [FASB ASC 205-20-45-3]	_____	_____	_____
3. Has the entity properly presented the results of operations of a component classified as held for sale in discontinued operations in the period(s) in which they occur? [FASB ASC 205-20-45-3]	_____	_____	_____
4. Has the entity properly presented the results of discontinued operations, less applicable income taxes (benefit), as a separate component of income before extraordinary? [FASB ASC 205-20-45-3]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
5. Has the entity properly presented the gain or loss recognized on the disposal either on the face of the income statement or in the notes to the financial statements? [FASB ASC 205-20-45-3]	_____	_____	_____
6. Has the entity properly presented adjustments to amounts previously reported in discontinued operations that are directly related to the disposal of a component of an entity in a prior period and classified it separately in the current period in discontinued operations? [FASB ASC 205-20-45-4]	_____	_____	_____
<i>Allocation of Interest to Discontinued Operations</i>			
7. Has the entity properly presented, as allocated to discontinued operations, interest on debt that is to be assumed by the buyer and interest on debt that is required to be repaid as a result of a disposal transaction? [FASB ASC 205-20-45-6]	_____	_____	_____
<i>Disposal Group Classified as Held for Sale</i>			
8. Has the entity properly presented the assets and liabilities of a disposal group that is classified as held for sale separately in the asset and liability sections, respectively, of the statement of financial position? ( <i>Note:</i> These assets and liabilities should not be offset and presented as a single amount. Further, major classes of assets and liabilities classified as held for sale should be separately disclosed either on the face of the statement of financial position or in the notes to the financial statements.) [FASB ASC 205-20-45-10]	_____	_____	_____
<i>Disclosure</i>			
9. Has the entity properly disclosed the following information in the notes to the financial statement that cover the period in which a long-lived asset (disposal group) either has been sold or is classified as held for sale under the requirements of FASB ASC 360-10-45-9:			
<i>a.</i> A description of the facts and circumstances leading to the expected disposal, the expected manner and timing of that disposal, and, if not separately presented on the face of the statement, the carrying amount(s) of the major classes of assets and liabilities included as part of a disposal group?	_____	_____	_____
<i>b.</i> The gain or loss recognized in accordance with FASB ASC 360-10-35-40 and FASB ASC 360-10-40-5 and if not separately presented on the face of the income statement, the caption in the income statement that includes that gain or loss?	_____	_____	_____
<i>c.</i> If applicable, amounts of revenue and pretax profit or loss reported in discontinued operations?	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>d.</i> If applicable, the segment in which the long-lived asset (disposal group) is reported under FASB ASC 280, <i>Segment Reporting</i>? [FASB ASC 205-20-50-1]</p>	_____	_____	_____
<p>10. Has the entity properly disclosed the major classes of assets and liabilities classified as held for sale either on the face of the statement of financial position or in the notes to the financial statements? [FASB ASC 205-20-50-2]</p>	_____	_____	_____
Change to a Plan of Sale			
<p>11. Has the entity properly disclosed, if the entity decides not to sell a long-lived asset previously classified as held for sale, and either paragraph 44 or 45 of FASB ASC 360-10-35 applies, is a description of the facts and circumstances leading to the decision to change the plan to sell the long-lived asset (disposal group) and its effect on the results of operations for the period and any prior periods in the notes to the financial statements that include the period of that decision? [FASB ASC 205-20-50-3]</p>	_____	_____	_____
Continuing Cash Flows			
<p>12. Has the entity properly disclosed the following, for each discontinued operation that generates continuing cash flows:</p>			
<p><i>a.</i> The nature of the activities that give rise to continuing cash flows?</p>	_____	_____	_____
<p><i>b.</i> The period of time continuing cash flows are expected to be generated?</p>	_____	_____	_____
<p><i>c.</i> The principal factors used to conclude that the expected continuing cash flows are not direct cash flows of the disposed component? [FASB ASC 205-20-50-4]</p>	_____	_____	_____
Adjustments to Previously Reported Amounts			
<p>13. Has the entity properly disclosed the nature and amount of adjustments to amounts previously reported in discontinued operations that are directly related to the disposal of a component of an entity in a prior period? [FASB ASC 205-20-50-5]</p>	_____	_____	_____
Continuing Involvement by Ongoing Entity			
<p>14. Has the entity properly disclosed, for each discontinued operation in which the ongoing entity will engage in a continuation of activities with the disposed component after its disposal, and for which the amounts presented in continuing operations after the disposal transaction include a continuation of revenues and expenses that were intraentity transactions (eliminated in consolidated financial statements) before the disposal transaction, intraentity amounts before the disposal transaction for all periods presented? [FASB ASC 205-20-50-6]</p>	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
15.	Has the entity properly disclosed the types of continuing involvement, if any, that the entity will have after the disposal transaction? (That information should be disclosed in the period in which operations are initially classified as discontinued.) [FASB ASC 205-20-50-6]	_____	_____	_____
<b>C. Presentation of the Balance Sheet (FASB ASC 210-10)</b>				
<i>Presentation</i>				
1.	Has the entity properly presented all of the following in current assets:			
a.	Cash available for current operations and items that are cash equivalents?	_____	_____	_____
b.	Inventories of merchandise?	_____	_____	_____
c.	Trade accounts, notes, and acceptances receivable?	_____	_____	_____
d.	Receivables from officers, employees, affiliates, and others, if collectible in one year?	_____	_____	_____
e.	Installment of deferred accounts and notes receivable?	_____	_____	_____
f.	Marketable securities representing the investment of cash available for current operations, including investments in debt and equity securities classified as trading securities under FASB ASC 320-10?	_____	_____	_____
g.	Prepaid expense including insurance, interest, rents, taxes, unused royalties, current paid advertising service not yet received, and operating supplies? [FASB ASC 210-10-45-1]	_____	_____	_____
2.	Has the entity properly presented assets not expected to be realized during the current operating cycle as noncurrent? [FASB ASC 210-10-45 par. 3-4]	_____	_____	_____
3.	Has the entity properly excluded from current assets any cash, restricted as to withdrawal or use for other than current operations? [FASB ASC 210-10-45-4]	_____	_____	_____
4.	Has the entity properly presented, if a classified balance sheet is presented, a total for current liabilities? [FASB ASC 210-10-45-5]	_____	_____	_____
5.	Has the entity properly presented current portions of debt obligations as current liabilities? [FASB ASC 210-10-45-9]	_____	_____	_____
<i>Disclosure</i>				
6.	Has the entity properly disclosed the amounts at which current assets are stated, supplemented by information that reveals, for the various classifications of inventory items, the basis upon which their amounts are stated, and where practicable, an indication of the method of determining the cost? [FASB ASC 210-10-50-1]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>Other Guidance</i>			
7. Has the entity properly presented bank overdrafts reclassified to and presented separately in current liabilities? [Common Practice]	_____	_____	_____
8. Has the entity properly presented held checks (those written before but not released until after the balance sheet date) reclassified as accounts payable? [Common Practice]	_____	_____	_____
<b>D. Presentation of Offsetting in the Balance Sheet (FASB ASC 210-20)</b>			
ASU No. 2011-11, <i>Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities</i> , was issued on December 16, 2011. The effective date is for annual reporting periods ending on or after December 31, 2013, and interim periods within those annual periods.			
ASU No. 2013-01, <i>Balance Sheet (Topic 210): Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities</i> , was issued on January 1, 2013. The effective date is for annual reporting periods ending on or after December 31, 2013, and interim periods within those annual periods. This ASU clarifies the items to be included. The ASU's amendments clarify that the scope of ASU No. 2011-11 applies to derivatives accounted for in accordance with FASB ASC 815, <i>Derivatives and Hedging</i> , including bifurcated embedded derivatives, repurchase agreements and reverse repurchase agreements, and securities borrowing and securities lending transactions that are either offset in accordance with FASB ASC 210-20-45 or FASB ASC 815-10-45 or subject to an enforceable master netting arrangement or similar agreement.			
<i>Presentation</i>			
Right of Setoff			
1. Has the entity properly presented and exercised its option, if it has a valid right of setoff, to offset the related asset and liability and present the net amount? [FASB ASC 210-20-45-2]	_____	_____	_____
<i>Disclosure</i>			
2B. <b>(ASU No. 2011-11)</b> Has the entity disclosed information to enable users of its financial statements to evaluate the effect or potential effect of netting arrangements on its financial position? [“Pending Content” in FASB ASC 210-20-50-2]	_____	_____	_____
3B. <b>(ASU No. 2011-11)</b> Has the entity disclosed the following quantitative information separately for assets and liabilities that are within the scope of FASB ASC 210-20-50-1:			
a. The gross amounts of those recognized assets and those recognized liabilities?	_____	_____	_____
b. The amounts offset in accordance with FASB ASC 210-20-45 and FASB ASC 815-10-45 to determine the net amounts presented in the statement of financial position?	_____	_____	_____
c. The net amounts presented in the statement of financial position?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>d.</i> The amounts subject to enforceable netting master netting arrangements or similar agreement not otherwise included in item (b)?	_____	_____	_____
<i>i.</i> The amounts related to recognized financial instruments and other derivative instruments that either managements makes an accounting policy election not to offset or do not meet some or all of the guidance in either FASB ASC 210-20-45 or FASB ASC 815-10-45?	_____	_____	_____
<i>ii.</i> The amounts related to financial collateral (including cash collateral)?	_____	_____	_____
<i>e.</i> The net amount after deducting the amounts in item (d) from the amounts in item (c)? [“Pending Content” in FASB ASC 210-20-50-3]	_____	_____	_____
4B. <b>(ASU No. 2011-11)</b> Has the entity presented the information in question 3B in tabular format, separately for assets and liabilities, unless another format is more appropriate? [“Pending Content” in FASB ASC 210-20-50-5]	_____	_____	_____
5B. <b>(ASU No. 2011-11)</b> Has the entity ensured the total amount disclosed in accordance with question 3Bd for an instrument does not exceed the amount disclosed in accordance with question 3Bc for that instrument? [“Pending Content” in FASB ASC 210-20-50-4]	_____	_____	_____
6B. <b>(ASU No. 2011-11)</b> Has the entity provided a description of the rights of setoff associated with the recognized assets and recognized liabilities subject to an enforceable master netting arrangement or similar agreement, including the nature of those rights? [“Pending Content” in FASB ASC 210-20-50-5]	_____	_____	_____
7B. <b>(ASU No. 2011-11)</b> If the entity has disclosed the information required in FASB ASC 210-20-50 in more than one note to the financial statements, has the entity provided a cross-reference between the notes? [“Pending Content” in FASB ASC 210-20-50-6]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>E. Presentation of Comprehensive Income (FASB ASC 220-10)</b>			
<i>ASU No. 2013-02, Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income, was issued on February 1, 2013. The effective date is for annual reporting periods ending on or after December 15, 2013, and interim periods within those annual periods for public entities. For private entities, the effective date is for annual reporting periods ending on or after December 15, 2014, and interim periods within those annual periods.</i>			
<i>Presentation</i>			
Reporting Comprehensive Income			
1. Has the entity properly presented all items that meet the definition of components of comprehensive income, either in a single continuous financial statement or in two separate but consecutive statements, in the period which they are recognized? [FASB ASC 220-10-45-1]	_____	_____	_____
2. If the entity has chosen to report comprehensive income in a single continuous financial statement, has the entity presented the components in two sections, net income and other comprehensive income and included as applicable the following:			
a. A total amount for net income together with the components that make up net income?	_____	_____	_____
b. A total amount for other comprehensive income together with the components that make up other comprehensive income?	_____	_____	_____
c. Total comprehensive income? [FASB ASC 220-10-45-1A]	_____	_____	_____
3. If the entity has chosen to report comprehensive income in two separate but consecutive statements, has the entity presented the following:			
a. Components of and the total for net income in the statement of net income?	_____	_____	_____
b. Components of and the total for other comprehensive income as well as a total for comprehensive income in the statement of other comprehensive income, which shall be presented immediately after the statement of net income? (A reporting entity may begin the second statement with net income.) [FASB ASC 220-10-45-1B]	_____	_____	_____
4. Has the entity classified all components of comprehensive income based on their nature? [FASB ASC 220-10-45-1C]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
5. If the entity has an outstanding noncontrolling interest, has the entity reported amounts for both net income and comprehensive income attributable to the parent and net income and comprehensive income attributable to the noncontrolling interest in a less-than-wholly-owned subsidiary in the financial statement(s) in which net income and comprehensive income are presented in addition to presenting consolidated net income and comprehensive income? [FASB ASC 220-10-45-5]	_____	_____	_____
Items Within Other Comprehensive Income			
6. Has the entity properly included the following, if applicable, in comprehensive income?			
a. Foreign currency translation adjustments?	_____	_____	_____
b. Gains and losses on foreign currency transactions that are designated as, and are effective as, economic hedges of a net investment in a foreign entity, commencing as of the designation date?	_____	_____	_____
c. Gains and losses on intra-entity foreign currency transactions that are of a long-term-investment nature (that is, settlement is not planned or anticipated in the foreseeable future), when the entities to the transaction are consolidated, combined, or accounted for by the equity method in the reporting entity's financial statements?	_____	_____	_____
d. Gains and losses (effective portion) on derivative instruments that are designated as, and qualify as, cash flow hedges?	_____	_____	_____
e. Unrealized holding gains and losses on available-for-sale securities?	_____	_____	_____
f. Unrealized holding gains and losses that result from a debt security being transferred into the available-for-sale category from the held-to-maturity category?	_____	_____	_____
g. Amounts recognized in other comprehensive income for debt securities classified as available-for-sale and held-to-maturity related to an other-than-temporary impairment recognized in accordance with FASB ASC 320-10-35 if a portion of the impairment was not recognized in earnings?	_____	_____	_____
h. Subsequent decreases (if not an other-than-temporary impairment) or increases in the fair value of available-for-sale securities previously written down as impaired?	_____	_____	_____
i. Gains or losses associated with pension or other postretirement benefits (that are not recognized immediately as a component of net periodic benefit cost)?	_____	_____	_____
j. Prior service costs or credits associated with pension or other postretirement benefits?	_____	_____	_____

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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
k. Transition assets or obligations associated with pension or other postretirement benefits (that are not recognized immediately as a component of net periodic benefit cost)? [FASB ASC 220-10-45-10A]	_____	_____	_____
7. Has the entity properly not included the following, if applicable, in comprehensive income?			
a. Changes in equity during a period resulting from investments by owners and distributions to owners?	_____	_____	_____
b. Items required to be reported as direct adjustments to paid-in capital, retained earnings, or other nonincome equity accounts such as (i) a reduction of share-holders' equity related to employee stock ownership plans, (ii) taxes not paid in cash, and (iii) net cash settlement resulting from a change in value of a contract that gives the entity a choice of net cash settlement or settlement in its own shares? [FASB ASC 220-10-45-10B]	_____	_____	_____
Presentation of Income Tax Effects			
8. Has the entity properly presented the components of other comprehensive income in the statement in which other comprehensive income is reported either net of related tax effects, or before related tax effects with one amount shown for the aggregate tax effect related to the total of other comprehensive income items? [FASB ASC 220-10-45-11]	_____	_____	_____
9. Has the entity properly presented the amount of income tax expense or benefit allocated to each component of other comprehensive income (including reclassification adjustments) in the statement in which those components are presented or in the notes to the financial statements? [FASB ASC 220-10-45-12]	_____	_____	_____
Reporting Accumulated Other Comprehensive Income			
10. Has the entity properly presented the total of other comprehensive income for a period, transferred to a component of equity, separately from retained earnings and additional paid-in-capital in the balance sheet with a descriptive title such as "accumulated other comprehensive income"? [FASB ASC 220-10-45-14]	_____	_____	_____
11. Has the entity properly presented, on the face of the financial statements or as a separate disclosure in the notes, the changes in the accumulated balances for each component of other comprehensive income included in that separate component of equity, as required by question 10? [FASB ASC 220-10-45-14A]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
12. Has the entity presented the changes in accumulated balances in the same components of other comprehensive income as in the statements in which other comprehensive income for the period is presented? [FASB ASC 220-10-45-14A]	_____	_____	_____
13B. (ASU No. 2013-02) Has the entity presented separately for each component of other comprehensive income, current period reclassifications out of accumulated other comprehensive income and other amounts of current-period other comprehensive income? [“Pending Content” in FASB ASC 220-10-45-14A]	_____	_____	_____
Reclassification Adjustments			
14. Has the entity properly presented the reclassification adjustment(s) to avoid double counting items that are presented as part of net income for a period that also has been presented as part of other comprehensive income in that period or earlier periods? [FASB ASC 220-10-45-15]	_____	_____	_____
15A. Has the entity properly presented any reclassification adjustments out of accumulated other comprehensive income on the face of the statements in which the components of other comprehensive income are presented or in the notes to the financial statements? [FASB ASC 220-10-45-17]	_____	_____	_____
15B. (ASU No. 2013-02) Has the entity provided information about the effects on net income of significant amounts reclassified out of each component of accumulated other comprehensive income if those amounts all are required to be reclassified to net income in their entirety in the same reporting period either on the face of the statement where net income is presented or as a separate disclosure in the notes to the financial statements? [“Pending Content” in FASB ASC 220-10-45-17]	_____	_____	_____
16B. (ASU No. 2013-02) If an entity chooses to present information about the effects of significant amounts reclassified out of accumulated other comprehensive income on net income, on the face of the statement where net income is presented, has the entity presented parenthetically by component of other comprehensive income the effect of significant reclassification amounts on the respective line items of net income? An entity also shall present parenthetically the aggregate tax effect of all significant reclassifications on the line item for income tax benefit or expense in the statement where net income is presented. [“Pending Content” in FASB ASC 220-10-45-17A]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
17B. (ASU No. 2013-02) If an entity chooses to present information about significant amounts reclassified out of accumulated other comprehensive income in the notes to the financial statements, has the entity presented the significant amounts by each component of accumulated other comprehensive income and provided a subtotal of each component of comprehensive income? (The subtotals for each component shall agree with the requirements in FASB ASC 220-10-45-14A.) ["Pending Content" in FASB ASC 220-10-45-17B]	_____	_____	_____
18B. (ASU No. 2013-02) Has the entity identified, for each significant reclassification amount for those amounts that are required under other topics to be reclassified to net income in their entirety in the same reporting period, each line item affected by the reclassification on the statement where net income is presented? ["Pending Content" in FASB ASC 220-10-45-17B]	_____	_____	_____
19B. (ASU No. 2013-02) Has the entity cross-referenced to the note where additional details about the effect of the reclassifications are disclosed for any significant reclassification for which other topics do not require that reclassification to net income in its entirety in the same reporting period? ["Pending Content" in FASB ASC 220-10-45-17B]	_____	_____	_____
Interim-Period Reporting			
20. Has the entity properly presented a total for comprehensive income in condensed financial statements of interim periods in a single continuous statement or in two consecutive statements? [FASB ASC 220-10-45-18]	_____	_____	_____
<b>F. Presentation of the Income Statement (FASB ASC 225-10)</b>			
<i>Presentation</i>			
1. Has the entity properly presented all items of profit and loss recognized during the period, with the sole exception of error corrections as addressed in FASB ASC 250, <i>Accounting Changes and Error Corrections</i> , in order to present net income? [FASB ASC 225-10-45-1]	_____	_____	_____
<b>G. Presentation of Extraordinary and Unusual Items in the Income Statement (FASB ASC 225-20)</b>			
<i>Presentation</i>			
Presentation of Extraordinary Items			
1. Has the entity properly presented extraordinary items segregated from the results of ordinary operations and shown separately in the income statement, with disclosure of the nature and amounts thereof? [FASB ASC 225-20-45-9]	_____	_____	_____
2. Has the entity properly presented extraordinary items (less applicable income taxes) segregated and following income before extraordinary items and before net income? [FASB ASC 225-20-45-10]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
3. Has the entity properly presented the caption “extraordinary items” to identify and present separately the effects of events and transactions, other than disposals of components of an entity, that meet the criteria for classification as extraordinary as discussed in paragraphs 1–6 of FASB ASC 225-20-45? ( <i>Note</i> : The nature of an extraordinary event or transaction and the principal items entering into the determination of an extraordinary gain or loss should be described.) [FASB ASC 225-20-45-11]	_____	_____	_____
4. Has the entity properly disclosed the income taxes for the extraordinary items either on the face of the income statement or in the related notes? [FASB ASC 225-20-45-11]	_____	_____	_____
5. Has the entity properly presented earnings per share (EPS) data for extraordinary items either on the face of the income statement or in the related notes, as prescribed by FASB ASC 260-10-45? [FASB ASC 225-20-45-12]	_____	_____	_____
<i>Adjustment of Amounts Reported in Prior Periods</i>			
6. Has the entity properly presented any extraordinary items that were reported in prior periods and that have been adjusted during the current period, including separate presentation concerning year of origin, nature, and amount, and have those items been classified separately in the current period as an extraordinary item? [FASB ASC 225-20-45-13]	_____	_____	_____
<i>Presentation of Unusual or Infrequently Occurring Items</i>			
7. Has the entity properly presented material events or transactions that are either unusual in nature or of infrequent occurrence, but not both (and therefore not meeting the criteria for extraordinary items), (a) as a separate component of income from continuing operations and (b) accompanied by disclosure of the nature and financial effects of each event? [FASB ASC 225-20-45-16]	_____	_____	_____
<i>Disclosure</i>			
<i>Unusual or Infrequently Occurring Items</i>			
8. Has the entity properly disclosed the nature and financial effects of each event or transaction that is unusual in nature or occurs infrequently, but not both, on the face of the income statement, or alternatively, in notes to the financial statements? [FASB ASC 225-20-50-3]	_____	_____	_____
<i>Interim Reporting</i>			
9. Has the entity properly disclosed extraordinary items separately and included in the determination of net income for the interim period or periods in which they occurred? [FASB ASC 225-20-50-4]	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
10.	Have extraordinary items, gains or losses from disposal of a component of an entity, and unusual or infrequently occurring items not been pro-rated over the balance of the fiscal year pursuant to FASB ASC 270-10-45-11A? [FASB ASC 225-20-50-4]	_____	_____	_____
<b>H.</b>	<b>Presentation of Business Interruption Insurance</b> (FASB ASC 225-30)			
	<i>Disclosure</i>			
1.	Has the entity properly disclosed the following information in the notes to the financial statements in the period(s) in which business interruption insurance recoveries are recognized:			
a.	The nature of the event resulting in business interruption losses?	_____	_____	_____
b.	The aggregate amount of business interruption insurance recoveries recognized during the period and the line item(s) in the statement of operations in which those recoveries are classified (including amounts reported as an extraordinary item pursuant to FASB ASC 225-20)? [FASB ASC 225-30-50-1]	_____	_____	_____
<b>I.</b>	<b>Presentation of the Statement of Cash Flows</b> (FASB ASC 230-10)			
	<i>Presentation</i>			
	Cash and Cash Equivalents			
1.	Has the entity properly presented the change during the period in cash and cash equivalents and an explanation for the change? [FASB ASC 230-10-45-4]	_____	_____	_____
	Cash Flows From Investing Activities			
2.	Has the entity properly presented cash flows from purchases, sales, and maturities of available-for-sale securities as cash flows from investing activities and presented these amounts as gross amounts in the statement of cash flows? [FASB ASC 230-10-45-11]	_____	_____	_____
	Cash Flows From Operating Activities			
3.	Has the entity properly presented cash receipts from returns on loans, other debt instruments of other entities, and equity securities—interest and dividends as cash in-flows from operating activities? [FASB ASC 230-10-45-16]	_____	_____	_____
4.	Has the entity properly presented cash payments made to settle an asset retirement obligation in the statement of cash flows as an operating activity? [FASB ASC 230-10-45-17(e)]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>Cash Flows From Financing Activities</b>			
5. Has the entity properly presented cash receipts and cash payments from issuing equity instruments, bonds, mortgages, notes and other borrowings, or repaying or borrowings, payments of dividends, or other distributions to owners, as a financing activity? [FASB ASC 230-10-45 par. 14–15]	_____	_____	_____
<b>Acquisitions and Sales of Certain Securities and Loans</b>			
6. Has the entity properly presented cash receipts and cash payments resulting from purchase and sales of securities classified as trading securities, as prescribed in FASB ASC 320, <i>Investments—Debt and Equity Securities</i> , based on the nature and purpose for which the securities were acquired? [FASB ASC 230-10-45-19]	_____	_____	_____
7. Has the entity properly presented cash receipts and cash payments resulting from the purchase or sale of securities and other assets that were acquired for resale and that are being carried at market value in a trading account as operating cash flows? [FASB ASC 230-10-45-20]	_____	_____	_____
8. Has the entity properly presented cash receipts and cash payments resulting from the purchase or sale of loans that were acquired for resale and that are being carried at market value or at the lower of cost or market values as operating cash flows? [FASB ASC 230-10-45-21]	_____	_____	_____
<b>Reporting Operating, Investing, and Financing Activities</b>			
9. Has the entity properly presented, in the statement of cash flows, net cash provided or used by the operating, investing, and financing activities and the effect of those flows on cash and cash equivalents during the period in a manner that reconciles beginning and ending cash and cash equivalents? ( <i>Note:</i> Although not required, the entity may present separate presentation of cash flows pertaining to extraordinary items or discontinued operations in those categories provided that the presentation is consistent for all effective periods.) [FASB ASC 230-10-45-24]	_____	_____	_____
10. Has the entity properly presented the following, if the direct method of reporting net cash flow from operating activities, as encouraged by FASB ASC 230-10-45-25, is used:			
a. Cash received from customers?	_____	_____	_____
b. Interest and dividends received?	_____	_____	_____
c. Other operating cash receipts?	_____	_____	_____
d. Cash paid to employees and suppliers?	_____	_____	_____
e. Interest paid?	_____	_____	_____

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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>f.</i> Income taxes paid and, separately, the cash that would have been paid for income taxes if increases in the value of equity instruments issued under share-based payment arrangements that are not recognizable as a cost of goods or services for accounting purposes also had not been deductible in determining taxable income? [FASB ASC 230-10-45-14[e]]</p>	_____	_____	_____
<p><i>g.</i> Other operating cash payments (if any)? [FASB ASC 230-10-45-25]</p>	_____	_____	_____
<p>11. Has the entity properly presented, except for certain items whose turnover is quick, amounts are large, and maturities are short, cash receipts and cash payments from investing and financing activities separately on the statement of cash flows? [FASB ASC 230-10-45 par. 8 and 26]</p>	_____	_____	_____
<p>12. Has the entity properly presented, for certain items, such as demand deposits of a bank and customer accounts payable of a broker-dealer, that the entity is substantively holding or disbursing cash on behalf of its customers, only the net changes during the period in assets and liabilities with those characteristics? [FASB ASC 230-10-45-8]</p>	_____	_____	_____
<p>13. Has the entity properly presented, providing that the original maturity of the asset or liability is three months or less, cash receipts and payments pertaining to investments (other than cash equivalents), loans receivable, and debt on a net basis? [FASB ASC 230-10-45-9]</p>	_____	_____	_____
Reconciliation of Net Income and Net Cash Flow From Operating Activities			
<p>14. Has the entity properly presented, if the direct method of reporting net cash flow from operating activities is not used, the net cash flow from operating activities indirectly, by adjusting net income to reconcile it to net cash flow from operating activities? [FASB ASC 230-10-45-28]</p>	_____	_____	_____
<p>15. Has the entity properly presented a reconciliation of net income to net cash flow from operating activities, including separate reporting of all major classes of reconciling items? [FASB ASC 230-10-45-29]</p>	_____	_____	_____
<p>16. Has the entity properly presented, if the direct method is used, a separate reconciling schedule to reconcile net income to net cash flow from operating activities? [FASB ASC 230-10-45-30]</p>	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
17. Has the entity properly presented, if the indirect method is used, a separate reconciling schedule to reconcile net income to net cash flow from operating activities either within the statement of cash flows or in a separate schedule, with the statement of cash flows presenting only the net cash flow from operating activities? [FASB ASC 230-10-45-31]	_____	_____	_____
<i>Disclosure</i>			
Cash Equivalents Policy			
18. Has the entity properly disclosed the accounting policy for determining which items are treated as cash equivalents? [FASB ASC 230-10-50-1]	_____	_____	_____
Interest and Income Taxes Paid			
19. Has the entity properly disclosed, if the indirect method of reporting net cash flow from operating activities is used, the amounts of interest paid (net of amounts capitalized) and income taxes paid during the reporting period? [FASB ASC 230-10-50-2]	_____	_____	_____
Noncash Investing and Financing Activities			
20. Has the entity properly disclosed either in a narrative or summarized in a schedule, investing and financing activities that affect recognized assets or liabilities, but that do not result in cash receipts or cash payments in the period and do they clearly relate the cash and noncash aspects of transactions involving similar items? [FASB ASC 230-10-50-3]	_____	_____	_____
21. Has the entity properly disclosed only the cash portion of any transactions that are part cash and part noncash in the statement of cash flows, or if there are a significant amount of transactions, elsewhere in the financial statements with clear reference to the statement of cash flows? [FASB ASC 230-10-50 par. 5–6]	_____	_____	_____
<b>J. Presentation of the Notes to Financial Statements (FASB ASC 235-10)</b>			
<i>Disclosure</i>			
What to Disclose			
1. Has the entity properly disclosed, in the summary or notes, information to identify and describe all significant accounting principles followed by the reporting entity and the methods of applying those principles that materially affect the determination of financial position, cash flows, and results of operations? [FASB ASC 235-10-50-3]	_____	_____	_____
2. Has the entity properly disclosed the following information, when those principles and methods identified in FASB ASC 235-10-50-3 include all instances in which there			
a. is a selection from existing acceptable alternatives?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. are principles and methods peculiar to the industry in which the reporting entity operates, even if such principles and methods are predominantly followed in that industry?	_____	_____	_____
c. are unusual or innovative applications of GAAP? [FASB ASC 235-10-50-3]	_____	_____	_____
Avoid Duplicate Details of Disclosures			
3. Has the entity properly <i>not</i> disclosed duplicating details (for example, composition of inventories or of plant assets) presented elsewhere as a part of the financial statements? [FASB ASC 235-10-50-5]	_____	_____	_____
Format			
4. Has the entity properly disclosed a description of all significant accounting policies of the reporting entity, presented as either a separate summary preceding the notes to the financial statements or as the initial note? [FASB ASC 235-10-50-6]	_____	_____	_____
<b>K. Presentation of Accounting Changes and Error Corrections (FASB ASC 250-10)</b>			
<i>Presentation</i>			
Change in Accounting Principle Made in an Interim Period			
1. Has the entity properly presented, if it is an entity that regularly reports interim information and makes an accounting change during the fourth quarter of its fiscal year and does not report the data specified by FASB ASC 270-10-50-1, in a separate fourth-quarter report or in its annual report, the effects of the accounting change on interim-period results, as required by FASB ASC 250-10-50-1, in a note to the annual financial statements for the fiscal year in which the change is made? [FASB ASC 250-10-45-15]	_____	_____	_____

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#### Additional Presentation Information

A change in accounting principle made in an interim period should be reported by retrospective application in accordance with paragraphs 5–8 of FASB ASC 250-10-45. However, the impracticability exception in FASB ASC 250-10-45-9 may not be applied to prechange interim periods of the fiscal year in which the change is made. When retrospective application to prechange interim periods is impracticable, the desired change may only be made as of the beginning of a subsequent fiscal year.  
[FASB ASC 250-10-45-14]

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#### Change in Reporting Entity

- |   |       |       |       |
|---|-------|-------|-------|
| 2. Has the entity properly presented, if a change in reporting entity results in financial statements that are, in effect, the statements of a different reporting entity, the change, retrospectively applied to all periods presented?<br>[FASB ASC 250-10-45-21] | _____ | _____ | _____ |
|---|-------|-------|-------|

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>Disclosure</i>			
Changes in Accounting Principle			
3. Has the entity properly disclosed the following in the fiscal, and interim, if applicable, period in which a change in accounting principle is made (not required for subsequent periods): ( <i>Note:</i> If a change in accounting principle has no material effect in the period of change but is reasonably certain to have a material effect in later periods, the disclosures in item <i>a</i> should be provided whenever the financial statements of the period of change are presented)?			
<i>a.</i> The nature of and reason for the change in accounting principle, including an explanation of why the newly adopted accounting principle is preferable?	_____	_____	_____
<i>b.</i> The method of applying the change, including all of the following:			
<i>i.</i> A description of the prior-period information that has been retrospectively adjusted, if any?	_____	_____	_____
<i>ii.</i> The effect of the change on income from continuing operations, net income (or other appropriate captions of changes in the applicable net assets or performance indicator), any other affected financial statement line item, and any affected per-share amounts for the current period and any prior periods retrospectively adjusted? Presentation of the effect on financial statement subtotals and totals other than income from continuing operations and net income (or other appropriate captions of changes in the applicable net assets or performance indicator) is not required.	_____	_____	_____
<i>iii.</i> The cumulative effect of the change on retained earnings or other components of equity or net assets in the statement of financial position as of the beginning of the earliest period presented?	_____	_____	_____
<i>iv.</i> If retrospective application to all prior periods is impracticable, disclosure of the reasons therefore, and a description of the alternative method used to report the change (see paragraphs 5–7 of FASB ASC 250-10-45)?	_____	_____	_____
<i>c.</i> If indirect effects of a change in accounting principle are recognized,			
<i>i.</i> a description of the indirect effects of a change in accounting principle, including the amounts that have been recognized in the current period, and the related per-share amounts, if applicable?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
ii. unless impracticable, the amount of the total recognized indirect effects of the accounting change and the related per-share amounts, if applicable, that are attributable to each prior period presented? [FASB ASC 250-10-50 par. 1-2]	_____	_____	_____
4. Has the entity properly disclosed in the fiscal year in which a new accounting principle is adopted, financial information reported for interim periods after the date of adoption, which includes disclosure of the effect of the change on income from continuing operations, net income (or other appropriate captions of changes in the applicable net assets or performance indicator), and related per-share amounts, if applicable, for those postchange interim periods? [FASB ASC 250-10-50-3]	_____	_____	_____
Change in Accounting Estimate			

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#### Additional Disclosure Information

Paragraph 5 of FASB ASC 250-10-50 indicates the disclosure provisions for a change in accounting estimate are not required for revisions resulting from a change in a valuation technique or its application.

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5. Has the entity properly disclosed the effect on income from continuing operations, net income (or other appropriate captions of changes in the applicable net assets or performance indicator), and any related per-share amounts of the current period for a change in estimate that affects several future periods, such as a change in service lives of depreciable assets? ( <i>Note:</i> Disclosure of those effects is not necessary for estimates made each period in the ordinary course of accounting for items such as uncollectible accounts or inventory obsolescence; however, if the effect of a change in the estimate is material, is it disclosed?) [FASB ASC 250-10-50-4]	_____	_____	_____
6. Has the entity properly disclosed when, the entity effects a change in estimate by changing an accounting principle, the disclosures required by FASB ASC 250-10-50 paragraphs 1-3 are made? [FASB ASC 250-10-50-4]	_____	_____	_____
7. Has the entity properly disclosed if a change in estimate does not have a material effect in the period of change but is reasonably certain to have a material effect in later periods, and is a description of that change in estimate whenever the financial statements of the period of change are presented? [FASB ASC 250-10-50-4]	_____	_____	_____
Change in Reporting Entity			
8. Has the entity properly disclosed when there has been a change in the reporting entity, in the financial statements of the period of the change, a description of the nature of the change and the reason for it? [FASB ASC 250-10-50-6]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
9. Has the entity properly disclosed the effect of the change on income before extraordinary items, net income (or other appropriate captions of changes in the applicable net assets or performance indicator), other comprehensive income, and any related per-share amounts for all periods presented? [FASB ASC 250-10-50-6]	_____	_____	_____
10. Has the entity properly disclosed if a change in reporting entity does not have a material effect in the period of change but is reasonably certain to have a material effect in later periods, the nature of and reason for the change whenever the financial statements of the period of change are presented? [FASB ASC 250-10-50-6]	_____	_____	_____
<b>Correction of an Error in Previously Issued Financial Statements</b>			
11. Has the entity properly disclosed when financial statements are restated to correct an error, that its previously issued financial statements have been restated, along with a description of the nature of the error? Does the entity also properly disclose the following:			
a. The effect of the correction on each financial statement line item and any per-share amounts affected for each prior period presented?	_____	_____	_____
b. The cumulative effect of the change on retained earnings or other appropriate components of equity or net assets in the statement of financial position, as of the beginning of the earliest period presented? [FASB ASC 250-10-50-7]	_____	_____	_____
12. Has the entity properly disclosed, if prior period adjustments have been recorded, the resulting effects (both gross and net of applicable income tax) on the net income of prior periods in the annual report for the year in which the adjustments are made and in interim reports, if applicable, issued during that year subsequent to the date of recording the adjustments? ( <i>Note:</i> The entity should not repeat the disclosures in subsequent periods.) [FASB ASC 250-10-50 par. 8 and 10]	_____	_____	_____
13. Has the entity properly disclosed the following disclosures of prior-period adjustments and restatements (see also FASB ASC 205-10-45 and FASB ASC 205-10-50-1):			
a. For single period financial statements, the effects (including applicable income taxes) of such restatement on the balance of retained earnings at the beginning of the period and on the net income of the immediately preceding period?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. For multiple-period financial statements, the effects (including applicable income taxes) for each of the periods included in the statements, in total and by class, of the correction on change in net assets for each of the periods presented? [FASB ASC 250-10-50-9]	_____	_____	_____
<b>Error Correction Related to Prior Interim Periods of the Current Fiscal Year</b>			
14. Has the entity properly disclosed, if the entity prepares interim reporting and an adjustment related to a prior period of the current fiscal year has been made, the following:			
a. The effect on income from continuing operations, net income, and related per-share amounts for each prior interim period of the current fiscal year?	_____	_____	_____
b. Income from continuing operations, net income, and related per-share amounts for each prior interim period restated in accordance with FASB ASC 250-10-45-26? [FASB ASC 250-10-50-11]	_____	_____	_____
<b>L. Presentation of Changing Prices (FASB ASC 255-10)</b>			
<i>Disclosure</i>			
1. Although not required, has the entity properly disclosed, as encouraged, supplementary information on the effects of changing prices? [FASB ASC 255-10-50-1]	_____	_____	_____

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**Additional Disclosure Information**

This subtopic provides several disclosures which are encouraged, but not required. For additional encouraged, but not required disclosures, see paragraphs 2–55 of FASB ASC 255-10-50.

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**M. Presentation of Earnings Per Share (FASB ASC 260-10)**

*Presentation*

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**Additional Presentation Information**

For entities that have issued common stock or potential common stock, if those securities trade in a public market either on a stock exchange or in the over-the-counter market, including securities quoted only locally or regionally, as discussed in FASB ASC 260-10-15-2, see FASB ASC 260-10-45 for information on proper presentation.

The guidance in FASB ASC 260, *Earnings Per Share*, requires presentation of EPS by all entities that have issued common stock or potential common stock (that is, securities such as options, warrants, convertible securities, or contingent stock agreements) if those securities trade in a public market either on a stock exchange (domestic or foreign) or in the over-the-counter market, including securities quoted only locally or regionally. FASB ASC 260 also requires presentation of EPS by an entity that has made a filing or is in the process of filing with a regulatory agency in preparation for the sale of those securities in a public market.

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*Disclosure*

1. Has the entity properly disclosed the following for each period for which an income statement is presented:

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>a.</i> A reconciliation of the numerators and denominators of the basic and diluted per share computations for income from continuing operations?</p>	_____	_____	_____
<p><i>b.</i> The effect that has been given to preferred dividends in arriving at income available to common shareholders' in computing basic EPS?</p>	_____	_____	_____
<p><i>c.</i> Securities (including those issuable pursuant to contingent stock agreements) that could potentially dilute basic EPS in the future that were not included in the computation of diluted EPS because to do so would have been antidilutive for the period(s) presented? [FASB ASC 260-10-50-1]</p>	_____	_____	_____
<p>2. Has the entity properly disclosed, for the latest period for which an income statement is presented, a description of any transaction that occurred after the end of the most recent period but before the financial statements were issued or are available to be issued (as discussed in FASB ASC 855-10-25) that would have changed materially the number of common shares or potential common shares outstanding at the end of the period if the transaction had occurred before the end of the period? [FASB ASC 260-10-50-2]</p>	_____	_____	_____
<p><b>N. Presentation Regarding Interim Reporting (FASB ASC 270-10)</b></p>			
<p><i>Disclosure</i></p>			
<p>1A. Has the entity properly disclosed the following, at a minimum, if the publicly traded entity reports summarized financial information at interim dates (including reports on the fourth quarter):</p>			
<p><i>a.</i> Sales or gross revenues, provision for income taxes, extraordinary items (including related income tax effects), net income, and comprehensive income?</p>	_____	_____	_____
<p><i>b.</i> Basic and diluted EPS data for each period presented, determined in accordance with the provisions of FASB ASC 260?</p>	_____	_____	_____
<p><i>c.</i> Seasonal revenue, costs, or expenses?</p>	_____	_____	_____
<p><i>d.</i> Significant changes in estimates or provisions for income taxes?</p>	_____	_____	_____
<p><i>e.</i> Disposal of a component of an entity and extraordinary, unusual, or infrequently occurring items?</p>	_____	_____	_____
<p><i>f.</i> Contingent items?</p>	_____	_____	_____
<p><i>g.</i> Changes in accounting principles or estimates?</p>	_____	_____	_____
<p><i>h.</i> Significant changes in financial position?</p>	_____	_____	_____
<p><i>i.</i> All of the following information about reportable operating segments determined according to the provisions of FASB ASC 280, including provisions related to restatement of segment information in previously issued financial statements:</p>			

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
i. Revenues from external customers?	_____	_____	_____
ii. Intersegment revenues?	_____	_____	_____
iii. A measure of segment profit or loss?	_____	_____	_____
iv. Total assets for which there has been a material change from the amount disclosed in the last annual report?	_____	_____	_____
v. A description of differences from the last annual report in the basis of segmentation or in the measurement of segment profit or loss?	_____	_____	_____
vi. A reconciliation of the total of the reportable segments' measures of profit or loss to the entity's consolidated income before income taxes, extraordinary items, and discontinued operations?	_____	_____	_____
j. All of the following information about defined benefit pension plans and other defined benefit postretirement benefit plans, disclosed for all periods presented pursuant to the provisions of FASB ASC 715-20:			
i. The amount of net periodic benefit cost recognized, for each period for which a statement of income is presented, showing separately the service cost component, the interest cost component, the expected return on plan assets for the period, the gain or loss component, the prior service cost or credit component, the transition asset or obligation component, and the gain or loss recognized due to a settlement or curtailment?	_____	_____	_____
ii. The total amount of the employer's contributions paid, and expected to be paid, during the current fiscal year, if significantly different from amounts previously disclosed pursuant to FASB ASC 715-20-50-1? Estimated contributions may be presented in the aggregate combining all of the following: (1) contributions required by funding regulations or laws, (2) discretionary contributions, and (3) noncash contributions.	_____	_____	_____
k. The information about the use of fair value to measure assets and liabilities recognized in the statement of financial position pursuant to paragraphs 1-6 of FASB ASC 820-10-50?	_____	_____	_____
l. The information about derivative instruments as required by FASB ASC 815-10-50, 815-20-50, 815-25-50, 815-30-50, and 815-35-50?	_____	_____	_____
m. The information about fair value of financial instruments as required by FASB ASC 825-10-50?	_____	_____	_____
n. The information about certain investments in debt and equity securities as required by FASB ASC 320-10-50 and FASB ASC 942-320-50?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>o.</i> The information about other-than-temporary impairments as required by FASB ASC 320-10-50, FASB ASC 325-20-50, and FASB ASC 958-320-50?	_____	_____	_____
<i>p.</i> All of the following information about the credit quality of financing receivables:			
<i>i.</i> Nonaccrual and past due financing receivables?	_____	_____	_____
<i>ii.</i> Allowance for credit losses related to financing receivables?	_____	_____	_____
<i>iii.</i> Impaired loans?	_____	_____	_____
<i>iv.</i> Credit quality information?	_____	_____	_____
<i>v.</i> Modifications of financing receivables? [FASB ASC 270-10-50-1]	_____	_____	_____
1B. Has the entity properly disclosed the following, at a minimum, if the publicly traded entity reports summarized financial information at interim dates (including reports on the fourth quarter):			
<i>a.</i> Sales or gross revenues, provision for income taxes, extraordinary items (including related income tax effects), net income, and comprehensive income?	_____	_____	_____
<i>b.</i> Basic and diluted EPS data for each period presented, determined in accordance with the provisions of FASB ASC 260?	_____	_____	_____
<i>c.</i> Seasonal revenue, costs, or expenses?	_____	_____	_____
<i>d.</i> Significant changes in estimates or provisions for income taxes?	_____	_____	_____
<i>e.</i> Disposal of a component of an entity and extraordinary, unusual or infrequently occurring items?	_____	_____	_____
<i>f.</i> Contingent items?	_____	_____	_____
<i>g.</i> Changes in accounting principles or estimates?	_____	_____	_____
<i>h.</i> Significant changes in financial position?	_____	_____	_____
<i>i.</i> All of the following information about reportable operating segments determined according to the provisions of FASB ASC 280, including provisions related to restatement of segment information in previously issued financial statements:			
<i>i.</i> Revenues from external customers?	_____	_____	_____
<i>ii.</i> Intersegment revenues?	_____	_____	_____
<i>iii.</i> A measure of segment profit or loss?	_____	_____	_____
<i>iv.</i> Total assets for which there has been a material change from the amount disclosed in the last annual report?	_____	_____	_____
<i>v.</i> A description of differences from the last annual report in the basis of segmentation or in the measurement of segment profit or loss?	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
vi. A reconciliation of the total of the reportable segments' measures of profit or loss to the entity's consolidated income before income taxes, extraordinary items, and discontinued operations?	_____	_____	_____
j. All of the following information about defined benefit pension plans and other defined benefit postretirement benefit plans, disclosed for all periods presented pursuant to the provisions of FASB ASC 715-20:			
i. The amount of net periodic benefit cost recognized, for each period for which a statement of income is presented, showing separately the service cost component, the interest cost component, the expected return on plan assets for the period, the gain or loss component, the prior service cost or credit component, the transition asset or obligation component, and the gain or loss recognized due to a settlement or curtailment?	_____	_____	_____
ii. The total amount of the employer's contributions paid, and expected to be paid, during the current fiscal year, if significantly different from amounts previously disclosed pursuant to FASB ASC 715-20-50-1. Estimated contributions may be presented in the aggregate combining all of the following: (1) contributions required by funding regulations or laws, (2) discretionary contributions, and (3) noncash contributions?	_____	_____	_____
k. The information about the use of fair value to measure assets and liabilities recognized in the statement of financial position pursuant to paragraphs 1-6 of FASB ASC 820-10-50?	_____	_____	_____
l. The information about derivative instruments as required by FASB ASC 815-10-50, 815-20-50, 815-25-50, 815-30-50, and 815-35-50?	_____	_____	_____
m. The information about fair value of financial instruments as required by FASB ASC 825-10-50?	_____	_____	_____
n. The information about certain investments in debt and equity securities as required by FASB ASC 320-10-50 and 942-320-50?	_____	_____	_____
o. The information about other-than-temporary impairments as required by FASB ASC 320-10-50, 325-20-50, and 958-320-50?	_____	_____	_____
p. All of the following information about the credit quality of financing receivables:			
i. Nonaccrual and past due financing receivables?	_____	_____	_____
ii. Allowance for credit losses related to financing receivables?	_____	_____	_____
iii. Impaired loans?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
iv. Credit quality information?	_____	_____	_____
v. Modifications of financing receivables?	_____	_____	_____
q. The gross information and net information required by paragraphs 1–6 of FASB ASC 210-20-50?	_____	_____	_____
r. The information about changes in accumulated other comprehensive income required by paragraphs 14A and 17-17B of FASB ASC 220-10-45? [“Pending Content” in FASB ASC 270-10-50-1]	_____	_____	_____
2. Has the entity properly disclosed, if the reporting entity is a publicly traded company and if interim financial data and disclosures are not separately reported for the fourth quarter, accounting changes made during the fourth quarter, disposals of segments of a business, extraordinary, unusual, or infrequently occurring items recognized in the fourth quarter, and the aggregate effect of year-end adjustments that are material to the results of that quarter in a note to the financial statements? [FASB ASC 270-10-50-2]	_____	_____	_____
3. Has the entity properly disclosed the impact of the financial results for interim periods of the matters discussed in paragraphs 12–16 of FASB ASC 270-10-45 and paragraphs 5–6 of FASB ASC 270-10-50 been made? [FASB ASC 270-10-50-3]	_____	_____	_____
4. Has the entity properly disclosed, as encouraged but not required, balance sheet and cash flow data been for the interim periods? [FASB ASC 270-10-50-4]	_____	_____	_____
5. Has the entity properly disclosed extraordinary items separately and including in the determination of net income for the period in which the occurred? [FASB ASC 270-10-50-5]	_____	_____	_____
6. Has the entity properly disclosed, in the same manner required for annual reports, contingencies and other uncertainties that could be expected to affect the fairness of presentation of financial data at an interim date been? [FASB ASC 270-10-50-6]	_____	_____	_____
<b>O. Presentation Regarding Income Taxes for Interim Reporting</b> (FASB ASC 740-270)			

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#### Additional Presentation and Disclosure Information

See the “Income Taxes” section of this checklist for information on the presentation and disclosure requirements under FASB ASC 740-270.

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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>P. Presentation of Risks and Uncertainties (FASB ASC 275-10)</b>			
<i>Disclosure</i>			
Nature of Operations			
1. Has the entity properly disclosed a description of the major products or services the entity sells or provides and its principal markets, including the locations of those markets? [FASB ASC 275-10-50-2]	_____	_____	_____
2. Has the entity properly disclosed, if the entity operates in more than one business, information indicating the relative importance of its operations in each business and the basis for this determination (assets, revenues, and earnings)? [FASB ASC 275-10-50-2]	_____	_____	_____
Use of Estimates in the Preparation of Financial Statements			
3. Has the entity properly disclosed in the financial statements an explanation that the preparation of financial statements in conformity with GAAP requires the use of managements' estimates? [FASB ASC 275-10-50-4]	_____	_____	_____
Certain Significant Estimates			
4. Has the entity properly disclosed if, based on known information available to the entity before the issuance of the financial statements, it is reasonably possible that estimates in the financial statements will change in the <i>near term</i> (as defined by the FASB ASC glossary as a period of time not to exceed one year from the date of the financial statements) and the effects will be material, discussion (including an estimate of the effect of the change in condition, situation, or set of circumstances that existed at the date of the financial statements) in the financial statements of these facts and circumstances? [FASB ASC 275-10-50-6]	_____	_____	_____
5. Has the entity properly disclosed, if the criteria in FASB ASC 275-10-50-8 are met, that it is at least reasonably possible that a change in an entity's estimate of its liability could occur in the near term and the factors that could cause the estimate to be sensitive to change ( <i>Encouraged, but not required</i> )? ( <i>Note: If the estimate involves a loss contingency under FASB ASC 450-20, the disclosure should also include an estimate of the possible loss or range of loss, or state that such an estimate cannot be made.</i> ) [FASB ASC 275-10-50-9]	_____	_____	_____
Current Vulnerability Due to Certain Concentrations			

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#### Additional Disclosure Information

Whether an estimate meets the criteria for disclosure under FASB ASC 275, *Risks and Uncertainties*, does not depend on the amount that has been reported in the financial statements, but rather on the materiality of the effect that using a different estimate would have had on the financial statements. Simply because an

*(continued)*

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
estimate resulted in the recognition of a small financial statement amount, or no amount, does not mean that disclosure is not required under FASB ASC 275-10. [FASB ASC 275-10-50-14]	_____	_____	_____

- |   |       |       |       |
|---|-------|-------|-------|
| 6. Has the entity properly disclosed, if the entity has concentrations that exist at the date of the financial statements, that those concentrations make the entity vulnerable to the risk of a near term severe impact, and it is at least reasonably possible that the events that could cause the severe impact will occur in the near term, further including information that is adequate to inform users of the general nature of the risk associated with the concentration?<br>[FASB ASC 275-10-50 par. 16 and 20] | _____ | _____ | _____ |
|---|-------|-------|-------|

**Q. Presentation Regarding Segment Reporting (FASB ASC 280-10)**

**Additional Disclosure Information**

The guidance in FASB ASC 280-10-15-2 applies to all public entities, with certain exceptions outlined in FASB ASC 280-10-15-3; however, entities other than public entities are also encouraged to provide the disclosures described in this subtopic. For additional encouraged, but not required, disclosures, see paragraphs 1–42 of FASB ASC 280-10-50.

*Disclosure*

Operating Segments—Disclosure Requirements—General Information

- |   |       |       |       |
|---|-------|-------|-------|
| 1. Has the public entity properly disclosed the following for each period for which an income statement is presented:   |       |       |       |
| a. Factors used to identify the public entity’s reportable segments, including the basis of organization (for example, whether management has chosen to organize the reporting entity around differences in products and services, geographic areas, regulatory environments, or a combination of factors and whether operating segments have been aggregated)? | _____ | _____ | _____ |
| b. Types of products and services from which each reportable segment derives its revenues?<br>[FASB ASC 280-10-50-21]   | _____ | _____ | _____ |

Operating Segments—Disclosure Requirements—Information About Profit or Loss and Assets

- |  |       |       |       |
|--|-------|-------|-------|
| 2. Has the public entity properly disclosed a measure of profit or loss and total assets for each reportable segment?<br>[FASB ASC 280-10-50-22]   | _____ | _____ | _____ |
| 3. Has the public entity properly disclosed the following for each reportable segment, if the specified amounts are included in the measure of segment profit or loss reviewed by the chief operating decision maker or is otherwise regularly provided to the chief operating decision maker: |       |       |       |
| a. Revenues from external customers?   | _____ | _____ | _____ |

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>b.</i> Revenues from transactions with other operating segments of the reporting entity?	_____	_____	_____
<i>c.</i> Interest revenue?	_____	_____	_____
<i>d.</i> Interest expense?	_____	_____	_____
<i>e.</i> Depreciation, depletion, and amortization expense?	_____	_____	_____
<i>f.</i> Unusual items as described in FASB ASC 225-20-45-16?	_____	_____	_____
<i>g.</i> Equity in the net income of investees accounted for by the equity method?	_____	_____	_____
<i>h.</i> Income tax expense or benefit?	_____	_____	_____
<i>i.</i> Extraordinary items?	_____	_____	_____
<i>j.</i> Significant noncash items other than depreciation, depletion, and amortization expense? [FASB ASC 280-10-50-22]	_____	_____	_____
4. Has the public entity properly disclosed, unless a segment has no or immaterial financial operations, interest revenue separately from interest expense for each reportable segment (unless a majority of the segment's revenues are from interest and the chief operating decision maker relies primarily on net interest revenue to assess the performance of the segment and make decisions about resources to be allocated to the segment)? (In that situation, a public entity may report that segment's interest revenue net of its interest expense and disclose that it has done so.) [FASB ASC 280-10-50 par. 22-24]	_____	_____	_____
5. Has the public entity properly disclosed the following specified amounts if (a) they included in the determination of segment assets reviewed by the chief operating decision maker or (b) are otherwise regularly provided to the chief operating decision maker, even if not included in that measure of segment assets, for each reportable segment:			
<i>i.</i> The amount of investment in equity method investees?	_____	_____	_____
<i>ii.</i> Total expenditures for additions to long-lived assets other than any of the following: financial instruments, long term customer relationships of a financial institution, mortgage and other servicing rights, deferred policy acquisition costs, or deferred tax assets? [FASB ASC 280-10-50-25]	_____	_____	_____
6. Has the public entity properly disclosed the fact that, and the reason behind the fact, if it has no asset information to disclose for a reportable segment? [FASB ASC 280-10-50-26]	_____	_____	_____
Operating Segments—Disclosure Requirements—Information About Profit or Loss and Assets—Measurement			
7. Has the public entity properly disclosed an explanation of the measurements of segment profit or loss and segment assets that discloses the following for each reportable segment:			

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
a. The basis of accounting for any transactions between reportable segments?	_____	_____	_____
b. The nature of any differences between the reporting entity's consolidated income before taxes, extraordinary items, discontinued operations, and the cumulative effect of changes in accounting principle?	_____	_____	_____
c. The nature of any differences between the measurements of the reportable segments' assets and the reporting entity's consolidated assets?	_____	_____	_____
d. The nature of any changes from prior periods in the measurement methods used to determine reported segment profit or loss and the effect, if any, of those changes on the measure of segment profit or loss?	_____	_____	_____
e. The nature and effect of any asymmetrical allocations to segments? [FASB ASC 280-10-50-29]	_____	_____	_____
<b>Operating Segments—Disclosure Requirements—Reconciliations</b>			
8. Has the public entity properly disclosed reconciliations of the totals of the reportable segments' revenues, measures of profit or loss, assets, and every other significant item of information disclosed to corresponding consolidated amounts with all significant reconciling items separately identified and described? [FASB ASC 280-10-50 par. 30–31]	_____	_____	_____
<b>Operating Segments—Disclosure Requirements—Interim Period Information</b>			
9. Has the public entity properly disclosed the following information about each reportable segment in condensed financial statements of interim periods for current quarter and year-to-date amounts:			
a. Revenues from external customers?	_____	_____	_____
b. Intersegment revenues?	_____	_____	_____
c. A measure of segment profit or loss?	_____	_____	_____
d. Total assets for which there has been a material change from the amount disclosed in the last annual report?	_____	_____	_____
e. A description of differences from the last annual report in the basis of segmentation or in the basis of measurement of segment profit or loss?	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>f.</i> A reconciliation of the total of the reportable segments' measures of profit or loss to the public entity's consolidated income before income taxes, extraordinary items, and discontinued operations? If a public entity allocates items such as income taxes and extraordinary items to segments, the public entity may choose to reconcile the total of the segments' measures of profit or loss to consolidated income after those items. Significant reconciling items should be separately identified and described in that reconciliation. [FASB ASC 280-10-50 par. 32–33]</p>	_____	_____	_____
Operating Segments—Disclosure Requirements—Restatements of Previously Reported Information			
<p>10. Has the public entity properly disclosed corresponding information for prior periods restated and the fact that the corresponding items of segment information for earlier periods have been restated, if the reporting entity changes the structure of its internal organization in a manner that changes the composition of its reportable segments? [FASB ASC 280-10-50-34]</p>	_____	_____	_____
<p>11. Has the public entity properly disclosed, in the year in which a change in the structure of its internal organization in a manner that changes the composition of its reportable segments occurs and the corresponding information for prior periods is not restated, segment information for the current period under both the old basis and the new basis? [FASB ASC 280-10-50-35]</p>	_____	_____	_____
Operating Segments—Disclosure Requirements—Information About Products and Services			
<p>12. Has the public entity properly disclosed the revenues from external customers for each product and service or each group of similar products and services, unless it is impracticable to do so? If impracticable, has that fact been disclosed? [FASB ASC 280-10-50-40]</p>	_____	_____	_____
Operating Segments—Disclosure Requirements—Information About Geographic Areas			
<p>13. Has the public entity properly disclosed the following information about its geographical information, unless it is impracticable to do so? If impracticable, has that fact been disclosed?</p>			
<p><i>a.</i> Revenues from external customers (i) attributed to the reporting entity's country of domicile and (ii) attributed to all foreign countries in total from which the reporting entity derives revenue?</p>	_____	_____	_____
<p><i>b.</i> Revenues from external customers attributed to an individual foreign country, if material?</p>	_____	_____	_____
<p><i>c.</i> The basis for attributing revenues from external customers to individual countries?</p>	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
d. Long-lived assets other than financial instruments, long term customer relationships of a financial institution, mortgage and other servicing rights, deferred policy acquisition costs, and deferred tax assets (i) located in the reporting entity's country of domicile and (ii) located in all foreign countries in total in which the reporting entity holds assets?	_____	_____	_____
e. Long-lived assets as described previously in an individual foreign country, if material? [FASB ASC 280-10-50-41]	_____	_____	_____
Operating Segments—Disclosure Requirements—Information About Major Customers			
14. Has the public entity properly disclosed information about the extent of its reliance on its major customers (those amounting to 10 percent or more of the entity's revenue)? [FASB ASC 280-10-50-42]	_____	_____	_____

## II. Assets

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### Checklist Questions With A or B References

Checklist questions pertaining to guidance mandatorily effective for annual reporting periods ending on or before September 30, 2013, absent an entity's decision to early adopt any superseding guidance (where applicable and permissible), are denoted with "A" references. Checklist questions pertaining to guidance issued through September 30, 2013, which may become effective for entities with annual reporting periods ending on or before December 31, 2013, either because of the effective date or an entity's decision to early adopt (where permitted), are denoted with a "B" reference. ASUs are listed at the beginning of each "B" question should the reader want to reference the standard as originally issued. Therefore, depending upon your entity's(ies') year-end(s) and decision(s) to early adopt (where permitted), the appropriate alternative questions should be answered when provided. There may not be an "A" and "B" question for each item.

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#### A. Receivables (FASB ASC 310-10)

##### *Presentation*

##### Loans or Trade Receivables

- Has the entity properly presented receivables held for sale as a separate balance sheet amount, which is not included with other loans or trade receivables? (*Note:* Major categories of loans or trade receivables should be presented separately either in the balance sheet or in the notes to the financial statements.)  
[FASB ASC 310-10-45-2]

\_\_\_\_\_

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Foreclosed or Repossessed Assets			
2. Has the entity properly presented foreclosed or repossessed assets as a separate balance sheet amount or included in other assets on the balance sheet with separate disclosures in the notes to the financial statements? ( <i>Note</i> : Certain returned or repossessed assets, such as inventory, should not be classified separately if the assets subsequently are to be utilized by the entity in operations.) [FASB ASC 310-10-45-3]	_____	_____	_____
Bad-Debt Expense Discounts			
3. Has the entity properly reported the changes in the observable market price of an impaired loan or the fair value of the collateral of an impaired collateral-dependent loan as bad-debt expense or a reduction in bad-debt expense? [FASB ASC 310-10-45-6]	_____	_____	_____
Unearned Discounts			
4. Has the entity properly presented unearned discounts (other than cash or quantity discounts and similar items), finance charges, and interest included in the face amounts of receivables as a deduction from the related receivables? [FASB ASC 310-10-45-8]	_____	_____	_____
Receivables From Officers, Employees, or Affiliates			
5. Has the entity properly presented accounts and notes receivable from officers, employees, and affiliated entities separately (with appropriate disclosures), and not included under a general heading such as "notes receivable" or "accounts receivable"? [FASB ASC 310-10-45-13]	_____	_____	_____
<i>Disclosure</i>			
Loans or Trade Receivables			
6. Has the entity properly disclosed the following in the accounting policy note disclosure:			
a. The basis of accounting for loans and trade receivables?	_____	_____	_____
b. The method used in determining the lower of cost or fair value of nonmortgage loans held for sale (that is aggregate or individual asset basis)?	_____	_____	_____
c. The 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 holder would not recover substantially all of its recorded investment?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>d.</i> The method for recognizing interest income on loan and trade receivables, including a statement about the entity's policy for treatment of related fees and costs, including the method of amortizing net deferred fees or costs? [FASB ASC 310-10-50-2]</p>	_____	_____	_____
<p>7. Has the entity properly disclosed the major categories of loan or trade receivables separately in the balance sheet or in the notes to the financial statements? [FASB ASC 310-10-50-3]</p>	_____	_____	_____
<p>8. Has the entity properly disclosed any allowance for credit losses, (also known as <i>allowance for doubtful accounts</i>), and, as applicable, any unearned income, any unamortized premiums and discounts, and any net unamortized deferred fees and costs in the financial statements? [FASB ASC 310-10-50-4]</p>	_____	_____	_____
<p>9. Has the entity properly disclosed its policy for charging off uncollectible trade accounts receivables, except for credit card receivables, that have contractual maturities of one year or less and arose from the sale of goods or services? [FASB ASC 310-10-50-4A]</p>	_____	_____	_____
<p>Assets Serving as Collateral</p>			
<p>10. Has the entity properly disclosed the carrying amount of loans, trade receivables, securities, and financial instruments that serve as collateral for borrowings, pursuant to FASB ASC 860-30-50-1A? [FASB ASC 310-10-50-5]</p>	_____	_____	_____
<p>Nonaccrual and Past Due Loans and Trade Receivables</p>			
<p>11. Has the entity properly disclosed the following in the summary of accounting policies:</p>			
<p><i>a.</i> The policy for placing loans and trade receivables, if applicable, on nonaccrual status (or discontinuing accrual of interest)?</p>	_____	_____	_____
<p><i>b.</i> The policy for recording payments received on nonaccrual loans and trade receivables, if applicable?</p>	_____	_____	_____
<p><i>c.</i> The policy for resuming accrual of interest?</p>	_____	_____	_____
<p><i>d.</i> The policy for determining past due or delinquency status? [FASB ASC 310-10-50-6]</p>	_____	_____	_____
<p>12. Has the entity properly disclosed for nonaccrual, past due financing receivables the recorded investment in financing receivables on nonaccrual status, and past due 90 days or more and still accruing as of each balance sheet date? [FASB ASC 310-10-50-7]</p>	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
13. Has the entity properly provided an analysis 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? [FASB ASC 310-10-50-7A]	_____	_____	_____
Accounting Policies for Off-Balance-Sheet Credit Exposures			
14. Has the entity disclosed a description of the accounting policies and methodology the entity used to estimate its liability for off-balance-sheet credit exposures and related charges for those credit exposures, identifying the factors that influenced management's judgment and a discussion of risk elements to particular categories of financial instruments? [FASB ASC 310-10-50-9]	_____	_____	_____
Allowance for Credit Losses Related to Financing Receivables			
15. Has the entity properly disclosed all of the following by portfolio segment:			
<i>a.</i> A description of the entity's accounting policies and methodology used to estimate the allowance for credit losses, including all of the following:			
<i>i.</i> A description of the factors that influenced management's judgment including historical losses and existing economic conditions?	_____	_____	_____
<i>ii.</i> A discussion of the risk characteristics relevant to each portfolio segment?	_____	_____	_____
<i>iii.</i> Identification of any changes to the entity's accounting policies or methodology from the prior period and the entity's rationale for the change?	_____	_____	_____
<i>b.</i> A description of the policy for charging off uncollectible financing receivables?	_____	_____	_____
<i>c.</i> The activity in the allowance for credit losses for each period, including all of the following:			
<i>i.</i> The balance in the allowance at the beginning and end of each period?	_____	_____	_____
<i>ii.</i> Current period provision?	_____	_____	_____
<i>iii.</i> Direct write-downs charged against the allowance?	_____	_____	_____
<i>iv.</i> Recoveries of amounts previously charged off?	_____	_____	_____
<i>d.</i> The quantitative effect of changes identified in item <i>a(iii)</i> on item <i>c(ii)</i> ?	_____	_____	_____
<i>e.</i> The amount of any significant purchases of financing receivables during each reporting period?	_____	_____	_____
<i>f.</i> The amount of any significant sales of financing receivables or reclassifications of financing receivables to be held for sale during each reporting period?	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
g.	The balance in the allowance for credit losses at the end of each reporting period disaggregated on the basis of the entity's impairment method?	_____	_____	_____
h.	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 g? [FASB ASC 310-10-50-11B]	_____	_____	_____
16.	In order to disaggregate the information required by items (g)–(h) in FASB ASC 310-10-50-11B on the basis of impairment methodology, has the entity separately disclosed the following amounts:			
a.	Amounts collectively evaluated for impairment (determined under FASB ASC 450-20)?	_____	_____	_____
b.	Amounts individually evaluated for impairment (determined under FASB ASC 310-10-35)?	_____	_____	_____
c.	Amounts related to loans acquired with deteriorated credit quality (determined under FASB ASC 310-30)? [FASB ASC 310-10-50-11C]	_____	_____	_____
17.	Has the entity properly disclosed allowances for uncollectible receivables as deductions from the related receivables as required by FASB ASC 210-10-45-13? [FASB ASC 310-10-50-14]	_____	_____	_____
<b>Impaired Loans</b>				
18.	For each class of financing receivable, has the entity properly disclosed both of the following, for loans that meet the definition of an impaired loan in paragraphs 16–17 of FASB ASC 310-10-35 (individually evaluated for impairment):			
a.	The accounting for the impaired loans?	_____	_____	_____
b.	The amount of impaired loans? [FASB ASC 310-10-50-14A]	_____	_____	_____
19.	Has the entity properly disclosed, by class of financing receivable, either in the body of the financial statements or in the accompanying notes, all of the following information about loans that meet the definition of an impaired loan in paragraphs 16–17 of FASB ASC 310-10-35:			
a.	As of the date of each statement of financial position presented:			

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p>i. The recorded investment in the impaired loans (a) the amount of that recorded investment for which there is a related allowance for credit losses determined in accordance with FASB ASC 310-10-35, (b) the amount of that recorded investment for which there is no related allowance for credit losses determined in accordance with FASB ASC 310-10-35, and (c) the total unpaid principal balance of the impaired loans?</p>	_____	_____	_____
<p>b. The creditor's policy for recognizing interest income on impaired loans, including how cash receipts are recorded?</p>	_____	_____	_____
<p>c. For each period for which results of operations are presented the following:</p>			
<p>i. The average recorded investment in the impaired loans during each period?</p>	_____	_____	_____
<p>ii. The related amount of interest income recognized during the time within that period that the loans were impaired?</p>	_____	_____	_____
<p>iii. The amount of interest income recognized using a cash-basis method of accounting during the time within that period the loans were impaired (if practicable)?</p>	_____	_____	_____
<p>d. The entity's policy for determining which loans the entity assesses for impairment under FASB ASC 310-10-35?</p>	_____	_____	_____
<p>e. The factors considered in determining that the loan is impaired? [FASB ASC 310-10-50-15]</p>	_____	_____	_____
<p>20. Has the entity properly presented the disclosures required by FASB ASC 310-10-50-15 for impaired loans that have been charged off partially? [FASB ASC 310-10-50-16]</p>	_____	_____	_____
<p>21. Has the entity properly developed an appropriate method for calculating the average recorded investment in the impaired loans during the reporting period (such as averages based on month-end balances)? [FASB ASC 310-10-50-17]</p>	_____	_____	_____
<p>22. Has the entity properly included information about loans meeting the scope of FASB ASC 310-30 in the disclosures required by paragraph 15(a)–(b) of FASB ASC 310-10-50, if the conditions in paragraphs 18–34 of FASB ASC 320-10-35 or 450-20-25-2(a), as discussed in paragraphs 8(a) and 10(a) of FASB ASC 310-30-35 are met? [FASB ASC 310-10-50-18]</p>	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
23. Has the entity properly disclosed the amount of interest income that represents the change in present value attributable to the passage of time in measuring impairment value based on the present value of future cash flows instead of reporting the entire amount as bad debt expense, as discussed in paragraphs 5–6 of FASB ASC 310-10-45? [FASB ASC 310-10-50-19]	_____	_____	_____
Credit Quality Information			
24. Has the entity properly disclosed information that enables users of the financial statements to both understand how and to what extent management monitors the credit quality of its financing receivables and which assesses the quantitative and qualitative risks arising from the credit quality of its financing receivables? [FASB ASC 310-10-50-28]	_____	_____	_____
25. Has the entity properly disclosed the following information in order to meet the disclosure requirements of question 24:			
a. A description of the credit quality indicator?	_____	_____	_____
b. The recorded investment in financing receivables by credit quality indicator?	_____	_____	_____
c. The date or range of dates in which the information was updated for each credit quality indicator? [FASB ASC 310-10-50-29]	_____	_____	_____
26. Has the entity properly disclosed qualitative information on how disclosed internal risk ratings, if applicable, relate to the likelihood of loss? [FASB ASC 310-10-50-30]	_____	_____	_____
Modifications			
27. Has the entity properly disclosed the following information related to the troubled debt restructurings of financing receivables:			
a. For each period for which a statement of income is presented:			
i. By class of financing receivable, qualitative and quantitative information on how the financing receivables were modified and the financial effects of the modification?	_____	_____	_____
ii. By portfolio segment, qualitative information about how such modifications are factored into the determination of the allowance for credit losses? [FASB ASC 310-10-50-33]	_____	_____	_____
28. For each period for which a statement of income is presented, has the entity properly disclosed the following for financing receivable modified as troubled debt restructuring within the previous 12 months and for which there was a payment default during the period:			

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>a.</i> For each period for which a statement of income is presented</p> <p style="padding-left: 20px;"><i>i.</i> by class of financing receivable, qualitative and quantitative information about those defaulted financing receivables, including (a) the types of financing receivables that defaulted and (b) the amount of financing receivables that defaulted?</p> <p style="padding-left: 20px;"><i>ii.</i> by portfolio segment, qualitative information about how such defaults are factored into the determination of the allowance for credit losses? [FASB ASC 310-10-50-34]</p>	<p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p>
<b>B. Nonrefundable Fees and Other Costs (FASB ASC 310-20)</b>			
<i>Presentation</i>			
Balance Sheet Presentation			
<p>1. Has the entity properly presented the unamortized balance of loan origination, commitment, and other fees and costs and purchase premiums and discounts that is being recognized as an adjustment of yield pursuant to FASB ASC 310-20 on the balance sheet as a part of the loan balance to which it relates? [FASB ASC 310-20-45-1]</p> <p>2. Has the entity properly presented commitment fees that meet the criteria of FASB ASC 310-20-35-3 as deferred income in the financial statements? [FASB ASC 310-20-45-2]</p>	<p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p>
Income Statement Classification			
<p>3. Has the entity properly presented amounts of loan origination, commitment, and other fees and costs recognized as an adjustment of yield as a part of interest income? (<i>Note:</i> Amortization of other fees, such as commitment fees that are being amortized on a straight-line basis over the commitment period or included in income when the commitment expires, should be presented as service fee income.) [FASB ASC 310-20-45-3]</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>
<i>Disclosure</i>			
Net Fees and Costs			
<p>4. Has the entity properly disclosed, in the summary of significant accounting policies, a description of the method for recognizing interest income on loan and trade receivables, including a statement about the entity's policy for treatment of related fees and costs, including the method of amortizing net deferred fees or costs? [FASB ASC 310-20-50-1]</p> <p>5. Has the entity properly disclosed, if the entity anticipates prepayments in applying the interest method, the policy and any significant assumptions underlying the prepayment estimates? [FASB ASC 310-20-50-2]</p>	<p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p>

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
6. Has the entity properly disclosed the unamortized net fees and costs as a part of each loan category? ( <i>Note:</i> Additional disclosures such as unamortized net fees and costs may be included in the footnotes to the financial statements if the lender believes that such information is useful to the users of financial statements.) [FASB ASC 310-20-50-3]	_____	_____	_____
7. Has the entity properly disclosed its accounting policy, with respect to credit card fees and costs, for both purchased and originated credit cards, the net amount capitalized at the balance sheet date and the amortization period(s)? [FASB ASC 310-20-50-4]	_____	_____	_____
<b>C. Loans and Debt Securities Acquired With Deteriorated Credit Quality (FASB ASC 310-30)</b>			
<i>Presentation</i>			
Accretable Yield			
1. Has the entity properly <i>not</i> presented in the balance sheet the amount of the loan’s accretable yield or the loan’s contractually required payments receivable in excess of the amount of its cash flows expected at acquisition (nonaccretable difference)? [FASB ASC 310-30-45-1]	_____	_____	_____
<i>Disclosure</i>			
Footnote Disclosures for Loans			
2. Has the entity properly disclosed in the notes to financial statements how prepayments are considered in the determination of contractual cash flows and cash flows expected to be collected? [FASB ASC 310-30-50-1]	_____	_____	_____
3. Has the entity properly disclosed, for each balance sheet presented, the following information about loans within the scope of FASB ASC 310-30:			
<i>a.</i> Separately for both those loans that are accounted for as debt securities and those loans that are not accounted for as debt securities,			
<i>i.</i> the outstanding balance and related carrying amount at the beginning and end of the period?	_____	_____	_____
<i>ii.</i> the amount of accretable yield at the beginning and end of the period, reconciled for additions, accretion, disposals of loans, and reclassifications to or from nonaccretable difference during the period?	_____	_____	_____
<i>iii.</i> for loans acquired during the period, the contractually required payments receivable, cash flows expected to be collected, and fair value at the acquisition date?	_____	_____	_____

## Corporations

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
iv.	for those loans within the scope of FASB ASC 310-30 for which the income recognition model is not applied in accordance with FASB ASC 310-30-35-3, the carrying amount at the acquisition date for loans acquired during the period and the carrying amount of all loans at the end of the period?	_____	_____	_____
b.	Further, for those loans that are not accounted for as debt securities, has the entity disclosed			
i.	the amount of (1) any expense recognized pursuant to FASB ASC 310-30-35-10(a) and (2) any reductions of the allowance recognized pursuant to FASB ASC 310-30-35-10(b)(1) for each period for which an income statement is presented?	_____	_____	_____
ii.	the amount of the allowance for uncollectible accounts at the beginning and end of the period? [FASB ASC 310-30-50-2]	_____	_____	_____
Outstanding Balance				
4.	Has the entity properly recorded the outstanding balance for loans with a net carrying amount including the undiscounted sum of all amounts, including			
a.	amounts deemed principal, interest, fees, penalties, and other under the loan, owed to the entity at the reporting date, whether or not currently due and whether or not any such amounts have been written or charged off by the entity?	_____	_____	_____
b.	amounts forgiven in a debt restructuring but contingently payable to the entity?	_____	_____	_____
c.	amounts payable to the entity in cash, in kind, and by any other means? [FASB ASC 310-30-50-3]	_____	_____	_____
5.	Has the entity properly excluded the following from the outstanding balance for loans with a net carrying amount:			
a.	Amounts irrevocably forgiven in a debt restructuring?	_____	_____	_____
b.	Amounts legally discharged?	_____	_____	_____
c.	Amounts that would be accrued under the contract as interest, fees penalties, and other after the reporting date? [FASB ASC 310-30-50-3]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>D. Troubled Debt Restructurings by Creditors (FASB ASC 310-40)</b>			
<i>Disclosure</i>			
Creditor Disclosure of Troubled Debt Restructurings			
1. Has the entity properly disclosed the amount of commitments, if any, to lend additional funds to debtors owing receivables whose terms have been modified in troubled debt restructurings either in the body of the financial statements or in the notes thereto as of the date of each balance sheet presented? [FASB ASC 310-40-50-1]	_____	_____	_____
2. Has the entity properly not disclosed information established by FASB ASC 310-10-50-15(a) and 310-10-50-15(c) in the years after a loan restructuring (restructured in a troubled debt restructuring involving a modification of terms) if the restructuring agreement for the impaired loan (a) specifies an interest rate equal to or greater than the rate that the creditor was willing to accept at the time of restructuring for a new loan with comparable risk, and (b) the loan is not impaired based on the terms specified by the restructuring agreement, in a consistent manner? (Note: This exception should be applied consistently to all loans restructured in a troubled debt restructuring that meet the criteria in this paragraph. If one or both of the preceding conditions do not exist, then the disclosures required by paragraphs 15(a) and 15(c) of FASB ASC 310-10-50 should be made.) [FASB ASC 310-40-50 par. 2-3]	_____	_____	_____
3. Has the entity properly disclosed the amount of write-down and recorded investment of a loan modified in a troubled debt restructuring in the year of writedown? [FASB ASC 310-40-50-4]	_____	_____	_____
Loan Restructured Into Two (or More) Loan Agreements			
4. As related to a loan restructured in a troubled debt restructuring into two (or more) loan agreements, has the entity separately considered the restructured loans in years after the restructuring when assessing the applicability of the disclosures in FASB ASC 310-10-50-15(a) and FASB ASC 310-10-50-15(c)? [FASB ASC 310-40-50-5]	_____	_____	_____

**E. Investments—Debt and Equity Securities (FASB ASC 320-10)**

*Presentation*

Balance Sheet Classification

1. Has the entity properly presented any investments in available-for-sale securities and trading securities separately from similar assets that are subsequently measured using another measurement attribute on the face of the statement of financial position and, in doing so, has the entity done either of the following:

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
a. Presented the aggregate of those fair value and non-fair-value amounts in the same line item and parenthetically disclose the amount of fair value included in the aggregate amount?	_____	_____	_____
b. Presented two separate line items to display the fair value and non-fair-value carrying amounts? [FASB ASC 320-10-45-1]	_____	_____	_____
2. Has the entity properly presented, if the entity presents a classified statement of financial position, all individual held-to-maturity securities, individual available-for-sale securities, and individual trading securities as either current or noncurrent, as appropriate, under the current asset and current liability provisions of FASB ASC 210-10-45? [FASB ASC 320-10-45-2]	_____	_____	_____
Presentation of Deferred Tax Assets Relating to Losses on Available-for-Sale Securities			
3. Has an entity that recognizes a deferred tax asset relating only to a net realized loss on available-for-sale securities, and concludes that it is more likely than not that some or all of that deferred tax asset will not be realized, properly reported the offsetting entry to the valuation allowance in the component of other comprehensive income, classified as unrealized gains and losses on certain investments in debt securities and equity securities? (See paragraphs 3–6 of FASB ASC 320-10-45 for additional disclosures related to deferred tax assets.) [FASB ASC 320-10-45-3]	_____	_____	_____
Income Statement Classification			
4. Has the entity properly presented gains and losses that have accumulated before the transfer consistently with realized gains and losses for the category <i>from</i> which the security is being transferred, and not the category <i>into</i> which the security is being transferred? [FASB ASC 320-10-45-7]	_____	_____	_____
5. Has the entity properly recognized in earnings (pursuant to paragraphs 1–4 of FASB ASC 815-25-35) during the period of a hedge, all or a portion of the unrealized holding gain or loss of an available-for-sale security that is designated as being hedged in a fair value hedge? [FASB ASC 320-10-45-8]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>Other-Than-Temporary Impairment</b>			
6. Has the entity properly presented, in the period in which the entity determines that a security's decline in fair value below its amortized cost basis is other than temporary, the total other-than-temporary impairment in the statement of earnings with an offset for the amount of the total other-than-temporary impairment that is recognized in other comprehensive income, in accordance with FASB ASC 320-10-35-34D? ( <i>Note:</i> Example 2A in FASB ASC 320-10-55-21A illustrates the application of this guidance.) [FASB ASC 320-10-45-8A]	_____	_____	_____
<b>Other Comprehensive Income</b>			
7. Has the entity properly presented subsequent increases in the fair value of available-for-sale securities in other comprehensive income pursuant to FASB ASC 320-10-35-1(b) and FASB ASC 320-10-45-8? ( <i>Note:</i> Subsequent decreases in fair value, if not an other-than-temporary impairment, should also be included in other comprehensive income.) [FASB ASC 320-10-45-9]	_____	_____	_____
<b>Other Than Temporary Impairment</b>			
8. Has the entity properly presented separately, in the financial statement in which the components of accumulated other comprehensive income are reported, amounts recognized therein related 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? [FASB ASC 320-10-45-9A]	_____	_____	_____
<b>Cash Flow Presentation</b>			
9. Has the entity properly presented cash flows from purchases, sales, and maturities of available-for-sale securities and held-to-maturity securities as cash flows from investing activities and presented them at gross for each security classification in the statement of cash flows? [FASB ASC 320-10-45-11]	_____	_____	_____
10. Has the entity properly presented cash flows from purchases, sales, and maturities of trading securities as cash flows based on the nature and purpose for which the securities were acquired (generally, operating activities) in the statement of cash flows? [FASB ASC 320-10-45-11]	_____	_____	_____
<b>Disclosure</b>			
<b>General</b>			
11. Has the entity properly disclosed the major security types, based on the nature and risks of each security? [FASB ASC 320-10-50-1B]	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
12. Has the entity considered all of the following in determining whether disclosure for a particular security type is necessary and whether it is necessary to further separate a particular security type into greater detail:			
a. [Shared] activity or business sector?	_____	_____	_____
b. Vintage?	_____	_____	_____
c. Geographic concentration?	_____	_____	_____
d. Credit quality?	_____	_____	_____
e. Economic characteristics? [FASB ASC 320-10-50-1B]	_____	_____	_____
Securities Classified as Available for Sale			
13. Has the entity properly disclosed, for securities classified as available for sale, all of the following by major security type, as of each date for which a statement of financial position is presented: ( <i>Note:</i> Investments in mutual funds that invest only in U.S. government debt securities may be shown separately rather than grouped with other equity securities in the disclosures by major security type required by FASB ASC 942-320-50-2.)			
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?	_____	_____	_____
f. Information about the contractual maturities of those securities as of the date of the most recent statement of financial position reported? ( <i>Note:</i> Maturity information may be combined in appropriate groupings. Further, securities not due at a single maturity date, such as mortgage backed securities, may be disclosed separately rather than allocated over several maturity groupings.) [FASB ASC 320-10-50 par. 2-3]	_____	_____	_____
14. Has the entity properly disclosed the following by major security type, for securities classified as held-to-maturity as of each date for which a statement of financial position is presented:			
a. Amortized cost basis?	_____	_____	_____
b. Aggregate fair value?	_____	_____	_____
c. Gross unrecognized holding gains?	_____	_____	_____
d. Gross unrecognized holding losses?	_____	_____	_____
e. Net carrying amount?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
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?	_____	_____	_____
h. Information about the contractual maturities of those securities as of the date of the most recent statement of financial position presented? ( <i>Note:</i> Maturity information may be combined in appropriate groupings. Securities not due at a single maturity date, such as mortgage-backed securities, may be disclosed separately rather than allocated over several maturity groupings; if allocated, the basis for the allocation should also be disclosed.) [FASB ASC 320-10-50-5]	_____	_____	_____

Impairment of Securities

15. Has the entity properly disclosed, for all investments in an unrealized loss position, including those that fall within the scope of FASB ASC 325-40, for which other-than-temporary impairments have not been recognized in earnings (including investments for which a portion of an other-than-temporary impairment has been recognized in other comprehensive income), the following in its interim and annual financial statements:

- a. As of each date for which a statement of financial position is presented, quantitative information, aggregated by category of investment—each major security type that the entity discloses in accordance with FASB ASC 320-10 and cost-method investments—in tabular form (*Note:* These disclosures should be segregated by those investments that have been in a continuous unrealized loss position for less than 12 months and those that have been in a continuous unrealized loss position for 12 months or longer. As noted in FASB ASC 320-10-50-8, the reference point for determining how long an investment has been in a continuous unrealized loss position is the balance sheet date of the reporting period in which the impairment is identified. The continuous unrealized loss position ceases upon either (i) the recognition of the total amount by which amortized cost basis exceeds fair value as an other-than-temporary impairment in earnings or (ii) the investor becoming aware of a recovery of fair value up to [or beyond] the cost of the investment during the period.)
  - i. the aggregate related fair value of investments with unrealized losses?

\_\_\_\_\_

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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
ii. the aggregate amount of unrealized losses (that is, the amount by which cost basis exceeds fair value)?	_____	_____	_____
b. As of the date of the most recent statement of financial position, additional information (in narrative form) that provides sufficient information to allow financial statement users to understand the quantitative disclosures and the information that the entity considered (both positive and negative) in reaching the conclusion that the impairment or impairments are not other than temporary? (See FASB ASC 320-10-50-6 for example disclosures.) [FASB ASC 320-10-50 par. 6-7]	_____	_____	_____
16. Has the entity properly disclosed, for interim and annual periods in which an other-than-temporary impairment of a debt security is recognized and only the amount related to a credit loss was recognized in earnings, by major security type, the methodology and significant inputs used to measure the amount related to credit loss? (Examples of significant inputs include default rates, delinquency rates, percentage of non-performing assets, loan-to-collateral-value ratios, third-party guarantees, current levels of subordination, vintage, geographic concentration and credit ratings.) [FASB ASC 320-10-50-8A]	_____	_____	_____
17. Has the entity properly disclosed, in tabular format, a rollforward of the amount related to credit losses recognized in earnings in accordance with FASB ASC 320-10-35-34D, for each interim and annual period presented, including, at a minimum,			
a. the beginning balance of the amount related to credit losses on debt securities held by the entity at the beginning of the period for which a portion of an other-than-temporary impairment was recognized in other comprehensive income?	_____	_____	_____
b. additions for the amount related to the credit loss for which an other-than-temporary impairment was not previously recognized?	_____	_____	_____
c. reductions for securities sold during the period (realized)?	_____	_____	_____
d. reductions for securities for which the amount previously recognized in other comprehensive income was recognized in earnings because the entity intends to sell the security or more likely than not will be required to sell the security before recovery of its amortized cost basis?	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
e.	if the entity does not intend to sell the security and it is not more likely than not that the entity will be required to sell the security before recovery of its amortized cost basis, additional increases to the amount related to the credit loss for which an other-than-temporary impairment was previously recognized?	_____	_____	_____
f.	reductions for increases in cash flows expected to be collected that are recognized over the remaining life of the security?	_____	_____	_____
g.	the ending balance of the amount related to credit losses on debt securities held by the entity at the end of the period for which a portion of an other-than-temporary impairment was recognized in other comprehensive income? [FASB ASC 320-10-50-8B]	_____	_____	_____
Sales, Transfers, and Related Matters That Occurred During the Period				
18.	Has the entity properly disclosed the following for each period for which the results of operations are presented:			
a.	The proceeds from sales of available-for-sale securities and gross realized gains and losses that have been included in earnings as a result of those sales?	_____	_____	_____
b.	The basis on which the cost of a security sold or the amount reclassified out of accumulated other comprehensive income into earnings was determined (that is, specific identification, average cost, or other method used)?	_____	_____	_____
c.	The gross gains and losses included in earnings from transfers of securities from the available-for-sale category to the trading category?	_____	_____	_____
d.	The amount of the net unrealized holding gain or loss on available-for-sale securities for the period that has been included in accumulated other comprehensive income and the amount of gains and losses reclassified out of accumulated other comprehensive income into earnings for the period?	_____	_____	_____
e.	The portion of trading gains and losses for the period that relates to trading securities still held at the reporting date? [FASB ASC 320-10-50-9]	_____	_____	_____
19.	Has the entity properly disclosed the following for any sales of or transfers from securities classified as held-to-maturity for each period for which the results of operations are presented: ( <i>Note:</i> FASB ASC 320-10-25-14 sets forth the conditions under which sales of debt securities may be considered as maturities for the purposes of these disclosures.)			
a.	Net carrying amount of the sold or transferred security?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. The 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. The circumstances leading to the decision to sell or transfer the security? ( <i>Note:</i> Such sales or transfers should be rare, except for sales and transfers due to the changes in circumstances identified in paragraph 6[a]–[f] of FASB ASC 320-10-25.) [FASB ASC 320-10-50 par. 10–11]	_____	_____	_____
<b>F. Investments—Equity Method and Joint Ventures (FASB ASC 323-10)</b>			
<i>Presentation</i>			
1. Has the entity properly presented, for investments in common stock accounted for by the equity method, the investor’s share of earnings shown as a single amount, except for investee extraordinary items and prior-period adjustments that are material to the investor? [FASB ASC 323-10-45 par. 1–2]	_____	_____	_____
<i>Reporting Comprehensive Income</i>			
2. Has the entity properly presented, as combined, its proportionate share of other comprehensive income from an investee with its own other comprehensive income items, displaying the aggregate of those amounts in the statement in which other comprehensive income is presented? [FASB ASC 323-10-45-3]	_____	_____	_____
<i>Disclosure</i>			
<i>General</i>			
3. Has the entity properly considered the significance of an investment to the entity’s financial position and results of operations in evaluating the extent of disclosures of the financial position and results of operations of an investee? ( <i>Note:</i> If the investor has more than one investment in common stock, disclosures, wholly or in part on a combined basis, may be appropriate.) [FASB ASC 323-10-50-2]	_____	_____	_____
4. Has the entity properly disclosed the following for investments in common stock accounted for by the equity method:			
a. The name of each investee and their percentage of ownership of common stock?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. The accounting policies of the investor with respect to investments in common stock? ( <i>Note:</i> Disclosure should include the names of any significant investee entities in which the investor holds 20 percent or more of the voting stock, but the common stock is not accounted for on the equity method, together with the reasons why the equity method is not considered appropriate, and the names of any significant investee corporations in which the investor holds less than 20 percent of the voting stock and the common stock is accounted for on the equity method, together with the reasons why the equity method is considered appropriate.)	_____	_____	_____
c. The difference, if any, between the amount at which an investment is carried and the amount of underlying equity in net assets, and the accounting treatment of this difference?	_____	_____	_____
d. For investments in common stock for which a quoted market price is available, the aggregate value of each identified investment based on the quoted market price? ( <i>Note:</i> This is not required for investments in common stock of subsidiaries.)	_____	_____	_____
e. For investments in common stock of corporate joint ventures or other investments accounted for under the equity method which are in the aggregate material in relation to the financial position or results of operations of an investor, summarized information as to assets, liabilities, and results of operation of the investees to be presented in the notes to or in separate statements, either individually or in groups, as appropriate?	_____	_____	_____
f. Material effects of possible conversions of outstanding convertible securities, exercises, or contingent issuances disclosed in the investor's notes to financial statements? [FASB ASC 323-10-50-3]	_____	_____	_____
<b>G. Cost Method Investments (FASB ASC 325-20)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed, for cost-method investments, the following additional information, if applicable, as of each date for which a statement of financial position is presented in its interim and annual financial statements:			
a. The aggregate carrying amount of all cost-method investments?	_____	_____	_____
b. The aggregate carrying amount of cost-method investments that the entity did not evaluate for impairment (see FASB ASC 325-20-35)?	_____	_____	_____

## Corporations

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
c.	The fact that the fair value of a cost-method investment is not estimated if there are no identified events or changes in circumstances that may have a significant adverse effect on the fair value of the investment, and any one of the following:			
i.	The entity determined, in accordance with paragraphs 16–19 of FASB ASC 825-10-50, that it is not practicable to estimate the fair value of the investment?	_____	_____	_____
ii.	The entity is exempt from estimating fair value under FASB ASC 825-10?	_____	_____	_____
iii.	The entity is exempt from estimating interim fair values because it does not meet the FASB ASC definition of a <i>publicly traded company</i> ? [FASB ASC 325-20-50-1]	_____	_____	_____
<b>H. Investments in Insurance Contracts (FASB ASC 325-30)</b>				
<i>Presentation</i>				
Life Settlement Contract—Statement of Financial Position				
1.	Has the entity properly presented, to accomplish separate reporting, its investments that are remeasured at fair value on the face of the statement of financial position separately from those accounted for under the investment method by either of the following:			
a.	Displaying separate line items on the statement of financial position for the fair value method and investment method carrying amounts?	_____	_____	_____
b.	Presenting the aggregate of those fair value method and investment method carrying amounts and parenthetically disclose the amount of those investments accounted for under the fair value method included in the aggregate amount? [FASB ASC 325-30-45-1]	_____	_____	_____
Life Settlement Contract—Income Statement				
2.	Has the entity properly presented, to accomplish separate reporting, the investment income from its investments in life settlement contracts that are remeasured at fair value on the face of the income statement separately from the investment income from those accounted for under the investment method by either of the following:			
a.	Displaying separate line items on the income statement for the investment income from the investments in life settlement contracts that are accounted for under the fair value method and investment method?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p>b. Presenting the aggregate of the investment income in life settlement contracts and parenthetically disclose the investment income from those investments accounted for under the fair value method that are included in the aggregate amount? [FASB ASC 325-30-45-3]</p>	_____	_____	_____
<p>3. Has the entity properly presented, if applying the fair value method, premiums paid and life insurance proceeds received on the same financial reporting line as the changes in fair value? [FASB ASC 325-30-45-4]</p>	_____	_____	_____
<p>Life Settlement Contract—Statement of Cash Flows</p>			
<p>4. Has the entity properly presented cash receipts and cash payments related to life settlement contracts pursuant to FASB ASC 230, <i>Statement of Cash Flows</i>, based on the nature and purpose for which the life settlements were acquired? [FASB ASC 325-30-45-5]</p>	_____	_____	_____
<p><i>Disclosure</i></p>			
<p>General</p>			
<p>5. Has the entity properly disclosed when contractual restrictions on the ability to surrender a policy exist? [FASB ASC 325-30-50-1]</p>	_____	_____	_____
<p>Life Settlement Contract</p>			
<p>6. Has the entity properly disclosed its accounting policy for life settlement contracts including the classification of cash receipts and cash disbursements in statement of cash flows? (<i>Note:</i> The disclosure requirements in FASB ASC 325-30-50 do not eliminate disclosure requirements included in elsewhere in FASB ASC, including other disclosure requirements on the use of fair value.) [FASB ASC 325-30-50 par. 2–3]</p>	_____	_____	_____
<p>Life Settlement Contract—Investment Method</p>			
<p>7. Has the entity properly disclosed the following for life settlements contracts accounted for under the investment method based on the remaining life expectancy for each of the first five succeeding years from the date of the statement of financial position and thereafter, as well as in the aggregate:</p>			
<p>a. The number of life settlement contracts?</p>	_____	_____	_____
<p>b. The carrying value of the life settlement contracts?</p>	_____	_____	_____
<p>c. The face value (death benefits) of the life insurance policies underlying the contracts? [FASB ASC 325-30-50-4]</p>	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
8. Has the entity properly disclosed the life insurance premiums anticipated to be paid for each of the five succeeding fiscal years to keep the life settlement contracts in force as of the date of the most recent statement of financial position presented? [FASB ASC 325-30-50-5]	_____	_____	_____
9. Has the entity properly disclosed, if the entity becomes aware of new or updated information that causes it to change its expectations on the timing of the realization of proceeds from the investments in life settlement contracts, the nature of the information and the related effect on the timing of the realization of proceeds from the life settlement contracts, including disclosing significant changes to the amounts disclosed in accordance with FASB ASC 325-30-50-4? ( <i>Note:</i> The investor is not required to actively seek out new or updated information to update the assumptions used in determining the remaining life expectancy of the life settlement contracts.) [FASB ASC 325-30-50-6]	_____	_____	_____
Life Settlement Contract—Fair Value Method			
10. Has the entity properly disclosed the method(s) and significant assumptions used to estimate the fair value of investments in life settlement contracts, including any mortality assumptions? [FASB ASC 325-30-50-7]	_____	_____	_____
11. Has the entity properly disclosed the following for life settlement contracts accounted for under the fair value method based on remaining life expectancy for each of the first five succeeding years from the date of the statement of financial position and thereafter, as well as in the aggregate:			
a. The number of life settlement contracts?	_____	_____	_____
b. The carrying value of the life settlement contracts?	_____	_____	_____
c. The face value (death benefits) of the life insurance policies underlying the contracts? [FASB ASC 325-30-50-8]	_____	_____	_____
12. Has the entity properly disclosed the reasons for changes in its expectation of the timing of the realization of the investments in life settlement contracts, including disclosing significant changes to the amounts disclosed in accordance with FASB ASC 325-30-50-8? [FASB ASC 325-30-50-9]	_____	_____	_____
13. Has the investor (entity) properly disclosed the following for each reporting period presented in the income statement:			
a. The gains or losses recognized during the period on investments sold during the period?	_____	_____	_____
b. The unrealized gains or losses recognized during the period on investments that are still held at the date of the statement of financial position? [FASB ASC 325-30-50-10]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>I. Inventory (FASB ASC 330-10)</b>			
<i>Disclosure</i>			
Basis for Stating Inventories			
1. Has the entity properly disclosed the basis of stating inventories and has that basis been consistently applied? Whenever a significant change is made therein, has the entity disclosed the nature of the change and, if material, the effect on income? [FASB ASC 330-10-50-1]	_____	_____	_____
Losses From Application of Lower of Cost or Market			
2. Has the entity properly disclosed information regarding substantial and unusual losses which have resulted from the application of the rule of lower of costs or market (normally as a charge separately identified from the consumed inventory costs described as cost of goods sold)? [FASB ASC 330-10-50-2]	_____	_____	_____
Goods Stated Above Cost			
3. Has the entity properly disclosed if goods are stated above cost? [FASB ASC 330-10-50-3]	_____	_____	_____
Stating Inventories at Sales Prices			
4. Has the entity properly disclosed if goods are stated at sales prices? [FASB ASC 330-10-50-4]	_____	_____	_____
Losses on Firm Purchase Commitments			
5. Has the entity properly disclosed net losses on firm purchase commitments for goods for inventory, separately in the income statement? [FASB ASC 330-10-50-5]	_____	_____	_____
<b>J. Capitalized Advertising Costs (FASB ASC 340-20)</b>			
<i>Presentation</i>			
Presentation of Qualifying Direct-Response Advertising Assets			
1. Has the entity properly presented direct-response advertising costs as assets net of accumulated amortization, if those costs meet the recognition criteria as capitalized assets of FASB ASC 340-20-25-4? [FASB ASC 340-20-45-1]	_____	_____	_____
<i>Disclosure</i>			
2. Has the entity properly disclosed the following related to advertising:			
a. The accounting policy for reporting advertising, indicating whether such costs are expensed as incurred or expensed the first time the advertising takes place?	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. A description of direct-response-advertising reported as assets (if any), the related accounting policy, and the amortization method and period?	_____	_____	_____
c. The total amount charged to advertising expense for each statement of income presented, with separate disclosure of amounts, if any, representing a write-down of capitalized advertising costs to net realizable value?	_____	_____	_____
d. The amount of advertising reported as assets in each balance sheet presented? [FASB ASC 340-20-50-1]	_____	_____	_____
<b>K. Insurance Contracts That Do Not Transfer Insurance Risks (FASB ASC 340-30)</b>			
<i>Presentation</i>			
Deposit Asset and Liability			
1. Has the entity properly presented deposit assets and liabilities on the gross basis, unless the right of offset exists as defined in FASB ASC 210-20? [FASB ASC 340-30-45-1]	_____	_____	_____
Insurance and Reinsurance Contracts That Transfer Only Significant Timing Risk and Insurance and Reinsurance Contracts That Transfer Neither Timing nor Significant Underwriting Risk			
2. Has the entity properly presented changes in the carrying amount of the deposit as interest income or interest expense? [FASB ASC 340-30-45-2]	_____	_____	_____
Insurance and Reinsurance Contracts That Transfer Only Significant Underwriting Risk			
3. Has the entity properly presented the changes in the recorded amount of the deposit, other than the unexpired portion of the coverage provided, arising from an insurance or reinsurance contract that transfers only significant underwriting risk in an insured's income statement as an offset against the loss recorded by the insured that will be reimbursed under the insurance or reinsurance contract and in an insurer's income statement as an incurred loss? [FASB ASC 340-30-45-3]	_____	_____	_____
4. Has the entity properly presented the reduction in the deposit related to the unexpired portion of the coverage provided as an adjustment to incurred loss? [FASB ASC 340-30-45-4]	_____	_____	_____
5. Has the entity (if not an insurance entity) properly presented the reduction in the deposit related to the unexpired portion of the coverage provided as an expense? [FASB ASC 340-30-45-5]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>Disclosure</i>			
Deposit Asset and Liability			
6. Has the entity properly disclosed a description of the contracts accounted for as deposits and the separate amounts of total deposit assets and total deposit liabilities reported in the statement of financial position? [FASB ASC 340-30-50-1]	_____	_____	_____
Insurance and Reinsurance Contracts That Transfer Only Underwriting Risk			
7. Has the entity properly disclosed the following regarding the changes in the recorded amount of the deposit arising from an insurance or reinsurance contract that transfers only significant underwriting risk:			
a. The present values of initial expected recoveries that will be reimbursed under the insurance or reinsurance contracts that have been recorded as an adjustment to incurred losses?	_____	_____	_____
b. Any adjustment of amounts initially recognized for expected recoveries. The individual components of the adjustment (meaning, interest accrual, the present value of additional expected recoveries, and the present value of reductions in expected recoveries) shall be disclosed separately?	_____	_____	_____
c. The amortization expense attributable to the expiration of coverage provided under the contract? [FASB ASC 340-30-50-2]	_____	_____	_____
<b>L. Goodwill (FASB ASC 350-20)</b>			
<i>Presentation</i>			
1. Has the entity properly presented the aggregate amount of goodwill as a separate line item in the statement of financial position? [FASB ASC 350-20-45-1]	_____	_____	_____
2. Has the entity properly presented the aggregate amount of goodwill impairment losses as a separate line item in the income statement before the subtotal "income from continuing operations" (or similar caption) unless a goodwill impairment loss is associated with a discontinued operation? [FASB ASC 350-20-45-2]	_____	_____	_____
3. Has the entity properly presented a goodwill impairment loss associated with a discontinued operation (on a net-of-tax basis) within the results of discontinued operations? [FASB ASC 350-20-45-3]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>Disclosure</i>			
Information for Each Period for Which a Statement of Financial Position Is Presented			
4.			
Has the entity properly disclosed any changes in the carrying amount of goodwill during the period, including showing the following separately, (see example 3 in FASC ASC 350-20-55-24): ( <i>Note:</i> Entities that report segment information in accordance with FASB ASC 280 should provide this information about goodwill in total and for each reportable segment and should disclose any significant changes in the allocation of goodwill by reportable segment. If any portion of goodwill has not yet been allocated to a reporting unit at the date the financial statements are issued, that unallocated amount and the reasons for not allocating that amount should be disclosed.)			
a.			
The gross amount and accumulated impairment losses at the beginning of the period?			
b.			
Additional goodwill recognized during the period, except goodwill included in a disposal group that, on acquisition, meets the criteria to be classified as held for sale in accordance with FASB ASC 360-10-45-9?			
c.			
Adjustments resulting from the subsequent recognition of deferred tax assets during the period in accordance with paragraphs 2-4 of FASB ASC 805-740-25 and FASB ASC 805-740-45-2?			
d.			
Goodwill included in a disposal group classified as held for sale in accordance with FASB ASC 360-10-45-9 and goodwill derecognized during the period without having previously been reported in a disposal group classified as held for sale?			
e.			
Impairment losses recognized during the period in accordance with FASB ASC 350-20?			
f.			
Net exchange differences arising during the period in accordance with FASB ASC 830, <i>Foreign Currency Matters</i> ?			
g.			
Any other changes in the carrying amounts during the period?			
h.			
The gross amount and accumulated impairment losses at the end of the period? [FASB ASC 350-20-50-1]			
Goodwill Impairment Loss			
5.			
Has the entity properly disclosed, for each goodwill impairment loss recognized, the following information in the notes to the financial statement that include the period in which the impairment loss is recognized:			
a.			
A description of the facts and circumstances leading to the impairment?			

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p>b. The amount of the impairment loss and the method of determining the fair value of the associated reporting unit (whether based on quoted market prices, prices of comparable businesses, a present value or other valuation technique, or a combination thereof)?</p>	_____	_____	_____
<p>c. If a recognized impairment loss is an estimate that has not yet been finalized (refer to paragraphs 18–19 of FASB ASC 350-20-35), that fact and the reasons therefore and, in subsequent periods, the nature and amount of any significant adjustments made to the initial estimate of the impairment loss? [FASB ASC 350-20-50-2]</p>	_____	_____	_____
<b>M. General Intangibles Other Than Goodwill (FASB ASC 350-30)</b>			
<i>Presentation</i>			
<p>1. At a minimum, are all intangible assets aggregated and presented as a separate line item in the statement of financial position? (This requirement does not preclude presentation of individual intangible assets or classes of intangible assets as separate line items.) [FASB ASC 350-30-45-1]</p>	_____	_____	_____
<p>2. Are amortization expense and impairment losses for intangible assets presented in income statement line items within continuing operations as deemed appropriate for each entity? [FASB ASC 350-30-45-2]</p>	_____	_____	_____
<p>3. Has the entity properly tested intangible assets for impairment when it is determined that the asset should no longer be amortized or should begin to be amortized based on a reassessment of its remaining useful life, pursuant to paragraphs 9–12 and 15–17 of FASB ASC 350-30-35? (<i>Note:</i> An impairment loss resulting from that impairment test should not be recognized as a change in accounting principle.) [FASB ASC 350-30-45-3]</p>	_____	_____	_____
<i>Disclosure</i>			
Disclosures in the Period of Acquisition			
<p>4. Has the entity properly disclosed, for intangible assets acquired either individually or with a group of assets (in either an asset acquisition or business combination), all of the following in the notes to financial statements in the period of acquisition (<i>Note:</i> The following information also should be disclosed separately for each material business combination or in the aggregate for individually immaterial business combinations that are material collectively, if the aggregate fair values of intangible assets, other than goodwill, are significant.)</p> <p>a. For intangible assets subject to amortization, all of the following:</p> <p style="margin-left: 20px;">i. The total amount assigned and the amount assigned to any major intangible asset class?</p>	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
ii. The amount of any significant residual value, in total and by major intangible asset class?	_____	_____	_____
iii. The weighted-average amortization period, in total and by major intangible asset class?	_____	_____	_____
b. For intangible assets not subject to amortization, the total amount assigned and the amount assigned for each major intangible asset class?	_____	_____	_____
c. The amount of research and development assets acquired in a transaction other than a business combination and written off in the period and the line item in the income statement in which the amounts written off are aggregated?	_____	_____	_____
d. For intangible assets with renewal or extension terms, the weighted-average period before the next renewal or extension (both explicit and implicit), by major asset class? [FASB ASC 350-30-50-1]	_____	_____	_____
Disclosures for Each Period for Which a Statement of Financial Position Is Presented			
5. Has the entity properly disclosed the following information in the financial statements or notes to the financial statements, for each period for which a statement of financial position is presented:			
a. For intangible assets subject to amortization, all of the following:			
i. The gross carrying amount and accumulated amortization, in total and by major intangible asset class?	_____	_____	_____
ii. The aggregate amortization expense for the period?	_____	_____	_____
iii. The estimated aggregate amortization expense for each of the five succeeding fiscal years?	_____	_____	_____
b. For intangible assets not subject to amortization, the total carrying amount and the carrying amount for each major intangible asset class?	_____	_____	_____
c. The entity's accounting policy on the treatment of costs incurred to renew or extend the term of a recognized intangible asset?	_____	_____	_____
d. For intangible assets that have been renewed or extended in the period for which a statement of financial position is presented, both of the following:			
i. For entities that capitalize renewal or extension costs, 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?	_____	_____	_____

- ii. The weighted-average period before the next renewal or extension (both explicit and implicit), by major intangible asset class?  
[FASB ASC 350-30-50-2]

Yes      No      N/A

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Disclosures Relating to Impairment Loss

- 6. Has the entity properly disclosed, for each impairment loss recognized related to an intangible asset, the following information in the notes to the financial statements that include the period in which the impairment loss is recognized:

- a. A description of the impaired intangible asset and the facts and circumstances leading to the impairment?
- b. The amount of the impairment loss and the method for determining fair value?
- c. The caption in the income statement in which the impairment loss is aggregated?
- d. If applicable, the segment in which the impaired intangible asset is reported under FASB ASC 280?  
[FASB ASC 350-30-50-3]

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- 7. If the entity is nonpublic, has it chosen to appropriately not disclose the quantitative information about significant unobservable inputs used in fair value measurements categorized within level 3 of the fair value hierarchy required by FASB ASC 820-10-50-2(bbb) that relate to the financial accounting and reporting for an indefinite-lived intangible asset after its initial recognition?  
[“Pending Content” in FASB ASC 350-30-50-3A]

\_\_\_\_\_

Renewal or Extension of an Intangible Asset’s Legal or Contractual Life

- 8. Has the entity properly disclosed, for recognized intangible assets, information that enables users of financial statements to assess the extent to which the expected future cash flows associated with the asset are affected by the entity’s intent or ability (or both intent and ability) to renew or extend the arrangement?  
[FASB ASC 350-30-50-4]

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**N. Property, Plant, and Equipment (FASB ASC 360-10)**

*Presentation*

Long-Lived Assets Classified as Held and Used

- 1. Has the entity properly presented an impairment loss recognized for a long-lived asset (asset group) to be held and used in income from continuing operations before income taxes in the income statement? If a subtotal such as income from operations is presented, does it include the amount of the loss?  
[FASB ASC 360-10-45-4]

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## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
2. Is a gain or loss that is recognized on the sale of a long-lived asset (disposal group) that is not a component of an entity included in income from continuing operations before income taxes in the income statement? ( <i>Note:</i> If a subtotal such as “income from operations” is presented, it should include the amounts of those gains or losses.) [FASB ASC 360-10-45-5]	_____	_____	_____
Change of Classification After Balance Sheet Date but Before Issuance of Financial Statements			
3. Has the entity properly presented, if the held for sale criteria were met after the balance sheet date but before the financial statements were issued or were available to be issued, the long-lived asset as held and used in those financial statements when issued or available to be issued? [FASB ASC 360-10-45-13]	_____	_____	_____
Changes to a Plan of Sale			
4. Has the entity reclassified a long-lived asset (disposal group) as held and used, if it has decided not to sell the asset (disposal group) due to circumstances that have arisen that were previously considered unlikely? [FASB ASC 360-10-45-6]	_____	_____	_____
5. Has the entity properly included any adjustments to the carrying amount of a long-lived asset in income from continuing operations in the period of the subsequent decision not to sell, in the same caption used to report a loss, if any, recognized in accordance with FASB ASC 360-10-45-5? [FASB ASC 360-10-45-7]	_____	_____	_____
6. Has the entity properly included the income from continuing operations for all periods presented, a component of an entity that has been reclassified as held and used (the results of operations of the component previously reported in discontinued operations in accordance with FASB ASC 205-20-45-3)? [FASB ASC 360-10-45-7]	_____	_____	_____
7. Has the entity properly classified long-lived assets that will not be sold as held and used in accordance with FASB ASC 360-10-35-44? [FASB ASC 360-10-45-8]	_____	_____	_____
Initial Criteria for Classification as Held for Sale			
8. Has the entity classified a long-lived asset (disposal group) as held for sale in the period in which all of the following criteria are met:			
a. Management, having the authority to approve the action, commits to a plan to sell the asset (disposal group)?	_____	_____	_____
b. The asset (disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (disposal groups)?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
c. The entity has initiated an active program to locate a buyer and other action required to complete the plan to sell the asset (disposal group) have been initiated?	_____	_____	_____
d. The sale of the asset (disposal group) is probable and transfer of the asset (disposal group) is expected to qualify for recognition as a completed sale within one year?	_____	_____	_____
e. The asset (disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value?	_____	_____	_____
f. Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn? [FASB ASC 360-10-45-9]	_____	_____	_____

Newly Acquired Asset Classified as Held for Sale

9. Has the entity properly classified a newly acquired asset as held for sale only if the one year requirement in FASB ASC 360-10-45-9 is met and any other criteria in FASB ASC 360-10-45-9 that are not met at that date are probable of being met within a short period following the acquisition (usually within three months)? [FASB ASC 360-10-45-12]	_____	_____	_____
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Presentation of Long-Lived Assets or Disposal Group Classified as Held for Sale

10. Has the entity properly presented, in accordance with FASB ASC 205-20-45-10, long-lived assets (disposal groups) classified as held for sale separately in the statement of financial position? [FASB ASC 360-10-45-14]	_____	_____	_____
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Presentation of Long-Lived Assets to Be Disposed of Other Than by Sale

11. Has the entity properly presented a long-lived asset that is to be disposed of other than by sale as held and used until it is disposed of? [FASB ASC 360-10-45-15]	_____	_____	_____
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Disclosure

12. Has the entity properly disclosed the following regarding the depreciation method or methods used in the financial statements or notes thereto:			
a. Depreciation expense for the period?	_____	_____	_____
b. Balances of major classes of depreciable assets, by nature or function, at the balance sheet date?	_____	_____	_____
c. Accumulated depreciation, either by major class of depreciable assets or in total, at the balance sheet date?	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
d.	A general description of the method or methods used in computing depreciation with respect to major classes of depreciable assets? [FASB ASC 360-10-50-1]	_____	_____	_____
13.	Is the following information disclosed in the notes to the financial statements that include the period in which an impairment loss is recognized:			
a.	A description of the impaired long-lived asset (asset group) and the facts and circumstances leading to the impairment?	_____	_____	_____
b.	If not separately presented on the face of the statement, the amount of the impairment loss and the caption in the income statement that includes the loss?	_____	_____	_____
c.	The method or methods for determining fair value (whether based on a quoted market price, prices for similar assets, or another valuation technique)?	_____	_____	_____
d.	If applicable, the segment in which the impaired long-lived asset (asset group) is reported under FASB ASC 280? [FASB ASC 360-10-50-2]	_____	_____	_____

### III. Liabilities

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#### Checklist Questions With A or B References

Checklist questions pertaining to guidance mandatorily effective for annual reporting periods ending on or before September 30, 2013, absent an entity's decision to early adopt any superseding guidance (where applicable and permissible), are denoted with "A" references. Checklist questions pertaining to guidance issued through September 30, 2013, which may become effective for entities with annual reporting periods ending on or before December 31, 2013, either because of the effective date or an entity's decision to early adopt (where permitted), are denoted with a "B" reference. ASUs are listed at the beginning of each "B" question should the reader want to reference the standard as originally issued. Therefore, depending upon your entity's(ies') year-end(s) and decision(s) to early adopt (where permitted), the appropriate alternative questions should be answered when provided. There may not be an "A" and "B" question for each item.

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#### A. Insurance-Related Assessment Liabilities (FASB ASC 405-30)

##### *Disclosure*

1. Has the entity properly disclosed in the financial statements
  - a. for amounts relating to insurance-related assessments that have been discounted, the undiscounted amounts of the liability and any related asset for premium tax offsets or policy surcharges as well as the discount rate used?

\_\_\_\_\_

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
	<p>b. for amounts that have not been discounted, the amounts of the liability, any related asset for premium tax offsets or policy surcharges, the periods over which the assessments are expected to be paid, and the period over which the recorded premium tax offsets or policy surcharges are expected to be realized? [FASB ASC 405-30-50-1]</p>	_____	_____	_____
<b>B.</b>	<b>Asset Retirement and Environmental Obligations</b> (FASB ASC 410-20)			
	<i>Presentation</i>			
	<p>1. Has the entity properly presented accretion expense as an operating item in the statement of income? (<i>Note:</i> The entity may use any descriptor for accretion expense so long as it conveys the underlying nature of the expense.) [FASB ASC 410-20-45-1]</p>	_____	_____	_____
	<p>2. Has the entity properly presented any cash payments made to settle asset retirement obligations as cash outflows for operating activities? [FASB ASC 410-20-45-3]</p>	_____	_____	_____
	<i>Disclosure</i>			
	<p>3. Has the entity properly disclosed the following information about its asset retirement obligations:</p> <p>a. A general description of the asset retirement obligations and the associated long-lived assets?</p>	_____	_____	_____
	<p>b. The fair value of assets that are legally restricted for purposes of settling asset retirement obligations?</p>	_____	_____	_____
	<p>c. A reconciliation of the beginning and ending aggregate carrying amount of asset retirement obligations showing separately the changes attributable to (i) liabilities incurred in the current period, (ii) liabilities settled in the current period, (iii) accretion expense, and (iv) revisions in estimated cash flows, whenever there is a significant change in one or more of those four components during the reporting period? [FASB ASC 410-20-50-1]</p>	_____	_____	_____
	<p>4. Has the entity properly disclosed, if the fair value of an asset retirement obligation cannot be reasonably estimated, that fact and the reasons therefore? [FASB ASC 410-20-50-2]</p>	_____	_____	_____
<b>C.</b>	<b>Asset Retirement and Environmental Obligations—Environmental Obligations</b> (FASB ASC 410-30)			
	<i>Presentation</i>			
	<i>General</i>			
	<p>1. Has the entity properly <i>not</i> presented environmental remediation obligations as extraordinary? (<i>Note:</i> Environmental remediation obligations are not events that are unusual in nature.) [FASB ASC 410-30-45-3]</p>	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
2. Has the entity properly presented environmental remediation costs as a charge against operations, rather than nonoperating expenses? [FASB ASC 410-30-45-4]	_____	_____	_____
3. Has the entity presented in the same income statement line any credits arising from recoveries of environmental losses from other parties? [FASB ASC 410-30-45-4]	_____	_____	_____
4. Has the entity properly presented any earnings on assets that are reflected on the entity's financial statements and are earmarked for funding environmental liabilities as investment income? [FASB ASC 410-30-45-4]	_____	_____	_____
5. Has the entity properly presented environmental remediation expenses and related recoveries attributable to discontinued operations, accounted for in accordance with FASB ASC 205-20, as discontinued operations? [FASB ASC 410-30-45-5]	_____	_____	_____
<i>Disclosure</i>			
Disclosures That Are Required			
6. Has the entity properly disclosed whether the accrual for environmental remediation liabilities is measured on a discounted basis? ( <i>Note:</i> If the entity utilizes present-value measurement techniques, additional disclosures are appropriate. See FASB ASC 410-30-50-7.) [FASB ASC 410-30-50-4]	_____	_____	_____
7. Has the entity properly disclosed, with respect to recorded accruals for environmental remediation loss contingencies and assets for third-party recoveries related to environmental remediation obligations, if any portion of the accrued obligation is discounted, the undiscounted amount of the obligation, and the discount rate used in the present-value determinations? [FASB ASC 410-30-50-7]	_____	_____	_____
Disclosures That Are Encouraged but Not Required			
8. Has the entity properly made disclosures that are encouraged but not required about any events, situations, or sets of circumstances that generally trigger recognition of loss contingencies that have arisen out of the entity's environmental remediation-related obligations, as well as the entity's policy concerning the timing of recognition of recoveries? [FASB ASC 410-30-50-8]	_____	_____	_____
9. Has the entity properly disclosed additional encouraged but not required specific disclosures, as necessary, with respect to environmental remediation loss contingencies that would be useful to further users' understanding of the entity's financial statements? [FASB ASC 410-30-50-9]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
10. Has the entity properly disclosed the following encouraged, but not required, items:			
a. The estimated time frame of disbursements for recorded amounts if expenditures are expected to continue over the long term?	_____	_____	_____
b. The estimated time frame for realization of recognized probable recoveries, if realization is not expected in the near term?	_____	_____	_____
c. If an estimate of the probable or reasonably possible loss or range of loss cannot be made, the reasons why it cannot be made?	_____	_____	_____
d. If information about the reasonably possible loss or the recognized and additional reasonably possible loss for an environmental remediation obligation related to an individual site is relevant to an understanding of the financial position, cash flows, or results of operations of the entity, the following with respect to the site:			
i. The total amount accrued for the site?	_____	_____	_____
ii. The nature of any reasonably possible loss contingency or additional loss, and an estimate of the possible loss or the fact that an estimate cannot be made and the reasons why it cannot be made?	_____	_____	_____
iii. Whether other potentially responsible parties are involved and the entity's estimated share of the obligation?	_____	_____	_____
iv. The status of regulatory proceedings?	_____	_____	_____
v. The estimated time frame for resolution of the contingency? [FASB ASC 410-30-50-10]	_____	_____	_____
11. Has the entity properly disclosed the estimated time frame for resolution of the uncertainty as to the amount of the loss ( <i>Encouraged, but not required</i> )? [FASB ASC 410-30-50-11]	_____	_____	_____
12. Has the entity properly disclosed the following encouraged, but not required, items in the income statement:			
a. The amount recognized for environmental remediation loss contingencies in each period?	_____	_____	_____
b. The amount of any recovery from third parties that is credited to environmental remediation costs in each period?	_____	_____	_____
c. The income statement caption in which environmental remediation costs and credits are included? [FASB ASC 410-30-50-12]	_____	_____	_____

Disclosure Related to Loss Contingencies

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
13. Has the entity properly disclosed, in the financial statements, a contingency conclusion that addresses the estimated total unrecognized exposure to environmental remediation and other loss contingencies? ( <i>Note:</i> Such contingency conclusions may state, for example, that "management believes that the outcome of these uncertainties should not have [or "may have"] a material adverse effect on the financial condition, cash flows, or operating results of the entity." Alternatively, the disclosure may indicate that the adverse effect could be material to a particular financial statement or to results and cash flows of a quarterly or annual reporting period.) [FASB ASC 410-30-50-14]	_____	_____	_____
14. Has the entity properly disclosed a description of the general applicability and impact of environmental laws and regulations upon their business and how the existence of such laws and regulations may give rise to loss contingencies for future environmental remediation? [FASB ASC 410-30-50-17]	_____	_____	_____
<b>D. Exit or Disposal Cost Obligations (FASB ASC 420-10)</b>			
<i>Presentation</i>			
1. Has the entity properly presented the cumulative effect of a change resulting from a revision to either the timing or the amount of estimated cash flows in the same line item(s) in the income statement used when the related costs were recognized initially in the period of change? [FASB ASC 420-10-45-1]	_____	_____	_____
2. Has the entity properly presented costs associated with an exit or disposal activity that involves a discontinued operation in the results of discontinued operations in accordance with FASB ASC 205-20-45? [FASB ASC 420-10-45-2]	_____	_____	_____
3. Has the entity properly presented costs associated with an exit or disposal activity that does not involve a discontinued operation in income from continuing operations before income taxes, for example, in a subtotal such as "income from operations"? [FASB ASC 420-10-45-3]	_____	_____	_____
4. Has the entity properly presented accretion expense separately from interest cost in the income statement? [FASB ASC 420-10-45-5]	_____	_____	_____
<i>Disclosure</i>			
5. Has the entity properly disclosed the following information in notes to the financial statements that include the period in which an exit or disposal activity is initiated and any subsequent period until the activity is completed:			
a. A description of the exit or disposal activity, including the facts and circumstances leading to the expected activity and the expected completion date?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>b.</i> For each major type of cost associated with the activity (for example, one-time termination benefits, contract termination costs, and other associated costs),			
<i>i.</i> the total amount expected to be incurred in connection with the activity, the amount incurred in the period, and the cumulative amount incurred to date?	_____	_____	_____
<i>ii.</i> 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 with an explanation of the reason(s) therefore?	_____	_____	_____
<i>c.</i> The line item(s) in the income statement in which the costs in item <i>b</i> are aggregated?	_____	_____	_____
<i>d.</i> For each reportable segment, as defined in FASB ASC 280-10-50-10,			
<i>i.</i> the total amount of costs expected to be incurred in connection with the activity?	_____	_____	_____
<i>ii.</i> the amount incurred in the period?	_____	_____	_____
<i>iii.</i> the cumulative amount incurred to date, net of any adjustments to the liability with an explanation of the reason(s) why?	_____	_____	_____
<i>e.</i> 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 why? [FASB ASC 420-10-50-1]	_____	_____	_____
<b>E. Commitments (FASB ASC 440-10)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed, notwithstanding more explicit disclosures required elsewhere in FASB ASC, all of the following in the financial statements:			
<i>a.</i> Unused letters of credit?	_____	_____	_____
<i>b.</i> Long-term leases?	_____	_____	_____
<i>c.</i> Assets pledged for security for loans?	_____	_____	_____
<i>d.</i> Pension plans?	_____	_____	_____
<i>e.</i> The existence of cumulative preferred stock dividends in arrears?	_____	_____	_____
<i>f.</i> Commitments, including the following:			
<i>i.</i> A commitment for plant acquisition?	_____	_____	_____
<i>ii.</i> An obligation to reduce debts?	_____	_____	_____
<i>iii.</i> An obligation to maintain working capital?	_____	_____	_____
<i>iv.</i> An obligation to restrict dividends? [FASB ASC 440-10-50-1]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Unconditional Purchase Obligations			
2. Has the entity properly disclosed any unconditional purchase obligations, exhibiting all of the following characteristics, in accordance with FASB ASC 440-10-50-4 (if not on the balance sheet), or in accordance with FASB ASC 440-10-50-6 (if recorded on the balance sheet):			
<i>a.</i> It is noncancelable, or cancelable only in any of the following circumstances:			
<i>i.</i> Upon the occurrence of some remote contingency?	_____	_____	_____
<i>ii.</i> With the permission of the other party?	_____	_____	_____
<i>iii.</i> If a replacement agreement is signed between the same parties?	_____	_____	_____
<i>iv.</i> Upon payment of a penalty in an amount such that continuation of the agreement appears reasonably assured?	_____	_____	_____
<i>b.</i> It was negotiated as part of arranging financing for the facilities that will provide the contracted goods or services or for costs related to those goods or services (for example, carrying costs for contracted goods)? ( <i>Note:</i> A purchaser is not required to investigate whether a supplier used an unconditional purchase obligation to help secure financing, if the purchaser would otherwise be unaware of that fact.)	_____	_____	_____
<i>c.</i> It has a remaining term in excess of one year? [FASB ASC 440-10-50-2]	_____	_____	_____
Unconditional Purchase Obligations—Unrecognized Commitments			
3. Has the entity properly disclosed the following for long term unconditional purchase obligations that meet the criteria of FASB ASC 440-10-50-2 and are not recorded in the purchaser's balance sheet: ( <i>Note:</i> These disclosures may be omitted only if the aggregate commitment for all such obligations not disclosed is immaterial.)			
<i>a.</i> Nature and term of the obligations?	_____	_____	_____
<i>b.</i> Amount of the fixed and determinable portion of the obligations as of the date of the latest balance sheet presented in the aggregate and, if determinable, for each of the next five years?	_____	_____	_____
<i>c.</i> Nature of any variable components of the obligation?	_____	_____	_____
<i>d.</i> Amounts purchased under the obligations (for example, the take or pay contract) for each year for which an income statement is presented? [FASB ASC 440-10-50-4]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
4. Has the entity properly disclosed, as encouraged, but not required, the amount of imputed interest necessary to reduce the unconditional purchase obligation(s) to present value? ( <i>Note:</i> The discount rate should be the effective initial interest rate of the borrowings that financed the facility(facilities) that will provide the contracted goods or services, if known by the purchaser. If not known, the discount rate should be the purchaser’s incremental borrowing rate at the date the obligation is entered into.) [FASB ASC 440-10-50-5]	_____	_____	_____
Unconditional Purchase Obligations—Recognized Commitments			
5. Has the entity properly disclosed, for each of the 5 years following the date of the latest balance sheet presented, the aggregate amount of payments for unconditional purchase obligations that meet the criteria of FASB ASC 440-10-50-2 and that have been recognized on the purchaser’s balance sheet? [FASB ASC 440-10-50-6]	_____	_____	_____
6. Has the entity properly complied with the disclosure requirements of both FASB ASC 440, <i>Commitments</i> , and FASB ASC 815, <i>Derivatives and Hedging</i> , if an unconditional purchase obligation meets the requirements explained in FASB ASC 815-10-50-6? [FASB ASC 440-10-50-7]	_____	_____	_____

**F. Loss Contingencies (FASB ASC 450-20)**

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**Additional Disclosure Information**

The disclosure provisions for a change in accounting estimate in FASB ASC 250-10-50-5 are not required for revisions resulting from a change in a valuation technique or its application.

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*Disclosure*

Accruals for Loss Contingencies

1. Has the entity properly disclosed the nature, and in some circumstances, the amount accrued, if necessary for the financial statements not to be misleading, for loss contingencies that are probable and estimable? ( <i>Note:</i> The terminology used should be descriptive of the nature of the accrual, such as estimated liability or liability of an estimated amount. Further, the term reserve should not be used and is limited to an amount of unidentified or unsegregated assets held or retained for a specific purpose.) [FASB ASC 450-20-50-1]	_____	_____	_____
2. Has the entity properly disclosed the following, if it is at least reasonably possible that the loss estimate will change in the near term and the change would be material to the financial statements:			
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?	_____	_____	_____

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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
c. An estimate of the possible loss or range of loss, or a statement that such an estimate cannot be made?	_____	_____	_____
d. A disclosure of the facts that cause the estimate to be sensitive to change? ( <i>Note</i> : This disclosure is encouraged, but not required.) [FASB ASC 450-20-50-2]	_____	_____	_____
Unrecognized Contingencies			
3. Has the entity properly disclosed the contingency if there is at least a reasonable possibility that a loss or an additional loss may have been incurred and either of the following conditions exists:			
a. An accrual is not made for a loss contingency because any of the conditions in FASB ASC 450-20-25-2 are not met?	_____	_____	_____
b. An exposure to loss exists in excess of the amount accrued pursuant to the provisions of FASB ASC 450-20-30-1? [FASB ASC 450-20-50-3]	_____	_____	_____
4. Has the entity properly disclosed the following for unrecognized loss contingencies when there is at least a reasonable possibility that a loss or an additional loss has been incurred:			
a. The nature of the contingency?	_____	_____	_____
b. An estimate of the possible loss or range of loss, or a statement that such an estimate cannot be made? [FASB ASC 450-20-50-4]	_____	_____	_____
5. Has the entity properly disclosed information for contingencies for which there is a reasonable possibility that a loss may have been incurred even though information may not indicate that it is probable that an asset had been impaired or a liability had been incurred at the date of the financial statements? ( <i>Note</i> : Disclosure is preferable when a reasonable estimate of loss cannot be made. For example, disclosure should be made of any loss contingency that meets the condition in FASB ASC 450-20-25-2(a) but that is not accrued because the amount of loss cannot be reasonably estimated (the condition in FASB ASC 450-20-25-2(b)). [FASB ASC 450-20-50-5]	_____	_____	_____
6. Has the entity properly disclosed a loss contingency involving any unasserted claim or assessment, if and only if, (a) it is considered probable that a claim will be asserted and (b) there is a reasonable possibility that the outcome will be unfavorable? ( <i>Note</i> : The disclosures in FASB ASC 450-20-50-4 should be provided.) [FASB ASC 450-20-50-6]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Losses Arising After the Date of the Financial Statements			
7. Has the entity properly disclosed a loss or a loss contingency arising after the date of the entity's financial statements (but before those financial statements are issued), if applicable. If such a disclosure is required, have the following been provided:			
a. The nature of the loss or loss contingency?	_____	_____	_____
b. An estimate of the possible loss or range of loss, or a statement that such an estimate cannot be made? [FASB ASC 450-20-50-9]	_____	_____	_____
<b>G. Gain Contingencies</b> (FASB ASC 450-30)			
<i>Disclosure</i>			
1. Has the entity properly disclosed, with care to avoid any misleading implications about likelihood of realization, any gain contingencies? [FASB ASC 450-30-50-1]	_____	_____	_____
<b>H. Guarantees</b> (FASB ASC 460-10)			
<i>Presentation</i>			
1. Has the entity properly recorded an accrual for credit loss on a financial instrument with off-balance sheet risk (including financial guarantees and financial standby letters of credit) separately from a valuation account related to a recognized financial instrument? [FASB ASC 460-10-45-1]	_____	_____	_____
<i>Disclosure</i>			

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#### Additional Disclosure Information

The disclosure requirements of FASB ASC 460-10-50-5 do not eliminate or affect the disclosure requirements of the following:

- The requirements of the "General" subsection of FASB ASC 825-10-50 that certain entities disclose the fair value of their financial guarantees issued
  - The requirements of paragraphs 3–4 of FASB ASC 450-20-50 that an entity disclose a contingent loss that has a reasonable possibility of occurring
  - The requirements of the "Disclosure" subsections of FASB ASC 815, *Derivatives and Hedging*, which apply to guarantees that are accounted for as derivatives
  - The requirements of FASB ASC 275-10-50 that an entity disclose information about risks and uncertainties that could significantly affect the amounts reported in the financial statements in the near term
-

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Information About Each Guarantee or Group of Similar Guarantees—Loss Contingencies			
2. Has the entity properly disclosed the existence of a loss contingency, even though the possibility of loss may be remote? (Examples include guarantees of indebtedness of others, including indirect guarantees of indebtedness of others, obligations of commercial banks under standby letters of credit, guarantees to repurchase receivables that have been sold or otherwise assigned, and other agreements that in substance have the same guarantee characteristic.) [FASB ASC 460-10-50-2]	_____	_____	_____
3. Has the entity properly disclosed the nature and amount of the guarantee disclosing, if estimable, the value of any recovery that could be expected, such as from the guarantor's right to proceed against an outside party? [FASB ASC 460-10-50-3]	_____	_____	_____
Information About Each Guarantee or Group of Similar Guarantees—Disclosures About a Guarantor's Obligation			
4. Has the entity properly disclosed the following information about each guarantee, or each group of similar guarantees, even if the likelihood of the guarantor's having to make any payments under the guarantee is remote:			
<i>a.</i> The nature of the guarantee, including the following:			
<i>i.</i> The approximate term of the guarantee?	_____	_____	_____
<i>ii.</i> How the guarantee arose?	_____	_____	_____
<i>iii.</i> The events or circumstances that would require the guarantor to perform under the guarantee?	_____	_____	_____
<i>iv.</i> The current status (that is, as of the date of the statement of financial position) of the payment or performance risk of the guarantee?	_____	_____	_____
<i>v.</i> If the entity uses internal groupings for the purposes of item <i>a(iv)</i> , how those groupings are determined and used for managing risk?	_____	_____	_____
<i>b.</i> The maximum potential amount of future payments (undiscounted) the guarantor could be required to make under the guarantee, which shall not be reduced by the effect of any amounts that may possibly be recovered under recourse or collateralization provisions in the guarantee (which are addressed under item <i>f</i> )?	_____	_____	_____
<i>c.</i> If the terms of the guarantee provide for no limitation to the maximum potential future payments under the guarantee, is that fact disclosed?	_____	_____	_____
<i>d.</i> If the guarantor is unable to develop an estimate of the maximum potential amount of future payments under its guarantee, are the reasons why the maximum potential amount cannot be estimated disclosed?	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
e.	The current carrying amount of the liability, if any, for the guarantor’s obligations under the guarantee, including the amount, if any, recognized under FASB ASC 450-20-30, regardless of whether the guarantee is freestanding or embedded in another contract?	_____	_____	_____
f.	The nature of			
i.	any recourse provisions that would enable the guarantor to recover from third parties any of the amounts paid under the guarantee?	_____	_____	_____
ii.	any assets held either as collateral or by third parties that, upon the occurrence of any triggering event or condition under the guarantee, the guarantor can obtain and liquidate to recover all or a portion of the amounts paid under the guarantee?	_____	_____	_____
g.	If estimable, 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 guarantee? [FASB ASC 460-10-50-4]	_____	_____	_____
5.	Has the entity properly disclosed the requirements in paragraphs 4–6 of FASB ASC 460-10-50 as applied to all minimum revenue guarantees in financial statements of interim or annual periods? [FASB ASC 460-10-50 par. 4–6]	_____	_____	_____
<b>Product Warranties</b>				
6.	For product warranties and other guarantee contracts required to be disclosed by FASB ASC 460-10-15-9, has the entity properly disclosed the following information:			
a.	The information required to be disclosed by FASB ASC 460-10-50-4, except that a guarantor is not required to disclose the maximum potential amount of future payments in FASB ASC 460-10-50-4(b)?	_____	_____	_____
b.	The guarantor’s accounting policy and methodology used in determining its liability for product warranties (including any liability associated with extended warranties)?	_____	_____	_____
c.	A tabular reconciliation of the changes in the guarantor’s aggregate product warranty liability for the reporting period?	_____	_____	_____
d.	Does the tabular reconciliation of changes in the guarantor’s aggregate product liability present			
i.	the beginning balance of the aggregate product warranty liability?	_____	_____	_____
ii.	the aggregate reductions in that liability for payments made (in cash or in kind) under the warranty?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
iii. the aggregate changes in the liability for accruals related to product warranties issued during the reporting period, and the aggregate changes in the liability for accruals related to preexisting warranties, including adjustments related to changes in estimates?	_____	_____	_____
iv. the ending balance of the aggregate product warranty liability? [FASB ASC 460-10-50-8]	_____	_____	_____
<b>I. Debt—Overall (FASB ASC 470-10)</b>			
<i>Presentation</i>			
Classification of Debt That Includes Covenants			
1. Unless facts and circumstances indicate otherwise, has the entity classified long-term debt with covenant violations as non-current, unless the covenant violation gives the lender the right to call the debt at the balance sheet date or it is probable that the borrower will not be able to cure the default (comply with the covenant) at measurement dates that are within the next 12 months? [FASB ASC 470-10-45-1]	_____	_____	_____
Subjective Acceleration Clauses and Debt Classification			
2. Has the entity considered the circumstances, such as recurring losses or liquidity problems, that would indicate that long-term debt subject to a subjective acceleration clause should be classified as a current liability? [FASB ASC 470-10-45-2]	_____	_____	_____
Classification of Revolving Credit Agreements Subject to Lock-Box Arrangements and Subjective Acceleration Clauses			
3. Has the entity classified short-term debt, which the entity intends to refinance on a long-term basis, as a current liability because of the existence of a subjective acceleration clause? [FASB ASC 470-10-45-4]	_____	_____	_____
4. Has the entity properly classified debt under a revolving credit agreement that includes both a subjective acceleration clause and a requirement to maintain a lock-box arrangement as a short-term obligation? ( <i>Note:</i> Because of the subjective acceleration clause, the debt should be classified as a current liability unless the conditions of FASB ASC 470-10-45-14 are met based on an agreement, other than the revolving agreement, to refinance the obligation after the balance sheet date on a long-term basis.) [FASB ASC 470-10-45-5]	_____	_____	_____
5. Has the entity properly classified as short-term obligations debt that is contractually repaid through a lock-box arrangement in which the entity does not have the ability to avoid using working capital to repay the amount outstanding? [FASB ASC 470-10-45-5A]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
6. Has the entity properly classified as long-term obligations debt outstanding under a revolving credit arrangement that includes both a subjective acceleration clause and a requirement to maintain a springing lock-box arrangement because the remittances do not automatically reduce the outstanding debt without another event occurring? [FASB ASC 470-10-45-6]	_____	_____	_____
Classification of Increasing-Rate Debt			
7. Has the entity properly classified excess interest accrued on debt that is paid at par before its estimated maturity as an adjustment of interest expense? [FASB ASC 470-10-45-8]	_____	_____	_____
Due on Demand Loan Arrangements			
8. Has the entity properly classified as a current liability 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? ( <i>Note:</i> The demand provision is not a subjective acceleration clause as discussed in FASB ASC 470-10-45-2.) [FASB ASC 470-10-45-10]	_____	_____	_____
Callable Debt			
9. Has the entity properly included in current liabilities long-term obligations that are or will be callable by the creditor either because of the debtor’s violation of a provision of the debt agreement at the balance sheet date makes the obligation callable or because the violation, if not cured within a specific grace period, will make the obligation callable? [FASB ASC 470-10-45-11]	_____	_____	_____
10. Has the entity properly classified the callable debt as long term if either of the following conditions are met:			
<i>a.</i> The creditor has waived or subsequently lost the right to demand repayment for more than one year (or operating cycle, if longer) from the balance sheet date? ( <i>Note:</i> If the obligation is callable because of violations of certain provisions of the debt agreement, the creditor needs to waive its right with regard only to those violations.)	_____	_____	_____
<i>b.</i> For long-term obligations containing a grace period within which the debtor may cure the violation, it is probable that the violation will be cured within that period, thus preventing the obligation from being callable?	_____	_____	_____

(*Note:* Drawing a distinction between significant violations of critical conditions and technical violations is not practicable. A violation that a debtor considers to be technical may be considered critical by the creditor. Furthermore, a creditor may choose to use a technical violation as a means to withdraw from its lending relationship with the debtor. If the violation is considered insignificant by the creditor, then the debtor should be able to obtain a waiver as discussed in FASB ASC 470-10-45-11.)

[FASB ASC 470-10-45 par. 11–12]

#### Short-Term Obligations Expected to Be Refinanced

11. Has the entity properly classified short-term obligations arising from transactions in the normal course of business, due in customary terms, as current liabilities?

[FASB ASC 470-10-45-13]

12. Has the entity properly excluded from current assets funds obtained on a long-term basis before the balance sheet date if the obligation to be liquidated is excluded from current liabilities?

[FASB ASC 470-10-45-13]

#### Intent and Ability to Refinance on a Long-Term Basis

13. Has the entity properly excluded from current liabilities a short-term obligation that the entity intends to refinance on a long-term basis and the intent to refinance is supported by an ability to consummate the refinancing demonstrated in either of the following ways:

a. After the date balance sheet date but before the balance sheet is issued or available to be issued, a long-term obligation or equity securities are issued for the purpose of refinancing the short-term obligation on a long-term basis? (*Note:* If equity securities are issued, the short-term obligation, although excluded from current liabilities, should not be included in owners' equity.)

b. Before the balance sheet is issued or available to be issued, the entity has entered into a financing agreement that clearly permits the entity to refinance the short-term obligation on a long-term basis on terms that are readily determinable, and all of the following conditions are met:

- i. The agreement does not expire within one year (or operating cycle) from the date of the entity's balance sheet and during that period the agreement is not cancelable by the lender or the prospective lender or investor except for violation of a provision with which compliance is objectively determinable or measurable?

Yes      No      N/A

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
ii. No violation of any provision in the financing agreement exists at the balance sheet date and no information indicates that a violation has occurred thereafter but before the balance sheet is issued or is available to be issued, or, if one exists at the balance sheet date or has occurred thereafter, a waiver has been obtained?	_____	_____	_____
iii. The lender or the prospective lender or investor is expected to be capable of honoring the agreement? [FASB ASC 470-10-45-14]	_____	_____	_____
14. Has the entity properly classified as current liabilities a short-term obligation that is repaid after the balance sheet date, and subsequently a long-term obligation or equity securities are issued whose proceeds are used to replenish current assets before the balance sheet is issued or is available to be issued? ( <i>Note:</i> See example 5 in FASB ASC 470-10-55-33 for an illustration of this guidance). [FASB ASC 470-10-45-15]	_____	_____	_____
15. Has the entity properly limited the amount of the short-term obligation to be excluded from current liabilities (as discussed in FASB ASC 470-10-45-14(a)) to the proceeds of the new long-term obligation or the equity securities issued? [FASB ASC 470-10-45-16]	_____	_____	_____
16. Has the entity properly reduced the amount of the short-term obligation to be excluded from current liabilities (as discussed in FASB ASC 470-10-45-14(b)) to the amount available for refinancing under the agreement if the amount available is less than the amount of the short-term obligation? [FASB ASC 470-10-45-17]	_____	_____	_____
17. Has the entity properly reduced the amount to be excluded (as discussed in FASB ASC 470-10-45-14) if information, such as restrictions in other agreements or restrictions as to transferability of funds, indicates that funds obtainable under the refinancing agreement will not be available to liquidate the short-term obligation? [FASB ASC 470-10-45-18]	_____	_____	_____
18. Has the entity properly limited to a reasonable estimate of the minimum amount expected to be available at any date from the scheduled maturity of the short-term obligation to the end of the fiscal year (or operating cycle), the amount to be excluded from current liabilities, if amounts that could be obtained under the financing agreement fluctuate (for example, in relation to the entity’s needs, in proportion to the value of collateral, or in accordance with other terms of the agreement), or classified the entire outstanding short-term obligation in current liabilities, if a reasonable estimate cannot be made? [FASB ASC 470-10-45-19]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>Transactions After the Balance Sheet Date</i>			
19. If the entity replaces a short-term obligation with another short-term obligation under a revolving credit agreement, after the balance sheet date, but before the balance sheet is issued or available to be issued, has the credit agreement met the conditions in question 13 <i>b</i> ? Similarly, if the replacement is a rollover of commercial paper accompanied by a standby credit agreement, has the standby agreement met the conditions in question 13 <i>b</i> to justify excluding the short-term obligation from current liabilities? [FASB ASC 470-10-45-21]	_____	_____	_____
<i>Disclosure</i>			
<i>Disclosure of Long-Term Obligations</i>			
20. Has the entity properly disclosed, for each of the five years following the date of the latest balance sheet presented, the combined aggregate amount of maturities and sinking fund requirements for all long-term borrowings? [FASB ASC 470-10-50-1]	_____	_____	_____
21. Has the entity properly disclosed the circumstances related to any callable debt, as defined in FASB ASC 470-10-45-11, that is classified as a long-term liability (or, in the case of an unclassified balance sheet, is included as a long-term liability in the disclosure of debt maturities)? [FASB ASC 470-10-50-2]	_____	_____	_____
<i>Subjective Acceleration Clauses</i>			
22. Has the entity properly disclosed any long term debt agreements subject to a subjective acceleration clause unless the likelihood of the acceleration of the due date is remote? [FASB ASC 470-10-50-3]	_____	_____	_____
<i>Short-Term Obligations Expected to Be Refinanced</i>			
23. Has the entity properly disclosed any short-term obligations that are excluded from current liabilities and a general description of the financing agreement and the terms of any new obligation incurred or expected to be incurred or equity securities issued or expected to be issued as a result of a refinancing? [FASB ASC 470-10-50-4]	_____	_____	_____
<i>Summary Disclosure of Securities Outstanding</i>			
24. Has the entity properly disclosed interest rates, maturities, conversion features, and other significant terms (for example, subordinated features) of long term debt, pursuant to FASB ASC 505-10-50-3 (See question 4 in "Equity [FASB ASC 505-10]"?) [FASB ASC 470-10-50-5]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>J. Debt—Debt With Conversion and Other Options (FASB ASC 470-20)</b>			
<i>Presentation</i>			
Income Statement Classification			
1. Has the entity properly not presented any expense recognized on the date of conversion of convertible debt related to a beneficial conversion feature as extraordinary? [FASB ASC 470-20-45-1]	_____	_____	_____
2. Has the entity properly <i>not</i> presented any expense recognized on the date of conversion of convertible debt related to an inducement offer as extraordinary? [FASB ASC 470-20-45-2]	_____	_____	_____
Own-Share Lending Arrangements Issued in Contemplation of Convertible Debt Issuance			
3. Has the entity properly not presented loaned shares in the calculation of basic and diluted EPS, unless default of the share-lending arrangement occurs? ( <i>Note:</i> If dividends on the loaned shares are not reimbursed to the entity, any amounts, including contractual [accumulated] dividends and participation rights in undistributed earnings, attributable to the loaned shares should be deducted in computing income available to common shareholders, in a manner consistent with the two-class method in FASB ASC 260-10-45-60B.) [FASB ASC 470-20-45-2A]	_____	_____	_____
<i>Disclosure</i>			
Own-Share Lending Arrangements Issued in Contemplation of Convertible Debt Issuance			
4. Has the entity properly disclosed the following when it has entered into a share-lending arrangement on its own shares in contemplation of a convertible debt offering or other financing, on an annual and interim basis in any period in which a share-lending arrangement is outstanding:			
<i>a.</i> A description of any outstanding share-lending arrangements on the entity's own stock?	_____	_____	_____
<i>b.</i> All significant terms of the share-lending arrangement including (i) the number of shares, (ii) the term, (iii) the circumstances under which cash settlement would be required, and (iv) any requirements for the counterparty to provide collateral?	_____	_____	_____
<i>c.</i> The entity's reason for entering into the share-lending arrangement?	_____	_____	_____
<i>d.</i> The fair value of the outstanding loaned shares as of the balance sheet date?	_____	_____	_____
<i>e.</i> The treatment of the share-lending arrangement for the purposes of calculating EPS?	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
f. The unamortized amount of the issuance costs associated with the share-lending arrangement at the balance sheet date?	_____	_____	_____
g. The classification of the issuance costs associated with the share-lending arrangement at the balance sheet date?	_____	_____	_____
h. The amount of interest cost recognized relating to the amortization of the issuance cost associated with the share-lending arrangement for the reporting period?	_____	_____	_____
i. Any amounts of dividends paid related to the loaned shares that will not be reimbursed? [FASB ASC 470-20-50-2A]	_____	_____	_____
5. If the entity has entered into a share-lending arrangement on its own shares in contemplation of a convertible debt offering or other financing has it properly disclosed the items required by FASB ASC 505, <i>Equity</i> ? [FASB ASC 470-20-50-2B]	_____	_____	_____
6. Has the entity properly disclosed, in the period in which it concludes that it is probable that the counterparty to its share-lending arrangement will default, the amount of expense reported in the statement of earnings related to the default? ( <i>Note:</i> The entity should disclose, in any subsequent period, any material changes in the amount of expense as a result of changes in the fair value of the entity's shares or the probable recoveries. Further, if default is probable, but has not yet occurred, the entity should disclose the number of shares related to the share-lending arrangement that will be reflected in basic and diluted EPS when the counterparty defaults.) [FASB ASC 470-20-50-2C]	_____	_____	_____

## Cash Conversion Options

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**Additional Disclosure Information**

The entity should provide the incremental disclosures required by the guidance in FASB ASC 470-20 in annual financial statements for convertible debt instruments that are within the scope of the "Cash Conversions" subsections of FASB ASC 470-20 that were outstanding during any of the periods presented.

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7. Has the entity properly disclosed, as of each date for which a statement of financial position is presented, the following:			
a. The carrying amount of the equity component?	_____	_____	_____
b. The principal amount, unamortized discount, and net carrying amount for the liability component? [FASB ASC 470-20-50-4]	_____	_____	_____
8. Has the entity properly disclosed, as of the date of the most recent statement of financial position that is presented, the following:			
a. The remaining period over which any discount on the liability component will be amortized?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. The conversion price and the number of shares on which the aggregate consideration to be delivered upon conversion is determined?	_____	_____	_____
c. For a public entity only, the amount by which the instrument's if-converted value exceeds its principal amount, regardless of whether the instrument is currently convertible?	_____	_____	_____
d. All of the following information about derivative transactions entered into (in connection with the issuance of instruments within the scope of the "Cash Conversions" subsections of FASB ASC 470-20-50, regardless of whether such derivative transactions are accounted for as assets, liabilities, or equity instruments):			
i. The terms of those derivative transactions?	_____	_____	_____
ii. How those derivative transactions relate to the instruments (within the scope of the "Cash Conversions" subsections of FASB ASC 470-20-50)?	_____	_____	_____
iii. The number of shares underlying the derivative transactions?	_____	_____	_____
iv. The reasons for entering into those derivative transactions? [FASB ASC 470-20-50-5]	_____	_____	_____
9. Has the entity properly disclosed, as of each date for which a statement of financial position is presented, the following:			
a. The effective interest rate on the liability component for the period?	_____	_____	_____
b. The amount of interest cost recognized for the period relating to both the contractual interest coupon and amortization of the discount on the liability component? [FASB ASC 470-20-50-6]	_____	_____	_____
<b>K. Participating Mortgage Loans (FASB ASC 470-30)</b>			
<i>Presentation</i>			
1. Has the entity properly included the amortization of the debt discount relating to the participation liability in interest expense? [FASB ASC 470-30-45-1]	_____	_____	_____
2. Has the entity properly presented the debt extinguishment gain or loss from the extinguishment of a participating mortgage loan as a separate item currently in income of the period of extinguishment as required by FASB ASC 470-50-40-2? (Note: This subtopic does not preclude these gains or losses that meet the criteria of FASB ASC 225, <i>Income Statement</i> , from being classified as extraordinary.) [FASB ASC 470-30-45 par. 2-3]	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>Disclosure</i>				
3.	If the entity has borrowed funds in the form of participating mortgage loans, has it properly disclosed the following in the financial statements:			
a.	The aggregate amount of participating mortgage obligations at the balance-sheet date, with separate disclosure of the aggregate participation liabilities and related debt discounts?	_____	_____	_____
b.	Terms of the participations by the lender in either the appreciation in the market value of the mortgaged real estate project or the results of operations of the mortgaged real estate project, or both? [FASB ASC 470-30-50-1]	_____	_____	_____
<b>L. Debt Modifications and Extinguishments (FASB ASC 470-50)</b>				
<i>Disclosure</i>				
1.	Has the entity properly disclosed, if debt was considered to be extinguished by in-substance defeasance under the provisions of FASB Statement No. 76, <i>Extinguishment of Debt—an amendment of APB Opinion No. 26</i> , prior to the effective date of FASB Statement No. 125, <i>Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities</i> , 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? ( <i>Note:</i> Per FASB ASC 470-50-45 paragraphs 1–2, gains and losses from extinguishment of debt that meet the criteria in FASB ASC 225-20 are not precluded from being classified as extraordinary items. However, any charges to earnings resulting from application of FASB ASC 470-50-40-21(c) should not be classified as extraordinary.) [FASB ASC 470-50-50-1]	_____	_____	_____
<b>M. Troubled Debt Restructuring by Debtors (FASB ASC 470-60)</b>				
<i>Disclosure</i>				
1.	Has the entity properly disclosed for troubled debt restructurings occurring during the current period, either in the body of the financial statements or in the accompanying notes, the following:			
a.	For each restructuring, a description of the principal changes in terms, the major features of settlement, or both? ( <i>Note:</i> Separate restructurings within a fiscal period for the same category of payables may be grouped for disclosure purposes.)	_____	_____	_____
b.	Aggregate gain on restructuring of payables?	_____	_____	_____
c.	Aggregate net gain or loss on transfers of assets recognized during the period?	_____	_____	_____
d.	Per-share amount of the aggregate gain on restructuring of payables? [FASB ASC 470-60-50-1]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
2. Has the entity properly disclosed the following, related to periods after a troubled debt restructuring:			
a. The extent to which amounts contingently payable are included in the carrying amount of restructured payables pursuant to the provisions of FASB ASC 470-60-35-7?	_____	_____	_____
b. If required by paragraphs 1–6 and 9–10 of FASB ASC 450-20-50, total amounts contingently payable on restructured payables and the conditions under which those amounts would become payable or forgiven? [FASB ASC 470-60-50-2]	_____	_____	_____

**N. Distinguishing Liabilities From Equity (FASB ASC 480-10)<sup>1</sup>**  
*Presentation*

**Additional Presentation Information**

For those entities for which FASB Statement No. 150, *Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity*, applies, please reference FASB ASC at [www.fasb.org](http://www.fasb.org) for the presentation items relevant to your entity.

*Disclosure*

**Additional Disclosure Information**

For those entities for which FASB Statement No. 150 applies, please reference FASB ASC at [www.fasb.org](http://www.fasb.org) for the disclosure items relevant to your entity.

<sup>1</sup> In November 2003, FASB issued FASB Staff Position (FSP) FAS 150-3, *Effective Date, Disclosures, and Transition for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests under FASB Statement No. 150*, to clarify and defer specific implementation of the provisions of FASB Statement No. 150, *Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity*.

FASB Statement No. 150 as issued is effective for mandatorily redeemable financial instruments of nonpublic entities for the first fiscal period beginning after December 15, 2003. For mandatorily redeemable instruments of other entities, FASB Statement No. 150 as issued is effective for financial instruments entered into or modified after May 31, 2003, and for all other instruments for interim periods beginning after June 15, 2003.

FSP FAS 150-3 deferred the effective date for mandatorily redeemable financial instruments issued by nonpublic entities that are not Securities and Exchange Commission registrants, as follows:

- a. For instruments that are mandatorily redeemable on fixed dates for amounts that either are fixed or are determined by reference to an interest rate index, currency index, or another external index, the classification, measurement, and the disclosure provisions of FASB ASC 480-10-50 and the presentation provisions of FASB ASC 480-10-45 were effective for fiscal periods beginning after December 15, 2004.
- b. For all other financial instruments that are mandatorily redeemable, the classification, measurement, and disclosure provisions of FASB ASC 480-10-50 and the presentation provisions of FASB ASC 480-10-45 are deferred indefinitely pending further FASB action.

Readers should review this FSP or the relevant transition guidance to understand the various effective dates of FASB Statement No. 150, as discussed in FASB ASC 480-10-65-1.

This checklist has been updated to include the presentation and disclosure requirements of FSP FAS 150-3.

Readers can refer to the full text of the statement on the FASB website at [www.fasb.org](http://www.fasb.org).

This guidance is labeled as "Pending Content" due to the transition and open effective date information discussed in FASB ASC 480-10-65-1.

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. Has the entity properly disclosed the following (if it issues financial instruments within the scope of FASB ASC 480-10-25):			
<i>a.</i> The nature and terms of the financial instruments?	_____	_____	_____
<i>b.</i> The rights and obligations embodied in those instruments, including both			
<i>i.</i> settlement alternatives, if any, in the contract?	_____	_____	_____
<i>ii.</i> the entity that controls the settlement alternatives? [FASB ASC 480-10-50-1]	_____	_____	_____
2. Has the entity properly disclosed the following for all outstanding financial instruments (within the scope of FASB ASC 480-10) and for each settlement alternative:			
<i>a.</i> The amount that would be paid, or the number of shares that would be issued and their fair value, determined under the conditions specified in the contract if the settlement were to occur at the reporting date?	_____	_____	_____
<i>b.</i> How changes in the fair value of the issuer's equity shares would affect those settlement amounts (for example, "the issuer is obligated to issue an additional x shares or pay an additional y dollars in cash for each \$1 decrease in the fair value of one share")?	_____	_____	_____
<i>c.</i> The maximum amount that the issuer could be required to pay to redeem the instrument by physical settlement, if applicable?	_____	_____	_____
<i>d.</i> The maximum number of shares that could be required to be issued, if applicable?	_____	_____	_____
<i>e.</i> That a contract does not limit the amount that the issuer could be required to pay or the number of shares that the issuer could be required to issue, if applicable?	_____	_____	_____
<i>f.</i> For a forward contract or an option indexed to the issuer's equity shares, the forward price or option strike price, the number of issuer's shares to which the contract is indexed, and the settlement date or dates of the contract, as applicable? ( <i>Note:</i> FASB ASC 505-10-50-3, which is addressed in section IV, "Equity," of this checklist, requires additional disclosures for actual issuances and settlements that occurred during the accounting period.) [FASB ASC 480-10-50 par. 2-3]	_____	_____	_____

Yes      No      N/A

## IV. Equity

### Checklist Questions With A or B References

Checklist questions pertaining to guidance mandatorily effective for annual reporting periods ending on or before September 30, 2013, absent an entity's decision to early adopt any superseding guidance (where applicable and permissible), are denoted with "A" references. Checklist questions pertaining to guidance issued through September 30, 2013, which may become effective for entities with annual reporting periods ending on or before December 31, 2013, either because of the effective date or an entity's decision to early adopt (where permitted), are denoted with a "B" reference. ASUs are listed at the beginning of each "B" question should the reader want to reference the standard as originally issued. Therefore, depending upon your entity's(ies') year-end(s) and decision(s) to early adopt (where permitted), the appropriate alternative questions should be answered when provided. There may not be an "A" and "B" question for each item.

#### A. Equity (FASB ASC 505-10)

##### *Presentation*

##### Receivables for Issuance of Equity

1. Has the entity properly presented a note received as a contribution to equity as an offset against stock in the equity section? (*Note:* Such notes may be recorded as an asset if collected in cash before the financial statements are issued or are available to be issued.)  
[FASB ASC 505-10-45-2]

\_\_\_\_\_

##### Appropriations of Retained Earnings

2. Has the entity properly presented appropriations of retained earnings for loss contingencies clearly identified and included in shareholders' equity?  
[FASB ASC 505-10-45-3]

\_\_\_\_\_

##### *Disclosure*

3. If both financial position and results of operations are presented, has the entity properly disclosed changes in the separate account comprising shareholders' equity (in addition to 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? (*Note:* This disclosure may take the form of separate statements or may be made in the basic financial statements or in the notes.)  
[FASB ASC 505-10-50-2]

\_\_\_\_\_

4. Has the entity properly disclosed information about the pertinent rights and privileges of the various securities outstanding in summary form? (*Note:* Examples of information to be included are 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.)  
[FASB ASC 505-10-50-3]

\_\_\_\_\_

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>Securities With Preferences</b>			
5. Has the entity properly disclosed, for preferred stock (or other senior stock) that has a preference in involuntary liquidation considerably in excess of par or stated value of the shares, the liquidation preference in the equity section of the balance sheet in the aggregate, either parenthetically or "in short," rather than on a per share basis or in the notes to the financial statements? [FASB ASC 505-10-50-4]	_____	_____	_____
6. Has the entity properly disclosed the following on the face of the balance sheet or in the notes to the financial statements:			
a. The aggregate or per-share amounts at which preferred stock may be called or are subject to redemption through sinking-fund operations or otherwise?	_____	_____	_____
b. The aggregate and per-share amounts of arrearages in cumulative preferred dividends? [FASB ASC 505-10-50-5]	_____	_____	_____
<b>Convertible Securities</b>			
7. For contingently convertible securities, has the entity properly disclosed the significant quantitative and qualitative terms of the conversion features to enable users of the financial statements to understand the circumstances of the contingency and the potential impact of conversion, including			
a. events or changes in circumstances that would cause the contingency to be met and any significant features necessary to understand the conversion rights and the timing of those rights (for example, the periods in which [i] the contingency might be met and [ii] the securities may be converted if the contingency is met)?	_____	_____	_____
b. the conversion price and the number of shares into which the security is potentially convertible?	_____	_____	_____
c. events or changes in circumstances, if any, that could adjust or change the contingency, conversion price, or number of shares, including significant terms of those changes?	_____	_____	_____
d. the manner of settlement upon conversion and any alternative settlement methods (for example, cash, shares, or a combination)? [FASB ASC 505-10-50-6]	_____	_____	_____
8. Has the entity properly disclosed, in order to meet the requirements of FASB ASC 505-10-50-6, the possible conversion prices and dates as well as other significant terms for each convertible instrument? [FASB ASC 505-10-50-7]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
9. Has the entity properly disclosed, in the footnotes to the financial statements, the terms of the transaction (as referred to in FASB ASC 505-10-50-6), 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? [FASB ASC 505-10-50-8]	_____	_____	_____
10. Has the entity properly disclosed whether the shares that would be issued if the contingently convertible securities were converted are included in the calculation of diluted EPS, and the reasons why or why not? [FASB ASC 505-10-50-9]	_____	_____	_____
11. Although not required, has the entity disclosed information about derivative instruments entered into in connection with the issuance of the contingently convertible securities that may be useful in terms of fully explaining the potential impact of the contingently convertible securities? ( <i>Note:</i> Information might include the terms of those derivative instruments, including the terms of settlement, how those instruments relate to the contingently convertible securities, and the number of shares underlying the derivative instruments.) [FASB ASC 505-10-50-10]	_____	_____	_____
12. Has the entity properly disclosed, for issued redeemable stock, the amount of redemption requirements, 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 date of the latest balance sheet? [FASB ASC 505-10-50-11]	_____	_____	_____
<b>B. Stock Dividends and Stock Splits (FASB ASC 505-20)</b>			
<i>Disclosure</i>			
1. Has the entity properly identified any situations in which a stock dividend in form is actually a stock split in substance, pursuant to FASB ASC 505-20-25-2? If so, has the entity made every effort to avoid the use of the word dividend in related corporate resolutions, notices, and announcements, and that, in those cases in which because of legal requirements that could not be done, the transaction is described, for example as a stock split effected in the form of a dividend? [FASB ASC 505-20-50-1]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>C. Treasury Stock (FASB ASC 505-30)</b>			
<i>Presentation</i>			
1. Has the entity properly presented, if the entity purchased stock for purposes other than retirement, formal or constructive, or if ultimate disposition has not yet been decided, the cost separately as a deduction from the total of capital stock, additional paid-in capital, and retained earnings, or has it been presented in accordance with paragraphs 7–10 of FASB ASC 505-30-30? [FASB ASC 505-30-45-1]	_____	_____	_____
<i>Disclosure</i>			
Disclosures Relating to State Laws			
2. Has the entity made appropriate disclosures regarding state laws relating to the entity's repurchase of its own outstanding common stock that restrict the availability of retained earnings for the payment of dividends or have other significant effects? [FASB ASC 505-30-50-2]	_____	_____	_____
Disclosures Relating to Allocation of Repurchase Price			
3. Has the entity made proper disclosures if treasury shares are purchased at a stated price significantly in excess of the current market price of the shares, including the allocation of the amounts paid and the accounting treatment for such amounts? [FASB ASC 505-30-50 par. 3–4]	_____	_____	_____
<b>D. Equity-Based Payments to Nonemployees (FASB ASC 505-50)</b>			
<i>Presentation</i>			
1. Has the entity (as grantor) properly not presented an asset, other than a note or receivable, received in return for fully vested, nonforfeitable equity instruments, that are issued at the date the grantor and grantee enter into an agreement for goods or services, as a contra-equity? [FASB ASC 505-50-45-1]	_____	_____	_____
<i>Disclosure</i>			
Grantor Disclosures			
2. Has the entity properly disclosed, to the extent that the disclosures are important to an understanding of the effects of the transactions on the financial statements, information about goods or services, other than employee services, acquired in a share-based payment transaction? ( <i>Note:</i> The disclosures should be similar to those required by paragraphs 1–2 of FASB ASC 718-10-50.) [FASB ASC 505-50-50-1]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Grantee Disclosures			
3. Has the entity properly disclosed, in accordance with paragraphs 1–2 of FASB ASC 845-10-50, in each period’s financial statements, the amount of gross operating revenue recognized as a result of nonmonetary transactions addressed by the guidance of FASB ASC 505-50? [FASB ASC 505-50-50-2]	_____	_____	_____

## V. Revenue

### Checklist Questions With A or B References

Checklist questions pertaining to guidance mandatorily effective for annual reporting periods ending on or before September 30, 2013, absent an entity’s decision to early adopt any superseding guidance (where applicable and permissible), are denoted with “A” references. Checklist questions pertaining to guidance issued through September 30, 2013, which may become effective for entities with annual reporting periods ending on or before December 31, 2013, either because of the effective date or an entity’s decision to early adopt (where permitted), are denoted with a “B” reference. ASUs are listed at the beginning of each “B” question should the reader want to reference the standard as originally issued. Therefore, depending upon your entity’s(ies’) year-end(s) and decision(s) to early adopt (where permitted), the appropriate alternative questions should be answered when provided. There may not be an “A” and “B” question for each item.

#### A. Revenue Recognition—Products (FASB ASC 605-15)

##### *Presentation*

##### General

- |   |       |       |       |
|---|-------|-------|-------|
| 1. Has the entity properly presented revenue and cost of sales, reduced for any estimated returns, for sales made with a right of return which meet the criteria in FASB ASC 605-15-25-1?<br>[FASB ASC 605-15-45-1] | _____ | _____ | _____ |
|---|-------|-------|-------|

#### B. Revenue Recognition—Services (FASB ASC 605-20)

##### *Disclosure*

- |  |       |       |       |
|--|-------|-------|-------|
| 1. Has the entity properly disclosed the amount of revenue and expense recognized from advertising barter transactions for each income statement period presented, including advertising barter transactions for which the fair value is not determinable?<br>[FASB ASC 605-20-50-1] | _____ | _____ | _____ |
|--|-------|-------|-------|

#### C. Multiple Element Arrangements (FASB ASC 605-25)

##### *Disclosure*

- |   |       |       |       |
|---|-------|-------|-------|
| 1. Has the entity properly disclosed other qualitative and quantitative information, in addition to the required disclosures addressed subsequently, about revenue arrangements and significant judgments about multiple-element arrangements, or changes in those judgments that may significantly affect the timing or amount of revenue recognition?<br>[FASB ASC 605-25-50-1] | _____ | _____ | _____ |
|---|-------|-------|-------|

## Corporations

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
2.	Has the entity disclosed all of the following information by similar type of arrangement:			
a.	The nature of its multiple-deliverable arrangements?	_____	_____	_____
b.	The significant deliverables within the arrangements?	_____	_____	_____
c.	The general timing of delivery or performance of service for the deliverables within the arrangements?	_____	_____	_____
d.	Performance, cancellation, termination, and refund-type provisions?	_____	_____	_____
e.	A discussion of the significant factors, inputs, assumptions, and methods used to determine selling price (whether vendor-specific objective evidence, third party evidence, or estimated selling price) for the significant deliverables?	_____	_____	_____
f.	Whether the significant deliverables in the arrangements qualify as separate units of accounting, and the reasons that they do not qualify as separate units of accounting, if applicable?	_____	_____	_____
g.	The general timing of revenue recognition for significant units of accounting?	_____	_____	_____
h.	Separately, the effect of changes in either the selling price or the method or assumptions used to determine selling price for a specific unit of accounting if either one of those changes has a significant effect on the allocation of arrangement consideration? [FASB ASC 605-35-50-2]	_____	_____	_____
<b>D. Milestone Method Revenue Recognition (FASB ASC 605-28)</b>				
<i>Disclosure</i>				
1.	Has the entity disclosed its accounting policy for the recognition of milestone payments as revenue in accordance with FASB ASC 235-10? [FASB ASC 605-28-50-1]	_____	_____	_____
2.	Has the entity disclosed all of the following in the notes to the financial statements for each arrangement that includes milestone consideration:			
a.	A description of the overall arrangement?	_____	_____	_____
b.	A description of each milestone and related contingent consideration?	_____	_____	_____
c.	A determination of whether each milestone is considered substantive?	_____	_____	_____
d.	The factors that the entity considered in determining whether the milestone(s) are substantive?	_____	_____	_____
e.	The amount of consideration recognized during the period for the milestone(s)? [FASB ASC 605-28-50-2]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>E. Construction-Type and Production-Type Contracts (FASB ASC 605-35)</b>			
<i>Presentation</i>			
1. Has the entity properly accounted for provision for loss due to contract costs exceeding estimated revenue in the income statement as an additional contract cost rather than a reduction of contract revenue? [FASB ASC 605-35-45-1]	_____	_____	_____
2. Has the entity properly shown the provision separately as a current liability? [FASB ASC 605-35-45-2]	_____	_____	_____
3. For completed-contract method contracts			
a. has the entity properly included an excess of accumulated costs over related billings in the balance sheet as a current asset?	_____	_____	_____
b. has the entity properly included an excess of accumulated billings over related costs as a liability?	_____	_____	_____
c. has the entity properly separated all contracts with excess costs as assets and all contracts with excess billings as liabilities? [FASB ASC 605-35-45-4]	_____	_____	_____
<b>F. Gains and Losses—Revenue Recognition (FASB ASC 605-40)</b>			
<i>Presentation</i>			
1. Has the entity properly presented any gain or loss resulting from an involuntary conversion of a nonmonetary asset in accordance with the provisions of FASB ASC 225-20? [FASB ASC 605-40-45-1]	_____	_____	_____
<b>G. Principal Agent Considerations—Revenue Recognition (FASB ASC 605-45)</b>			
<i>Presentation</i>			
Overall Considerations of Reporting Revenue Gross as a Principal Versus Net as an Agent			
1. Has the entity used sound judgment in determining whether to report revenue on either (a) the gross amount billed to a customer because it has earned revenue (as a principal) from the sale of the goods or services, or (b) the net amount retained (that is, the amount billed to the customer less the amount paid to a supplier) because it has earned a commission or fee as an agent? [FASB ASC 605-45-45-1]	_____	_____	_____
Indicators of Gross Revenue Reporting			
2. Has the entity considered the following eight indicators to support reporting gross revenue:			
a. The entity is a primary obligor in the arrangement? [FASB ASC 605-45-45-4]	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. The entity has general inventory risk before customer order is placed or upon customer return?	_____	_____	_____
i. Has the entity properly included in the evaluation indicator arrangements with the supplier that reduce or mitigate the entity's risk level? [FASB ASC 605-45-45 par. 5-7]	_____	_____	_____
c. The entity has latitude in establishing price? [FASB ASC 605-45-45-8]	_____	_____	_____
d. The entity changes the product or performs part of the service? [FASB ASC 605-45-45-9]	_____	_____	_____
e. The entity has discretion in supplier selection? [FASB ASC 605-45-45-10]	_____	_____	_____
f. The entity is involved in the determination of product or service specifications? [FASB ASC 605-45-45-11]	_____	_____	_____
g. The entity has physical loss inventory risk after customer order or during shipping? [FASB ASC 605-45-45-12]	_____	_____	_____
h. The entity has credit risk? [FASB ASC 605-45-45 par. 13-14]	_____	_____	_____
Indicators of Net Revenue Reporting			
3. Has the entity considered the following three indicators to support reporting net revenue:			
a. The entity's supplier is the primary obligor in the arrangement? [FASB ASC 605-45-45-16]	_____	_____	_____
b. The amount the entity earns is fixed? [FASB ASC 605-45-45-17]	_____	_____	_____
c. The supplier has credit risk? [FASB ASC 605-45-45-18]	_____	_____	_____
Shipping and Handling Fees and Costs			
4. Has the entity properly classified as revenue, for those entities that determine under the indicators in the previous questions that shipping and handling fees should be reported gross, all amounts billed to a customer in a sale transaction related to shipping and handling representing revenues earned for the goods provided? [FASB ASC 605-45-45-20]	_____	_____	_____
5. Has the entity properly <i>not</i> presented shipping and handling costs as a deduction from shipping and handling revenues? [FASB ASC 605-45-45-21]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Reimbursements Received for Out-of-Pocket Expenses Incurred			
6. Has the entity properly presented reimbursements received for out-of-pocket expenses incurred as revenue in the income statement? [FASB ASC 605-45-45-23]	_____	_____	_____
<i>Disclosure</i>			
Gross Transaction Volumes			
7. Although not required, has the entity properly disclosed gross transaction volume for those revenues reported as net? ( <i>Note:</i> Such disclosure can be made parenthetically in the income statement or in the notes to the financial statements, but they should not be characterized as revenues, nor should they be reported in a column that sums to net income or loss.) [FASB ASC 605-45-50-1]	_____	_____	_____
Shipping and Handling Fees and Costs			
8. In addition to disclosing the accounting policy decision regarding the classification of shipping and handling costs in accordance with FASB ASC 235, <i>Notes to Financial Statements</i> , has the entity properly disclosed both the amounts of such costs and the line item(s) on the income statement where included, if shipping and handling costs are significant and not included in the cost of sales? [FASB ASC 605-45-50-2]	_____	_____	_____
Taxes Collected From Customers and Remitted to Governmental Authorities			
9. Has the entity properly disclosed the accounting policy decision regarding the presentation of taxes within the scope of FASB ASC 605-45-15-2(e), either on a gross basis (included in revenues and costs) or a net basis (excluded from revenues), pursuant to FASB ASC 235-10? [FASB ASC 605-45-50-3]	_____	_____	_____
10. Has the entity properly disclosed the amount of taxes that are reported on a gross basis in interim and annual financial statements for each period for which an income statement is presented, if significant? ( <i>Note:</i> The disclosure of these taxes may be done on an aggregate basis.) [FASB ASC 605-45-50-4]	_____	_____	_____
<b>H. Customer Payments and Incentives (FASB ASC 605-50)</b>			
<i>Presentation</i>			
Consideration Given to a Customer (Including a Reseller)			
1. Has the entity properly reported cash considerations as a reduction of revenue in the income statement unless both of the following conditions are met:			
a. The entity receives an identifiable benefit in exchange for the consideration?	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. The entity can reasonably estimate the fair value of the benefit? [FASB ASC 605-50-45-2]	_____	_____	_____
2. If the amount of consideration paid by the entity exceeds the estimated fair value of the benefit received, has the entity properly recognized that excess as a reduction of revenue in the income statement? [Item b of FASB ASC 605-50-45-2]	_____	_____	_____
3. Has the entity properly recognized the cost of consideration that consists of a free product or service (for example, a gift certificate from the entity or a free airline ticket honored by an unrelated entity) or anything other than cash or equity instruments as an expense (as opposed to a reduction of revenue) in the entity's income statement? [FASB ASC 605-50-45-3]	_____	_____	_____
4. Has the entity properly recognized vendor reimbursements to a reseller (buydowns) as a reduction of revenue? [FASB ASC 605-50-45-4]	_____	_____	_____
Revenue Reductions That Result in Negative Revenue			
5. Has the entity properly classified amounts required to be characterized as a reduction of revenue under FASB ASC 605-50, unless the entity demonstrates that characterization of those amounts as a reduction of revenue results in negative revenue for a specific customer on a cumulative basis, in which case the cumulative shortfall has been characterized as an expense? [FASB ASC 605-50-45-7]	_____	_____	_____
6. Has the entity properly considered revenues recognized by all entities within a consolidated group that includes the entity when determining whether cumulative negative revenue exists for a specific customer? [FASB ASC 605-50-45-10]	_____	_____	_____
7. Has the entity properly considered the requirements of classifying the revenue reductions in each reporting period on its own, without reclassification at a later period, even if that approach results in a credit to expense in a later period? ( <i>Note:</i> If changes in estimates or other factors cause a reduction in the measured fair value of recognized consideration, the income credit should be characterized as a reduction of expense to the extent of any previously recognized expense under the guidance in paragraphs 6–9 of FASB ASC 605-50-45, and any remaining income statement credit should be characterized as an increase in revenue. Example 18 of FASB ASC 605-50-55-73 provides additional guidance.) [FASB ASC 605-50-45-11]	_____	_____	_____
Certain Consideration Received From a Vendor			
8. Has the entity properly classified the following:			

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
a. Consideration received, for assets or services delivered to a vendor that will receive an identifiable benefit in exchange for the consideration, as revenue in the entity's income statement?	_____	_____	_____
b. Amounts received that exceed the estimated fair value of the benefit provided to the vendor, as a reduction in cost of sales in the entity's income statement? [FASB ASC 605-50-45-14]	_____	_____	_____

Reimbursement of Costs Incurred by the Customer

9. Has the entity properly classified the following:			
a. Cash received as a reimbursement of a specific, incremental, identifiable cost incurred by the entity in selling a vendor's products or services, as a reduction of that cost in the entity's income statement?	_____	_____	_____
b. The amount of cash consideration paid by a vendor to an entity for selling the vendor's products or services that exceeds the cost being reimbursed, as a reduction of cost of sales in the entity's income statement? [FASB ASC 605-50-45-15]	_____	_____	_____

Sales Incentives Offered to Customers by Manufacturers

10. Has the entity properly considered all of the following to determine whether the criteria for a vendor's sales incentives offered directly to consumers has been met and should therefore be characterized as either a reduction of cost of sales (if not met) or a reduction of cost incurred by entity to sell the vendor's products:			
a. The incentive can be tendered by a consumer at any reseller in partial payment of the price charged by the reseller for the vendor's product?	_____	_____	_____
b. The reseller receives a direct reimbursement from the vendor (or a clearinghouse authorized by the vendor) based on the face amount of the incentive?	_____	_____	_____
c. Terms of reimbursement to the reseller for the vendor's sales incentive offered to the consumer must not be influenced by or negotiated in conjunction with any other incentive arrangements between the vendor and the reseller, but rather may be determined only by the terms of the incentive offered to consumers?	_____	_____	_____
d. The reseller is subject to an agency relationship with the vendor, whether express or implied, in the sales incentive transaction between the vendor and the consumer? [FASB ASC 605-50-45-19]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>Disclosure</i>			
Service Provider's Accounting for Consideration Given to a Manufacturer or Reseller of Equipment			
11. Has the entity properly disclosed the nature of the incentive programs and the amounts recognized in the income statement for those incentive programs and their related classification for each period presented, if significant? [FASB ASC 605-50-50-1]	_____	_____	_____

## VI. Expenses

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### Checklist Questions With A or B References

Checklist questions pertaining to guidance mandatorily effective for annual reporting periods ending on or before September 30, 2013, absent an entity's decision to early adopt any superseding guidance (where applicable and permissible), are denoted with "A" references. Checklist questions pertaining to guidance issued through September 30, 2013, which may become effective for entities with annual reporting periods ending on or before December 31, 2013, either because of the effective date or an entity's decision to early adopt (where permitted), are denoted with a "B" reference. ASUs are listed at the beginning of each "B" question should the reader want to reference the standard as originally issued. Therefore, depending upon your entity's(ies') year-end(s) and decision(s) to early adopt (where permitted), the appropriate alternative questions should be answered when provided. There may not be an "A" and "B" question for each item.

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#### A. Compensation (FASB ASC 710-10)

##### *Presentation*

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#### Additional Presentation Information

For entities with rabbi trusts, as discussed in FASB ASC 710-10-25-15, see FASB ASC 710-10-45 for information on proper presentation.

##### *Disclosure*

##### Compensated Absences

- Has the entity properly disclosed, if the entity meets the conditions for recognizing a liability for compensated absences in paragraphs 1(a)–1(c) of FASB ASC 710-10-25 and does *not* accrue a liability because the amount cannot be reasonably estimated, that fact?  
[FASB ASC 710-10-50-1]

\_\_\_\_\_

#### B. Nonretirement Postemployment Benefits (FASB ASC 712-10)

##### *Disclosure*

##### Other Postemployment Benefits

- If the entity does not accrue an obligation for other postemployment benefits in accordance with FASB ASC 450-20-25-2 or FASB ASC 710-10-25-1 because the amount cannot be reasonably estimated, has the entity properly disclosed that fact?  
[FASB ASC 712-10-50-2]

\_\_\_\_\_

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>C. Defined Benefit Plans—Compensation (FASB ASC 715-20)</b>			
<i>Presentation</i>			
1. If the entity sponsors one or more defined benefit pension plans or one or more defined benefit other postretirement plans, has the entity separately presented, for pension plans and other postretirement benefit plans, the funded status of the plans and the amounts recognized in the statement of financial position, showing separately the assets and current and noncurrent liabilities recognized? [FASB ASC 715-20-45-2]	_____	_____	_____
2. If the entity presents a classified statement of financial position, has the entity properly presented the liability for an underfunded plan as a current liability, a noncurrent liability, or a combination of both? ( <i>Note:</i> The current portion is the amount by which the actuarial present value of benefits included in the benefit obligation payable in the next 12 months, or operating cycle, if longer, exceeds the fair value of plan assets and that the amount classified as a current liability is limited to the amount of the plan’s unfunded status recognized in the employer’s statement of financial position.) [FASB ASC 715-20-45-3]	_____	_____	_____
3. If the entity presents a classified statement of financial position, has the entity properly presented the asset for an overfunded plan as a noncurrent asset? [FASB ASC 715-20-45-3]	_____	_____	_____
4. Has the entity properly classified gains or losses from settlement or curtailment activities or the cost of termination as an extraordinary item if the criteria of FASB ASC 225-20-45-2 are met? [FASB ASC 715-20-45-4]	_____	_____	_____

*Disclosure***Additional Disclosure Information**

The objectives of the disclosures about postretirement benefit plan assets are to provide users of financial statements with an understanding of the following:

- How investment allocation decisions are made, including the factors that are pertinent to an understanding of investment policies and strategies
- The classes of plan assets
- The inputs and valuation techniques used to measure the fair value of plan assets
- The effect of fair value measurements using significant unobservable inputs (level 3) on changes in the plan assets for the period
- Significant concentrations of risk within plan assets

FASB ASC 715-20-50 contains disclosures for both nonpublic and public companies. See the following “Public Entity Disclosures” section, for required disclosures specific to public entities.

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Disclosures by Nonpublic Entities			
5. Has the entity properly disclosed separately for pension plans and other postretirement benefit plans, if the entity sponsors one or more defined benefit pension plans or one or more other defined benefit postretirement plans:			
a. The benefit obligation, fair value of plan assets, and funded status of the plan?	_____	_____	_____
b. Employer contributions, participant contributions, and benefits paid?	_____	_____	_____
c. Considering the items in the preceding "Additional Disclosure Information," has the entity provided			
i. a narrative description of investment policies and strategies, including target allocation percentages or range of percentages considering the classes of plan assets disclosed pursuant to item c(ii), as of the latest statement of financial position presented (on a weighted-average basis for employers with more than one plan), and other factors that are pertinent to an understanding of those policies and strategies 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?	_____	_____	_____
ii. the fair value of each major category of plan assets as of each date for which a statement of financial position is presented? An employer should consider the overall objectives in paragraphs 5(c)(1)–5(c)(5) of FASB ASC 715-20-50 in determining whether additional classes of plan assets or further disaggregation of classes should be disclosed. ( <i>Note:</i> For additional guidance on determining appropriate classes of plan assets, see FASB ASC 820-10-50-2B).	_____	_____	_____
iii. a narrative description of the basis used to determine the overall expected long-term rate-of-return-on-assets assumption, such as the general approach used, the extent to which the overall rate-of-return-on-assets assumption was based on historical returns, the extent to which adjustments were made to those historical returns in order to reflect expectations of future returns, and how those adjustments were determined?	_____	_____	_____
iv. information that enables users of financial statements to assess the inputs and valuation techniques used to develop fair value measurements of plan assets at the reporting date? To meet this objective, has the entity properly disclosed the following:	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
(1) the level within the fair value hierarchy in which the fair value measurements in their entirety fall, segregating fair value measurements using quoted prices in active markets for identical assets or liabilities (level 1), significant other observable inputs (level 2), and significant unobservable inputs (level 3)?	_____	_____	_____
(2) for fair value measurements of plan assets using significant unobservable inputs (level 3), a reconciliation of the beginning and ending balances, separately presenting changes during the period attributable to (a) actual return on plan assets (separately identifying the amount related to assets still held at the reporting date and the amount related to assets sold during the period); (b) purchases, sales, and settlements, net; and (c) transfers in or out, or both, of level 3?	_____	_____	_____
(3) Information about the valuation technique(s) and inputs used to measure fair value and a discussion of changes in valuation techniques and inputs, if any, during the period?	_____	_____	_____
d. For defined benefit pension plans, the accumulated benefit obligation?	_____	_____	_____
e. The benefits (as of the date of the latest statement of financial position presented) expected to be paid in each of the next five fiscal years, and in the aggregate for the five fiscal years thereafter? The expected benefits should be estimated based on the same assumptions used to measure the entity's benefit obligation at the end of the year and should include benefits attributable to estimated future employee service.	_____	_____	_____
f. The employer's best estimate, as soon as it can reasonably be determined, of contributions expected to be paid to the plan during the next fiscal year beginning after the date of the latest statement of financial position presented? Estimated contributions may be presented in the aggregate combining any of the following: (i) contributions required by funding regulations or laws, (ii) discretionary contributions, and (iii) noncash contributions.	_____	_____	_____
g. The amounts recognized in the statements of financial position, showing separately the postretirement benefit assets and current and noncurrent postretirement benefit liabilities?	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>h.</i> Separately, the net gain or loss and net prior service cost or credit recognized in other comprehensive income for the period pursuant to FASB ASC 715-30-35 paragraphs 11 and 21 and FASB ASC 715-60-35 paragraphs 16 and 25 and 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?	_____	_____	_____
<i>i.</i> The amounts in accumulated other comprehensive income that have not yet been recognized as components of net periodic benefit cost, showing separately the net gain or loss, net prior service cost or credit, and net transition asset or obligation?	_____	_____	_____
<i>j.</i> On a weighted-average basis, all of the following assumptions used in the accounting for the plans, specifying in a tabular format, the assumptions used to determine the benefit obligation and the assumptions used to determine net benefit cost:			
<i>i.</i> Assumed discount rates (refer to FASB ASC 715-30-35-45 for a discussion of representationally faithful disclosure)?	_____	_____	_____
<i>ii.</i> Rates of compensation increase (for pay-related plans)?	_____	_____	_____
<i>iii.</i> Expected long term rates of return on plan assets?	_____	_____	_____
<i>k.</i> 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?	_____	_____	_____
<i>l.</i> If applicable, the amounts and types of securities of the employer and related parties included in plan assets, the approximate amount of future annual benefits of plan participants covered by insurance contracts, including annuity contracts, issued by the employer or related parties, and any significant transactions between the employer or related parties and the plan during the period?	_____	_____	_____
<i>m.</i> The nature and effect of significant nonroutine events, such as amendments, combinations, divestitures, curtailments, and settlements?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
n. The amounts in accumulated other comprehensive income expected to be recognized as components of net periodic benefit cost over the fiscal year that follows the most recent annual statement of financial position presented, showing separately the net gain or loss, net prior service cost or credit, and net transition asset or obligation?	_____	_____	_____
o. The amount and timing of any plan assets expected to be returned to the employer during the 12 month period, or operating cycle if longer, that follows the most recent annual statement of financial position presented?	_____	_____	_____
p. The amount of net periodic benefit cost recognized? [FASB ASC 715-20-50-5]	_____	_____	_____

Interim Disclosure Requirements for Nonpublic Entities

6. Has the entity properly disclosed, in interim periods for which a complete set of financial statement is presented, the total amount of the employer’s contributions paid, and expected to be paid, during the current fiscal year, if significantly different than amounts previously disclosed pursuant to FASB ASC 715-20-50-5(f)? ( <i>Note:</i> Estimated contributions may be presented in the aggregate by combining [a] contributions required by regulations or laws, [b] discretionary contributions, and [c] noncash contributions.) [FASB ASC 715-20-50-7]	_____	_____	_____
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Disclosures Related to Expected Rate of Return on Plan Assets

7. Has the entity properly disclosed, if the entity has changed the previously disclosed weighted-average expected long-term rate of return for plan assets, based on a subsequent interim measurement of both pension or other postretirement plan assets and obligations, the beginning and more recently assumed rate, or a properly weighted combination of the two? [FASB ASC 715-20-50-8]	_____	_____	_____
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Disclosures Related to Japanese Governmental Settlement Transactions

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**Additional Disclosure Information**

For entities with activities regarding accounting for Japanese governmental settlement transactions, see paragraphs 9–10 of FASB ASC 715-20-50 for disclosure requirements.

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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
vii. Divestitures?	_____	_____	_____
viii. Settlements?	_____	_____	_____
c. The funded status of the plans and the amounts recognized in the statement of financial position, showing separately the assets and current and noncurrent liabilities?	_____	_____	_____
d. Considering the items in the preceding "Additional Disclosure Information," has the entity provided the following:			
i. A narrative description of investment policies and strategies, including target allocation percentages or range of percentages considering the classes of plan assets disclosed pursuant to item d(ii), as of the latest statement of financial position presented (on a weighted-average basis for employers with more than one plan), and other factors that are pertinent to an understanding of those policies and strategies 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?	_____	_____	_____
ii. The fair value of each class of plan assets as of each date for which a statement of financial position is presented? ( <i>Note:</i> For additional guidance on determining appropriate classes of plan assets, see FASB ASC 820-10-50-2B.)	_____	_____	_____
iii. A narrative description of the basis used to determine the overall expected long-term rate-of-return-on-assets assumption, such as the general approach used, the extent to which the overall rate-of-return-on-assets assumption was based on historical returns, the extent to which adjustments were made to those historical returns in order to reflect expectations of future returns, and how those adjustments were determined?	_____	_____	_____
iv. Information that enables users of financial statements to assess the inputs and valuation techniques used to develop fair value measurements of plan assets at the reporting date? To meet this objective, has the entity properly disclosed the following:			

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
(1) The level within the fair value hierarchy within which the fair value measurements are categorized in their entirety, segregating fair value measurements using quoted prices in active markets for identical assets or liabilities (level 1), significant other observable inputs (level 2), and significant unobservable inputs (level 3)?	_____	_____	_____
(2) For fair value measurements of plan assets using significant unobservable inputs (level 3), a reconciliation from the opening to the closing balances, disclosing separately changes during the period attributable to (a) actual return on plan assets (separately identifying the amount related to assets still held at the reporting date and the amount related to assets sold during the period); (b) purchases, sales, and settlements, net; and (c) the amounts of any transfers into or out of level 3?	_____	_____	_____
(3) Information about the valuation technique(s) and inputs used to measure fair value and a discussion of changes in valuation techniques and inputs, if any, during the period?	_____	_____	_____
e. The accumulated benefit obligation? (For defined benefit pension plans)	_____	_____	_____
f. The benefits (as of the date of the latest statement of financial position presented) expected to be paid in each of the next five fiscal years, and in the aggregate for the five fiscal years thereafter? ( <i>Note:</i> The expected benefits should be estimated based on the same assumptions used to measure the entity's benefit obligation at the end of the year and should include benefits attributable to estimated future employee service.)	_____	_____	_____
g. The entity's best estimate, as soon as it can reasonably be determined, of contributions expected to be paid to the plan during the next fiscal year beginning after the date of the latest statement of financial position presented. ( <i>Note:</i> Estimated contributions may be presented in the aggregate combining [i] contributions required by funding regulations or laws, [ii] discretionary contributions, and [iii] noncash contributions.)	_____	_____	_____
h. The amount of net benefit cost recognized, showing separately all of the following:			
i. The service cost component?	_____	_____	_____
ii. The interest cost component?	_____	_____	_____
iii. The expected return on plan assets for the period?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
iv. The gain or loss component?	_____	_____	_____
v. The prior service cost or credit component?	_____	_____	_____
vi. The transition asset or obligation component?	_____	_____	_____
vii. The gain or loss recognized due to settlements or curtailments?	_____	_____	_____
i. Separately the net gain or loss and net prior service cost or credit recognized in other comprehensive income for the period pursuant to FASB ASC 715-30-35 paragraphs 11 and 21 and FASB ASC 715-60-35 paragraphs 16 and 25 and 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 as components of net periodic benefit cost, showing separately the net gain or loss, net prior service cost or credit, and net transition asset or obligation?	_____	_____	_____
k. On a weighted-average basis, the assumptions used in the accounting for the plans, specifying in a tabular format, the assumptions used to determine the benefit obligation and the assumptions used to determine net benefit cost including (i) assumed discount rates, (ii) rates of compensation increase (for pay-related plans), and (iii) expected long-term rates of return on plan assets?	_____	_____	_____
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. The effect of a one-percentage-point increase and the effect of a one-percentage-point decrease in the assumed health care cost trend rates on the aggregate of the service and interest cost components of net periodic postretirement health care benefit costs and the accumulated postretirement benefit obligation for health care benefits?	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
n. If applicable, the amounts and types of securities of the employer and related parties included in plan assets, the approximate amount of future annual benefits of plan participants covered by insurance contracts, including annuity contracts issued by the employer or related parties, and any significant transactions between the employer or related parties and the plan during the period?	_____	_____	_____
o. If applicable, any alternative method used to amortize prior service amounts or net gains and losses pursuant to FASB ASC 715-30-35-13 and 715-30-35-25 or FASB ASC 715-60-35-18 and 715-60-35-31?	_____	_____	_____
p. If applicable, any substantive commitment, such as past practice or a history of regular benefit increases, used as the basis for accounting for the benefit obligation?	_____	_____	_____
q. If applicable, the cost of providing special or contractual termination benefits recognized during the period and a description of the nature of the event?	_____	_____	_____
r. An explanation of any significant change in the benefit obligation or plan assets not otherwise apparent in the other disclosures required by FASB ASC 715-20-50?	_____	_____	_____
s. The amounts in accumulated other comprehensive income expected to be recognized as components of net periodic benefit cost over the fiscal year that follows the most recent annual statement of financial position presented, showing separately the net gain or loss, net prior service cost or credit, and net transition asset or obligation?	_____	_____	_____
t. The amount and timing of any plan assets expected to be returned to the employer during the 12-month period, or operating cycle if longer, that follows the most recent annual statement of financial position presented? [FASB ASC 715-20-50-1]	_____	_____	_____
9. Has the entity properly aggregated the disclosures, as required by FASB ASC 715-20-50, for all of the entity's defined benefit pension plans and for all of the entity's other defined benefit postretirement plans, unless disaggregating in groups is considered to provide useful information or is otherwise required by paragraphs 3-4 of FASB ASC 715-20-50 (discussed subsequently)? [FASB ASC 715-20-50-2]	_____	_____	_____

Yes      No      N/A

**Additional Disclosure Information**

Disclosures about pension plans with assets in excess of the accumulated benefit obligation generally may be aggregated with disclosures about pension plans with accumulated benefit obligations in excess of assets. The same aggregation is permitted for other postretirement benefit plans. If aggregate disclosures are presented, an employer should disclose both of the following:

- The aggregate benefit obligation and aggregate fair value of plan assets for plans with benefit obligations in excess of plan assets as of the measurement date of each statement of financial position presented, and
- The aggregate pension accumulated benefit obligation and aggregate fair value of plan assets for pension plans with accumulated benefit obligations in excess of plan assets

[FASB ASC 715-20-50-3]

U.S. reporting entities may combine disclosures about pension plans or other postretirement benefit plans outside the United States with those for U.S. plans unless the benefit obligations of the plans outside the United States are significant relative to the total benefit obligation and those plans use significantly different assumptions. A foreign reporting entity that prepares financial statements in conformity with GAAP should apply the preceding guidance to its domestic and foreign plans.

[FASB ASC 715-20-50-4]

Interim Disclosure Requirements for Publicly Traded Entities

10. Has the entity properly disclosed the following information for its interim financial statements that include a statement of income:

a. The amount of net benefit cost recognized, for each period for which a statement of income is presented, showing separately each of the following:

- |  |       |       |       |
|--|-------|-------|-------|
| i. The service cost component?                                       | _____ | _____ | _____ |
| ii. The interest cost component?                                     | _____ | _____ | _____ |
| iii. The expected return on plan assets for the period?              | _____ | _____ | _____ |
| iv. The gain or loss component?                                      | _____ | _____ | _____ |
| v. The prior service cost or credit component?                       | _____ | _____ | _____ |
| vi. The transition asset or obligation component?                    | _____ | _____ | _____ |
| vii. The gain or loss recognized due to a settlement or curtailment? | _____ | _____ | _____ |

b. The total amount of the employer's contributions paid, and expected to be paid, during the current fiscal year, if significantly different from amounts previously disclosed pursuant to FASB ASC 715-20-50-1(g)? (See question 8g in the "Defined Benefit Plans—Compensation (FASB ASC 715-20)" section.) Estimated contributions may be presented in the aggregate combining all of the following: (i) contributions required by funding regulations or laws, (ii) discretionary contributions, and (iii) noncash contributions.

\_\_\_\_\_

[FASB ASC 715-20-50-6]

Yes      No      N/A

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**Additional Disclosure Information**

Paragraphs 1–2 of FASB ASC 715-30-50, regarding defined benefit plans, refer to FASB ASC 715-20-50 for the disclosure requirements applicable to FASB ASC 715-30-50.

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**D. Defined Benefit Plans—Other Postretirement (FASB ASC 715-60)**

*Disclosure*

Medicare Prescription Drug, Improvement, and Modernization Act

1. Has the entity properly disclosed the following, if the entity is including for the first time, in interim or annual financial statements, the effects of the Medicare subsidy in measuring the accumulated postretirement benefit obligation and in measuring net periodic postretirement benefit cost:

a. The reduction in the accumulated postretirement benefit obligation for the subsidy related to benefits attributed to past service? \_\_\_\_\_

b. The effect of the subsidy on the measurement of net periodic postretirement benefit cost for the current period? (*Note:* That effect includes any amortization of the actuarial gain, noted in item *a*, as a component of the net amortization called for by paragraphs 29–30 of FASB ASC 715-60-35, the reduction in current period service cost due to the subsidy, and the resulting reduction in interest cost on the accumulated postretirement benefit obligation as a result of the subsidy.) \_\_\_\_\_

c. Any other disclosures required by FASB ASC 715-20-50-1(r)?  
[FASB ASC 715-60-50-3] \_\_\_\_\_

2. Has the entity properly disclosed, for purposes of the disclosures required by paragraphs 1(a) and 1(f) of FASB ASC 715-20-50, gross benefit payments (paid and expected, respectively), including prescription drug benefits, and separately the gross amount of the Medicare subsidy receipts (received and expected, respectively)?  
[FASB ASC 715-60-50-4] \_\_\_\_\_

3. Has the entity properly disclosed the following, Until the entity is able to determine whether benefits provided by its plan are actuarially equivalent (as defined in the act), in financial statements for interim or annual periods:

a. The existence of the Medicare Prescription Drug, Improvement, and Modernization Act? \_\_\_\_\_

b. That measures of the accumulated postretirement benefit obligation or net periodic postretirement benefit cost do not reflect any amount associated with the subsidy because the employer is unable to conclude whether the benefits provided by the plan are actuarially equivalent to Medicare Part D under the act?  
[FASB ASC 715-60-50-6] \_\_\_\_\_

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>E. Defined Contribution Plans (FASB ASC 715-70)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed the amount of cost recognized for defined contribution pension plans and for other defined contribution postretirement benefit plans for all periods presented separately from the amount of cost recognized for defined benefit plans? ( <i>Note:</i> The disclosures should include 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.) [FASB ASC 715-70-50-1]	_____	_____	_____
<b>F. Multiemployer Plans (FASB ASC 715-80)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed if it is either probable or reasonably possible that (a) an employer would withdraw from the plan under circumstances that would give rise to an obligation, or (b) an entity’s contribution to the fund would be increased during the remainder of the contract period to make up a shortfall in the funds necessary to maintain the negotiated level of benefit coverage (a “maintenance of benefits” clause), the provisions of FASB ASC 450, <i>Contingencies</i> to its participation in a multiemployer plan? [FASB ASC 715-80-50-2]	_____	_____	_____
2. Has the entity provided the disclosures of the entity’s contributions including all items recognized as net pension costs required by paragraphs 4–10 of FASB ASC 715-80-50, based on the most recently available information through the date at which the entity evaluated subsequent events? [FASB ASC 715-80-50-3]	_____	_____	_____
3. Has the entity that participates in a multiemployer plan that provides pension benefits provided a narrative description of both the general nature of the multiemployer plans that provide pension benefits and of the entity’s participation in the plans that would indicate how the risks of participation in these plans differ from single-employer plans? [FASB ASC 715-80-50-4]	_____	_____	_____
4. Has the entity properly disclosed the following in tabular format, when feasible, for each significant multiemployer plan that provides pension benefits:			
a. Legal name of the plan?	_____	_____	_____
b. The plan’s Employer Identification Number, and if available, the plan number?	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
c. For each statement of financial position presented, the most recently available certified zone status provided by the plan, specifying the date of the plan's year-end to which the zone status relates and whether the plan has utilized any extended amortization provisions that affect the calculation of the plan's status, or if the zone status is not available, the total plan assets and accumulated benefit obligations, whether the plan was (i) less than 65 percent funded; (ii) between 65 percent and 80 percent funded; or (iii) at least 80 percent funded?	_____	_____	_____
d. The expiration dates of the collective bargaining agreements requiring contributions to the plans, if any, providing a range of the expiration dates for more than one agreement, supplemented with qualitative information to help investors understand the significance of the agreements and when they expire?	_____	_____	_____
e. For each period that a statement of income or activities is presented			
i. the employer's contributions made to the plan?	_____	_____	_____
ii. whether those contributions represent more than 5 percent of total contributions (as indicated in the plan's most recently available annual report and specifying the year-end to which the report relates)?	_____	_____	_____
iii. a description of any minimum contribution's required for future periods by the collective-bargaining agreements, statutory obligations, or other contractual obligation?	_____	_____	_____
f. As of the end of the most recent annual period presented			
i. whether the funding improvement plan or rehabilitation plan has been implemented or was pending?	_____	_____	_____
ii. whether the employer paid a surcharge to the plan?	_____	_____	_____
iii. a description of any minimum contribution(s), required for future periods by the collective-bargaining agreement(s), statutory obligation, or other contractual obligations, if applicable? [FASB ASC 715-80-50-5]	_____	_____	_____
5. Has the entity properly provided a description of the nature and effect of any significant changes that affect comparability of total employer contributions from period to period such as a business divestiture, a change in the contractual employer rate, or a change in the number of employees covered by the plan during each year? [FASB ASC 715-80-50-6]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
6. Has the entity properly provided each of the following disclosures if plan level information is not available in the public domain?			
a. A description of the nature of the plan benefits?	_____	_____	_____
b. Qualitative description of the extent to which the employer could be responsible for the obligations of the plan, including benefits earned by employees during employment with another employer?	_____	_____	_____
c. Other qualitative information, to the extent available, as of the most recent date available, to help users understand the financial information about the plan, such as total plan assets, actuarial present value of accumulated plan benefits, and total contributions received by the plan?	_____	_____	_____
d. A description of quantitative information omitted and why, and other information available to the plan, that may be useful to help the user understand the financial information? [FASB ASC 715-80-50-7]	_____	_____	_____
7. Has the entity properly provided disclosures about multiemployer plans that are subject to the guidance in FASB ASC 715-80-50-7 in a separate section of the tabular disclosure required by FASB ASC 715-80-50-5? [FASB ASC 715-80-50-8]	_____	_____	_____
8. Has the entity properly disclosed in tabular format for each annual period for which a statement of income or activities is presented total contributions made to all plans that are not individually significant and total contributions to all plans? [FASB ASC 715-80-50-9]	_____	_____	_____
9. Has the entity properly disclosed the amount of contributions to multiemployer plans that provide postretirement benefits other than pensions for each annual period for which a statement of income or activities is presented, including a description of the nature and effect of any changes that affect comparability of total employer contributions from period to period, such as a business combination or divestiture, a change in the contractual employer contribution rate, or a change in the number of employees covered by the plan each year, including a description of the nature of the benefits and types of employees covered by those benefits (such as medical benefits provided to active employees and retirees)? [FASB ASC 715-80-50-11]	_____	_____	_____
<b>G. Stock Compensation (FASB ASC 718-10)</b>			
<i>Presentation</i>			
1. Has the entity properly presented diluted EPS based on the actual number of options or shares granted and not yet forfeited, unless doing so would be antidilutive? [FASB ASC 718-10-45-1]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
2. If vesting in or the ability to exercise (or retain) an award is contingent on a performance or market condition, such as the level of future earnings, has the entity properly treated the shares or share options as contingently issuable in accordance with paragraphs 48–57 of FASB ASC 260-10-45? [FASB ASC 718-10-45-1]	_____	_____	_____
3. If equity share options or other equity instruments are outstanding for only part of a period, has the entity properly weighted the shares issuable to reflect the portion of the period during which the equity instruments are outstanding? [FASB ASC 718-10-45-1]	_____	_____	_____
<i>Disclosure</i>			
4. Has the entity properly disclosed, if the entity has one or more share-based payment arrangements, information that enables users of the financial statements to understand ( <i>Note</i> : This information is not required for interim disclosure.)			
<i>a.</i> the nature and terms of such arrangements that existed during the period and the potential effects of those arrangements on shareholders?	_____	_____	_____
<i>b.</i> the effect of compensation cost arising from share-based payment arrangements on the income statement?	_____	_____	_____
<i>c.</i> the method of estimating the fair value of the goods or services received, or the fair value of the equity instruments granted (or offered to grant), during the period?	_____	_____	_____
<i>d.</i> the cash flow effects resulting from share-based payment arrangements? [FASB ASC 718-10-50-1]	_____	_____	_____
5. Has the entity properly disclosed the following, at a minimum, with regards to stock-based compensation: ( <i>Note</i> : In some circumstances, an entity may need to disclose information beyond the following to achieve the disclosure objectives.)			
<i>a.</i> A description of the share-based payment arrangement(s), including the general terms of awards under the arrangement(s), such as			
<i>i.</i> the requisite service period(s) and any other substantive conditions (including those related to vesting)?	_____	_____	_____
<i>ii.</i> the maximum contractual term of equity (or liability) share options or similar instruments?	_____	_____	_____
<i>iii.</i> the number of shares authorized for awards of equity share options or other equity instruments?	_____	_____	_____
<i>b.</i> The method it uses for measuring compensation cost from share-based payment arrangements with employees?	_____	_____	_____
<i>c.</i> For the most recent year for which an income statement is provided, both of the following:			

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
i. The number and weighted-average exercise prices (or conversion ratios) for (1) shares outstanding at the beginning of the year, (2) shares outstanding at the end of the year, (3) shares exercisable or convertible at the end of the year, and (4) those during the year that were granted, exercised or converted, forfeited or expired?	_____	_____	_____
ii. The number and weighted-average grant-date fair value (or calculated value for a nonpublic entity that uses that method or intrinsic value for awards measured pursuant to FASB ASC 718-10-30-21) of equity instruments not specified in item c(i), for those (1) nonvested at the beginning of the year, (2) nonvested at the end of the year, and (3) those during the year that were granted, vested or forfeited?	_____	_____	_____
d. For each year for which an income statement is provided			
i. the weighted average grant-date fair values (or calculated value for a nonpublic entity that uses that method or intrinsic value for awards measured at that value pursuant to paragraphs 21–22 of FASB ASC 718-10-30) of equity options or other equity instruments granted during the year?	_____	_____	_____
ii. the total intrinsic value of options exercised (or share units converted), share-based liabilities paid, and the total fair value of shares vested during the year?	_____	_____	_____
e. For fully vested share options (or share units) and share options expected to vest at the date of the latest statement of financial position			
i. the number, weighted-average exercise price (or conversion ratio), aggregate intrinsic value (except for nonpublic entities), and weighted-average remaining contractual term of options (or share units) outstanding?	_____	_____	_____
ii. the number, weighted-average exercise price (or conversion ratio), aggregate intrinsic value (except for nonpublic entities), and weighted-average remaining contractual term of options (or share units) currently exercisable (or convertible)?	_____	_____	_____
f. For each year for which an income statement is presented, both of the following (an entity that uses the intrinsic value method pursuant to paragraphs 21–22 of FASB ASC 718-10-30 is not required to disclose the following information for awards accounted for under that method):			
i. A description of the method used during the year to estimate the fair value (or calculated value) of awards under share-based payment arrangements?	_____	_____	_____
ii. A description of the significant assumptions used during the year to estimate the fair value (or calculated value) of share-based compensation awards, including (if applicable)	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
(1) expected term of share options and similar instruments, including a discussion of the method used to incorporate the contractual term of the instruments and employees' expected exercise and postvesting employment termination behavior into the fair value (or calculated value) of the instrument?	_____	_____	_____
(2) expected volatility of the entity's shares and the method used to estimate it? (An entity that uses a method that employs different volatilities during the contractual term should disclose the range of expected volatilities used and the weighted-average expected volatility. A non-public entity that uses the calculated value method should disclose the reasons why it is not practicable for it to estimate the expected volatility of its share price, the appropriate industry sector index that it has selected, the reasons for selecting that particular index, and how it has calculated historical volatility using that index.)	_____	_____	_____
(3) expected dividends? (An entity that uses a method that employs different dividend rates during the contractual term should disclose the range of expected dividends used and the weighted-average expected dividends.)	_____	_____	_____
(4) risk-free rate(s)? (An entity that uses a method that employs different risk-free rates should disclose the range of risk-free rates used.)	_____	_____	_____
(5) discount for postvesting restrictions and the method for estimating it?	_____	_____	_____
g. Has the entity, if the entity grants equity or liability instruments under multiple share-based payment arrangements with employees, provided the information specified in items <i>a-f</i> of this question separately for different types of awards to the extent that the differences in the characteristics of the awards make separate disclosure important to an understanding of the entity's use of share-based compensation?	_____	_____	_____
h. For each year for which an income statement is presented, both of the following:			
i. Total compensation cost for share-based payment arrangements (including recognized in income as well as the total recognized tax benefit related thereto and capitalized as part of the cost of an asset)?	_____	_____	_____
ii. A description of the significant modifications, including the terms of the modifications, the number of employees affected, and the total incremental compensation cost resulting from the modifications?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
i. As of the latest balance sheet date presented, the total compensation cost related to nonvested awards not yet recognized and the weighted-average period over which it is expected to be recognized?	_____	_____	_____
j. If not separately disclosed elsewhere, the amount of cash received from exercise of share options and similar instruments granted under share-based payment arrangements and the tax benefit realized from stock options exercised during the annual period?	_____	_____	_____
k. If not separately disclosed elsewhere, the amount of cash used to settle equity instruments granted under share-based payment arrangements?	_____	_____	_____
l. Description of the entity's policy, if any, for issuing shares upon share option exercise (or share unit conversion), including the source of those shares (that is, new shares or treasury shares). If as a result of its policy, an entity expects to repurchase shares in the following annual period, the entity should disclose an estimate of the amount (or a range, if more appropriate) of shares to be repurchased during that period? [FASB ASC 718-10-50-2]	_____	_____	_____

**Additional Disclosure Information**

In addition to the information required by FASB ASC 718-10-50, the entity may disclose supplemental information that it believes would be useful to investors and creditors, such as a range of values calculated on the basis of different assumptions, provided that the supplemental information is reasonable and does not lessen the prominence and credibility of the information required by FASB ASC 718-10-50. The alternative assumptions should be described to enable users of the financial statements to understand the basis for the supplemental information.

[FASB ASC 718-10-50-4]

**H. Employee Stock Ownership Plans (FASB ASC 718-40)**

*Presentation*

Earnings Per Share

1. Has the entity properly presented dividends on preferred stock held by an employee stock ownership plan as a deduction from net income net of any applicable tax benefit when computing both basic and diluted EPS (if that preferred stock is considered outstanding)? [FASB ASC 718-40-45-1]	_____	_____	_____
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Issuance of Shares or the Sale of Shares to an Employee Stock Ownership Plan

2. Has the entity properly presented, as a separate balance sheet item, the issuance of shares or the sale of treasury shares to an employee stock ownership plan when the issuance or sale occurred and presented a corresponding charge to unearned employee stock ownership plan shares? [FASB ASC 718-40-45-2]	_____	_____	_____
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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>Disclosure</i>			
3. Has the entity properly disclosed the following information about the plan, if the entity sponsors an employee stock ownership plan:			
<i>a.</i> A description of the plan, the basis for determining contributions, including the employee groups covered, and the nature and effect of significant matters affecting comparability of information for all periods presented? ( <i>Note:</i> For leveraged employee stock ownership plans and pension reversion employee stock ownership plans, the description should include the basis for releasing shares and how dividends on allocated and unallocated shares are used.)	_____	_____	_____
<i>b.</i> A description of the accounting policies followed for employee stock ownership plan transactions, including the method of measuring compensation, the classification of dividends on employee stock ownership plan shares, and the treatment of employee stock ownership plan shares for EPS computations? ( <i>Note:</i> If the entity has both old employee stock ownership plan shares for which it does not adopt the guidance in FASB ASC 718-40 and new employee stock ownership plan shares for which the guidance in FASB ASC 718-40 is required, the accounting policies for both blocks of shares shall be described.)	_____	_____	_____
<i>c.</i> The amount of compensation cost recognized during the period?	_____	_____	_____
<i>d.</i> The number of allocated shares, committed-to-be-released shares, and suspense shares held by the employee stock ownership plan at the balance sheet date? ( <i>Note:</i> If the disclosure should be made separately for shares accounted for under FASB ASC 718-40 and for grandfathered employee stock ownership plan shares.)	_____	_____	_____
<i>e.</i> The fair value of unearned employee stock ownership plan shares at the balance sheet date for shares accounted for under FASB ASC 718-40? ( <i>Note:</i> This disclosure does not apply to old employee stock ownership plan shares that are not accounted for under FASB ASC 718-40.)	_____	_____	_____
<i>f.</i> The existence and nature of any repurchase obligation, including disclosure of the fair value of the shares allocated as of the balance sheet date which are subject to the repurchase obligation?	_____	_____	_____
<i>g.</i> The amount and treatment in the EPS computation of the tax benefit related to dividends paid to any employee stock ownership plan, if material? [FASB ASC 718-40-50-1]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>I. Insurance Costs (FASB ASC 720-20)</b>			
<i>Disclosure</i>			
Claims-Made Contracts			
1. Has the entity properly disclosed, when it changes from occurrence-based insurance to claims-made insurance or elects to significantly reduce or eliminate its insurance coverage, the items required by paragraphs 3–6 of FASB ASC 450-20-50 (See questions 3–6 of the “Loss Contingencies (FASB ASC 450-20)” section.) if it is at least reasonably possible that a loss has been incurred? [FASB ASC 720-20-50-1]	_____	_____	_____
<b>J. Advertising Costs (FASB ASC 720-35)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed the following related to advertising costs:			
a. The accounting policy for reporting whether such costs are expensed as incurred or the first time the advertising takes place?	_____	_____	_____
b. The total amount charged to advertising expense for each income statement presented? [FASB ASC 720-35-50-1]	_____	_____	_____
<b>K. Research and Development Expenses (FASB ASC 730-10)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed the total research and development costs charged to expense in each period for which an income statement is presented? ( <i>Note:</i> This disclosure should include research and development costs incurred for a computer software product to be sold, leased, or otherwise marketed.) [FASB ASC 730-10-50-1]	_____	_____	_____
<b>L. Research and Development Arrangements (FASB ASC 730-20)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed the following, for research and development arrangements to perform research and development for others which are accounted for under FASB ASC 730-20:			
a. The terms of significant agreements under the research and development arrangement (including royalty arrangements, purchase provisions, license agreements, and commitments to provide additional funding) as of the date of each balance sheet presented?	_____	_____	_____
b. The amount of compensation earned and costs incurred under such contracts for each period for which an income statement is presented? [FASB ASC 730-20-50-1]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
2. Has the entity properly disclosed, separately, each research and development arrangement if such separate disclosure is necessary to understand the effects on the financial statements? ( <i>Note:</i> Aggregation of similar arrangements, by type, may be appropriate.) [FASB ASC 730-20-50-3]	_____	_____	_____
<b>M. Income Taxes</b> (FASB ASC 740-10)			
<i>Presentation</i>			
Deferred Tax Assets			
1. Has the entity properly presented separately, in a classified statement of financial position, the deferred tax assets and liabilities into a current amount and a noncurrent amount? ( <i>Note:</i> Deferred tax assets and liabilities should be classified as current or noncurrent based on the classification of the related asset or liability for financial reporting.) [FASB ASC 740-10-45-4]	_____	_____	_____
2. Has the entity properly presented the valuation allowance for a particular tax jurisdiction, properly allocated between current and noncurrent deferred tax assets for that tax jurisdiction on a pro rata basis? [FASB ASC 740-10-45-5]	_____	_____	_____
3. Has the entity properly presented, for a particular tax-paying component of the entity and within a particular tax jurisdiction, all current deferred tax assets and liabilities offset and as a single amount and all noncurrent tax assets and liabilities in the same manner? ( <i>Note:</i> The entity should not 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]	_____	_____	_____
Deferred Tax Accounts Not Related to an Asset or Liability			
4. Has the entity properly presented and classified deferred tax assets not related to an asset or liability for financial reporting (see paragraphs 24–26 of FASB ASC 740-10-25), including those related to carryforwards, according to the expected reversal date of the temporary difference? [FASB ASC 740-10-45-9]	_____	_____	_____
Tax Accounts, Other Than Deferred—Unrecognized Tax Benefits			
5. If the entity presents a classified statement of financial position, has the entity properly presented and classified a liability associated with an unrecognized tax benefit as a current liability (or the amount of a net operating loss carryforward or amount refundable is reduced) to the extent the entity anticipates payment (or receipt) of cash within one year or the operating cycle, if longer? ( <i>Note:</i> The liability for unrecognized tax benefits (or reduction in amounts refundable) should not be combined with deferred tax liabilities or assets.) [FASB ASC 740-10-45-11]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
6. Has the entity properly not presented and classified a liability recognized for an unrecognized tax benefit as a deferred tax liability, unless it arose from a taxable temporary difference? [FASB ASC 740-10-45-12]	_____	_____	_____
7. Has the entity properly not presented, as offset, cash or other assets against a tax liability or other amount owing to governmental bodies, except as noted in FASB ASC 210-20-45-6? ( <i>Note</i> : Most securities issued by governments are not by their terms designed specifically for the payment of taxes and, accordingly, should not be deducted from taxes payable on the balance sheet. The only exception to this general principle occurs when it is clear that a purchase of securities is in substance an advance payment of taxes that will be payable in the relatively near future, so that in the special circumstances the purchase is tantamount to the prepayment of taxes.) [FASB ASC 740-10-45-13]	_____	_____	_____

Income Statement Presentation of Certain Measurement Changes to Income Tax Accounts—Changes in Tax Laws or Rates

8. Has the entity properly presented changes to deferred tax accounts, as required by FASB ASC 740-10-35-4, for the effect of a change in tax laws or rates in income from continuing operations for the period that includes the enactment date? [FASB ASC 740-10-45-15]	_____	_____	_____
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Income Statement Presentation of Certain Measurement Changes to Income Tax Accounts—Changes in the Tax Status of an Entity

9. Has the entity properly presented changes as a result of a recognition or derecognition of a deferred tax account, as required by FASB ASC 740-10-25-32 and FASB ASC 740-10-40-6, due to a change in tax status, included in income from continuing operations? [FASB ASC 740-10-45-19]	_____	_____	_____
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*Disclosure*

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**Additional Disclosure Information**

FASB ASC 740-10-50 contains disclosures for both nonpublic and public companies. Users should be aware of and properly apply the disclosures that are necessary for the entity.

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Statement of Financial Position Related Disclosures

10. Has the entity properly disclosed the components of the net deferred tax asset or liability recognized in the statement of financial position, as follows:			
a. The total of all deferred tax liabilities (measured as described in FASB ASC 740-10-30-5[b])?	_____	_____	_____
b. The total of all deferred tax assets (measured as described in [c] and [d] of FASB ASC 740-10-30-5)?	_____	_____	_____
c. The total valuation allowance recognized for deferred tax assets (measured as described in FASB ASC 740-10-30-5[e])? [FASB ASC 740-10-50-2]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
11. Has the entity properly disclosed the net change in the total valuation allowance during the year? [FASB ASC 740-10-50-2]	_____	_____	_____
12. Has the entity properly disclosed the following:			
<i>a.</i> The amounts and expiration dates of operating loss and tax credit carryforwards for tax purposes?	_____	_____	_____
<i>b.</i> Any portion of the valuation allowance for deferred tax assets for which subsequently recognized tax benefits will be credited directly to contributed capital? [FASB ASC 740-10-50-3]	_____	_____	_____
13. Has the entity properly disclosed the change in the entity's tax status for year 2 and the effects of that change, if material, if a change in the entity's tax status becomes effective after year-end in year 2 but before the financial statements for year 1 are issued or are available to be issued? [FASB ASC 740-10-50-4]	_____	_____	_____
Statement of Financial Position Related Disclosures—Nonpublic Entities			
14. Has the entity properly disclosed the types of significant temporary differences and carryforwards? ( <i>Note:</i> The entity may omit disclosures of the tax effects of each type.) [FASB ASC 740-10-50-8]	_____	_____	_____
Income Statement Related Disclosures			
15. Has the entity properly disclosed the following significant components of income tax expense attributable to continuing operations for each year presented: ( <i>Note:</i> The components that follow are not exhaustive.)			
<i>a.</i> Current tax expense (or benefit)?	_____	_____	_____
<i>b.</i> Deferred tax expense (or benefit) (exclusive of the effects of other components in this list)?	_____	_____	_____
<i>c.</i> Investment tax credits?	_____	_____	_____
<i>d.</i> Government grants (to the extent recognized as a reduction of income tax expense)?	_____	_____	_____
<i>e.</i> The benefits of operating loss carryforwards?	_____	_____	_____
<i>f.</i> Tax expense that results from allocating certain tax benefits directly to contributed capital?	_____	_____	_____
<i>g.</i> Adjustments of a deferred tax liability or asset for enacted changes in tax laws or rates or a change in the tax status of the reporting entity?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>h.</i> 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 (for example, any acquisition-date income tax benefits or expenses recognized from changes in the acquirer’s valuation allowance for its previously existing deferred tax assets as a result of a business combination [see FASB ASC 805-740-30-3])? [FASB ASC 740-10-50-9]</p>	_____	_____	_____
<p>16. Has the entity properly disclosed the amount of income tax expense or benefit allocated to continuing operations and the amounts separately allocated to other items (in accordance with the intraperiod tax allocation provisions of paragraphs 2–14 of FASB ASC 740-20-45 and FASB ASC 852-740-45-3) for each year for which those items are presented? [FASB ASC 740-10-50-10]</p>	_____	_____	_____
<p>Income Tax Expense Compared to Statutory Expectations—Nonpublic Entities</p>			
<p>17. Has the entity properly disclosed the nature of significant items required to reconcile the reported amount of income tax expense attributable to continuing operations for the year to the amount of income tax expense that would result from applying domestic federal statutory tax rates to pretax income from continuing operations? (<i>Note:</i> A numerical reconciliation is not required.) [FASB ASC 740-10-50-13]</p>	_____	_____	_____
<p>Income Tax Expense Compared to Statutory Expectations—All Entities</p>			
<p>18. If not otherwise evident, has the entity properly disclosed the nature and effect of any other significant matter affecting comparability of information for all periods presented? [FASB ASC 740-10-50-14]</p>	_____	_____	_____
<p>Unrecognized Tax Benefit Related Disclosures</p>			
<p>19. Has the entity properly disclosed the following at the end of each annual reporting period presented:</p>			
<p><i>a.</i> The total amounts of interest and penalties recognized in the statement of operations and the total amounts of interest and penalties recognized in the statement of financial position?</p>	_____	_____	_____
<p><i>b.</i> 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,</p>			
<p><i>i.</i> the nature of the uncertainty?</p>	_____	_____	_____
<p><i>ii.</i> the nature of the event that could occur in the next 12 months that would cause the change?</p>	_____	_____	_____
<p><i>iii.</i> an estimate of the range of the reasonably possible change or a statement that an estimate of the range cannot be made?</p>	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
c. A description of tax years that remain subject to examination by major tax jurisdictions? [FASB ASC 740-10-50-15]	_____	_____	_____
<b>Entities With Separately Issued Financial Statements That Are Members of a Consolidated Tax Return</b>			
20. If the entity is a member of a group that files a consolidated tax return, has the entity properly disclosed the following items in its separately issued financial statements:			
a. The aggregate amount of current and deferred tax expense for each income statement presented and the amount of any tax-related balances due to or from affiliates as of the date of each balance sheet presented?	_____	_____	_____
b. The principal provisions of the method by which the consolidated amount of current and deferred tax expense is allocated to members of the group and the nature and effect of any changes in that method (and in determining related balances to or from affiliates) during the years for which the disclosures in item <i>a</i> are presented? [FASB ASC 740-10-50-17]	_____	_____	_____
<b>Policy-Related Disclosures—Interest and Penalty Recognition Policies</b>			
21. Has the entity properly disclosed its policy on classification of interest and penalties in accordance with FASB ASC 740-10-45-25 in the footnotes to the financial statements? ( <i>Note:</i> Interest may be classified as either income taxes or interest expense and penalties may be classified as income taxes or another expense. These determinations are based on the policy election of the entity.) [FASB ASC 740-10-50-19]	_____	_____	_____
<b>Policy-Related Disclosures—Investment Tax Credit Recognition Policy</b>			
22. Has the entity properly disclosed its policy on accounting for investment tax credits and amounts involved, if material? ( <i>Note:</i> FASB ASC 740-10-25-46 identifies the deferral method and the flow-through method as acceptable methods of accounting for investment tax credits.) [FASB ASC 740-10-50-20]	_____	_____	_____
<b>Public Entity Disclosures</b>			
<b>Statement of Financial Position Related to Disclosures</b>			
23. Has the public entity properly disclosed the approximate tax effect of each type of temporary difference and carryforward that gives rise to a significant portion of deferred tax liabilities and deferred tax assets (before allocation of valuation allowances)? [FASB ASC 740-10-50-6]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>Income Tax Expense Compared to Statutory Expectations</b>			
24. Has the public entity properly disclosed a reconciliation using percentages or dollar amounts of the reported amount of income tax expense attributable to continuing operations for the year to the amount of income tax expense that would result from applying domestic federal statutory tax rates to pretax income from continuing operations? ( <i>Note:</i> The statutory tax rates should be the regular tax rates if there are alternative tax systems. Further the estimated amount and nature of each significant reconciling item should be disclosed.) [FASB ASC 740-10-50-12]	_____	_____	_____
<b>Unrecognized Tax Benefit Related Disclosures</b>			
25. Has the entity properly disclosed the following at the end of each annual reporting period presented:			
<i>a.</i> A tabular reconciliation of the total amount of unrecognized tax benefits at the beginning and the end of the period that includes, at a minimum, the following:			
<i>i.</i> The gross amounts of the increases and decreases in unrecognized tax benefits as a result of tax positions taken during the prior period?	_____	_____	_____
<i>ii.</i> The gross amounts of increases and decreases in unrecognized tax benefits as a result of tax positions taken during the current period?	_____	_____	_____
<i>iii.</i> The amounts of decreases in the unrecognized tax benefits relating to settlements with taxing authorities?	_____	_____	_____
<i>iv.</i> Reductions to unrecognized tax benefits as a result of a lapse of the applicable statute of limitations?	_____	_____	_____
<i>b.</i> The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate? [FASB ASC 740-10-50-15A]	_____	_____	_____
<b>Public Entities Not Subject to Income Tax</b>			
26. Has the public entity properly disclosed the fact, if applicable, that it is not subject to income taxes because its income is taxed directly to its owners, as well as the net difference between the tax bases and the reported amounts of the entity's assets and liabilities? [FASB ASC 740-10-50-16]	_____	_____	_____
<b>N. Intraproduct Tax Allocations (FASB ASC 740-20)</b>			
<i>Presentation</i>			
1. Has the entity properly presented the income tax expense or benefit for the year, allocated among the following:			
<i>a.</i> Continuing operations?	_____	_____	_____
<i>b.</i> Discontinued operations?	_____	_____	_____
<i>c.</i> Extraordinary items?	_____	_____	_____
<i>d.</i> Other comprehensive income?	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
	e. Items charged or credited directly to shareholders' equity? [FASB ASC 740-20-45-2]	_____	_____	_____
<b>O.</b>	<b>Income Taxes—Other Considerations or Special Areas</b> (FASB ASC 740-30)			
	Undistributed Earnings of Subsidiaries and Corporate Joint Ventures			
1.	Has the entity properly disclosed the following whenever a deferred tax liability is not recognized because of the exceptions to comprehensive recognition of deferred taxes related to subsidiaries and corporate joint ventures:			
	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. The cumulative amount of each type of temporary difference?	_____	_____	_____
	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? ( <i>Note:</i> Whereas FASB ASC 740-30-25-14 prohibits recognition of a tax benefit for tax deductions or favorable tax rates attributable to future dividends of undistributed earnings for which a deferred tax liability has not been recognized, favorable tax treatment would be reflected in measuring that unrecognized deferred tax liability for disclosure purposes.)	_____	_____	_____
	d. The amount of the deferred tax liability for temporary differences other than those in item c (that is, undistributed domestic earnings) that is not recognized in accordance with the provisions of FASB ASC 740-30-25-18? [FASB ASC 740-30-50-2]	_____	_____	_____
<b>P.</b>	<b>Income Taxes—Interim Reporting</b> (FASB ASC 740-270)			
	<i>Disclosure</i>			
1.	Has the entity properly disclosed the reasons for significant variations in the customary relationship between income tax expense and pretax accounting income in the interim period financial statements if they are not otherwise apparent from the financial statements or from the nature of the entity's business? [FASB ASC 740-270-50-1]	_____	_____	_____

Yes      No      N/A

## VII. Broad Transactions

### Checklist Questions With A or B References

Checklist questions pertaining to guidance mandatorily effective for annual reporting periods ending on or before September 30, 2013, absent an entity's decision to early adopt any superseding guidance (where applicable and permissible), are denoted with "A" references. Checklist questions pertaining to guidance issued through September 30, 2013, which may become effective for entities with annual reporting periods ending on or before December 31, 2013, either because of the effective date or an entity's decision to early adopt (where permitted), are denoted with a "B" reference. ASUs are listed at the beginning of each "B" question should the reader want to reference the standard as originally issued. Therefore, depending upon your entity's(ies') year-end(s) and decision(s) to early adopt (where permitted), the appropriate alternative questions should be answered when provided. There may not be an "A" and "B" question for each item.

#### A. Business Combinations (FASB ASC 805-10)

##### *Disclosure*

Business Combinations Occurring During a Current Reporting Period or After the Reporting Date but Before the Financial Statements Are Issued

- |      |  |       |       |       |
|------|--|-------|-------|-------|
| 1.   | Has the entity properly disclosed, as the acquirer in a business combination, information that enables users of its financial statements to evaluate the nature and financial effect of a business combination that occurred either in the current reporting period or after the reporting period but before the financial statements are issued or are available to be issued? To meet these objectives, has the entity properly disclosed the following: |       |       |       |
| a.   | The name and a description of the acquiree?  | _____ | _____ | _____ |
| b.   | The acquisition date?  | _____ | _____ | _____ |
| c.   | The percentage of voting equity interests acquired?  | _____ | _____ | _____ |
| d.   | The primary reasons for the business combination and a description of how the acquirer obtained control of the acquiree?   | _____ | _____ | _____ |
| e.   | For transactions that are recognized separately from the acquisition of assets and assumptions of liabilities in the business combination (see FASB ASC 805-10-25-20), all of the following:   |       |       |       |
| i.   | A description of each transaction?   | _____ | _____ | _____ |
| ii.  | How the acquirer accounted for each transaction?   | _____ | _____ | _____ |
| iii. | The amounts recognized for each transaction and the line item in the financial statements in which each amount is recognized?  | _____ | _____ | _____ |
| iv.  | If the transaction is the effective settlement of a preexisting relationship, the method used to determine the settlement amount?  | _____ | _____ | _____ |

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>f.</i> For separately recognized transactions required in item <i>e</i> all of the following:			
<i>i.</i> The amount of acquisition-related costs, the amount recognized as an expense, and the line item or items in the income statement in which those expenses are recognized?	_____	_____	_____
<i>ii.</i> The amount of any issuance costs not recognized as an expense and how they were recognized?	_____	_____	_____
<i>g.</i> In a business combination achieved in stages, all of the following:			
<i>i.</i> The acquisition-date fair value of the equity interest in the acquiree held by the acquirer immediately before the acquisition date?	_____	_____	_____
<i>ii.</i> The amount of any gain or loss recognized as a result of remeasuring to fair value the equity interest in the acquiree held by the acquirer before the business combination (see FASB ASC 805-10-25-10) and the line item in the income statement in which that gain or loss is recognized?	_____	_____	_____
<i>iii.</i> 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?	_____	_____	_____
<i>iv.</i> Information that enables users of the acquirer's financial statements to assess 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?	_____	_____	_____

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**Additional Disclosure Information**

Note that FASB ASC 805-10-50-2 contains the following specific additional disclosures for public companies only.

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<i>h.</i> If the acquirer is a public business entity, are all of the following disclosed:			
<i>i.</i> The amounts of revenue and earnings of the acquiree since the acquisition date included in the consolidated income statement for the reporting period?	_____	_____	_____
<i>ii.</i> The revenue and earnings of the combined entity for the current reporting period as though the acquisition date for all business combinations that occurred during the year had been as of the beginning of the annual reporting period (supplemental pro forma information)?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
iii. If comparative financial statements are presented, the revenue and earnings of the combined entity for the comparable prior reporting period as though the acquisition date for all business combinations that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period (supplemental pro forma information)?	_____	_____	_____
iv. The nature and amount of any material, nonrecurring pro forma adjustments directly attributable to the business combinations(s) included in their reported pro forma revenue and earnings (supplemental pro forma information)?	_____	_____	_____
v. If the entity has not disclosed any of the information required by item <i>h(i)–(iii)</i> because it is impracticable, has the entity disclosed that fact and explained why the disclosure is impracticable? [FASB ASC 805-10-50 par. 1–2]	_____	_____	_____
2. Has the entity properly disclosed, for individually immaterial business combinations occurring during the reporting period that are material collectively, the information required by FASB ASC 805-10-50-2(e)–(h), in the aggregate? [FASB ASC 805-10-50-3]	_____	_____	_____
3. Has the entity properly disclosed, if the acquisition date of a business combination is after the reporting date but before the financial statements are issued or available to be issued, has the entity, as the acquirer, the information required by FASB ASC 805-10-50-2, unless the initial accounting for the business combination is incomplete at the time the financial statements are issued or available to be issued? ( <i>Note:</i> If the initial accounting is incomplete, the entity, as the acquirer, should describe which disclosures could not be made and the reasons why they could not be made.) [FASB ASC 805-10-50-4]	_____	_____	_____
The Financial Effects of Adjustments That Relate to Business Combinations That Occurred in the Current or Previous Reporting Periods			

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#### Additional Disclosure Information

FASB ASC 805-10-50-5 states that an acquirer should disclose information that enables users of its financial statements to evaluate the financial effects of adjustments recognized in the current reporting period that relate to business combinations that occurred in the current or previous reporting periods.

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4. Has the entity properly disclosed, if the initial accounting for a business combination is incomplete (see paragraphs 13–14 of FASB ASC 805-10-25) and the amounts recognized in the financial statements have been determined only provisionally, the following information for each material business combination (or, in the aggregate for individually immaterial business combinations that are material collectively):

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
a. The reasons why the initial accounting is incomplete?	_____	_____	_____
b. The assets, liabilities, equity interests, or items of consideration for which the initial accounting is incomplete?	_____	_____	_____
c. The nature and amount of any measurement period adjustments recognized during the reporting period in accordance with FASB ASC 805-10-25-17? [FASB ASC 805-10-50-6]	_____	_____	_____
<b>Other Disclosures</b>			
5. Has the entity properly disclosed, if the specific disclosures required by FASB ASC 805-10-50 (this subtopic) and other GAAP do not meet the objectives set out in paragraphs 1 and 5 of FASB ASC 805-10-50, whatever additional information is necessary to meet those objectives? [FASB ASC 805-10-50-7]	_____	_____	_____
<b>B. Identifiable Assets and Liabilities, and Any Noncontrolling Interest—Business Combinations (FASB ASC 805-20)</b>			
<i>Disclosure</i>			
Business Combinations Occurring During a Current Reporting Period or After the Reporting Date but Before the Financial Statements Are Issued			
1. Has the entity properly disclosed, in order to meet the objective of FASB ASC 805-10-50-1, the following information for each business combination that occurred during the period:			
a. For indemnification assets, all of the following:			
i. The amount recognized as of the acquisition date?	_____	_____	_____
ii. A description of the arrangement and the basis for determining the amount of the payment?	_____	_____	_____
iii. An estimate of the range of outcomes (undiscounted) or, if a range cannot be estimated, that fact and the reasons why a range cannot be estimated? (If the maximum amount of the payment is unlimited, the entity should disclose that fact.)	_____	_____	_____
b. For acquired receivables not subject to the requirements of FASB ASC 310-30, all of the following (by major class of receivable, such as loans, direct financing leases in accordance with FASB ASC 840-30, and any other class of receivables):			
i. The fair value of the receivables?	_____	_____	_____
ii. The gross contractual amounts receivable?	_____	_____	_____
iii. The best estimate at the acquisition date of the contractual cash flows not expected to be collected?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
c. The amounts recognized as of the acquisition date for each major class of assets acquired and liabilities assumed (see example 5 in FASB ASC 805-10-55-37)?	_____	_____	_____
d. For contingencies (included in the footnote that describes the business combination),			
i. for assets and liabilities arising from contingencies recognized at the acquisition date (which may be aggregated for assets or liabilities arising from contingencies that are similar in nature), (1) the amounts recognized at the acquisition date and the measurement basis applied (that is, at fair value or at an amount recognized in accordance with FASB ASC 450 and FASB ASC 450-20-25), and (2) the nature of the contingencies?	_____	_____	_____
ii. for contingencies that are not recognized at the acquisition date, the disclosures required by FASB ASC 450 if the criteria for disclosures therein are met (which may be aggregated for assets and liabilities arising from contingencies that are similar in nature)?	_____	_____	_____
e. For each business combination in which the entity holds less than 100 percent of the equity interests in the acquiree at the acquisition date,			
i. the fair value of the noncontrolling interest in the acquiree at the acquisition date?	_____	_____	_____
ii. the valuation technique(s) and significant inputs used to measure the fair value of the noncontrolling interest? [FASB ASC 805-20-50-1]	_____	_____	_____
2. Has the entity properly disclosed, for individually immaterial business combinations occurring during the reporting period that are material collectively, the information required FASB ASC 805-20-50-1, in the aggregate? [FASB ASC 805-20-50-2]	_____	_____	_____
3. Has the entity properly disclosed, if the acquisition date of a business combination is after the reporting date but before the financial statements are issued or available to be issued, the information required by FASB ASC 805-20-50-1, unless the initial accounting for the business combination is incomplete at the time the financial statements are issued or available to be issued? ( <i>Note:</i> If the initial accounting is incomplete, the entity, as the acquirer, should describe which disclosures could not be made and the reasons why they could not be made.) [FASB ASC 805-20-50-3]	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>C.</b>	<b>Goodwill or Gain From Bargain Purchase, Including Consideration Transferred (FASB ASC 805-30)</b>			
	<i>Disclosure</i>			
	Business Combinations Occurring During a Current Reporting Period or After the Reporting Date but Before the Financial Statements Are Issued			
1.	Has the entity properly disclosed, in order to meet the objective of FASB ASC 805-10-50-1, the following information for each business combination that occurred during the reporting period:			
a.	A qualitative description of the factors that make up the goodwill recognized, such as expected synergies from combining operations of the acquiree and the acquirer, intangible assets that do not qualify for separate recognition, or other factors?	_____	_____	_____
b.	The acquisition-date fair value of the total consideration transferred and the acquisition-date fair value of each major class of consideration, such as the following:			
i.	Cash?	_____	_____	_____
ii.	Other tangible or intangible assets, including a business or subsidiary of the acquirer?	_____	_____	_____
iii.	Liabilities incurred, for example, a liability for contingent consideration?	_____	_____	_____
iv.	Equity interests of the acquirer, including the number of instruments or interests issued or issuable and the method of determining the fair value of those instruments or interests?	_____	_____	_____
c.	For contingent consideration arrangements, all of the following:			
i.	The amount recognized as of the acquisition date?	_____	_____	_____
ii.	A description of the arrangement and the basis for determining the amount of the payment?	_____	_____	_____
iii.	An estimate of the range of outcomes (undiscounted) or, if a range cannot be estimated, that fact and the reasons why a range cannot be estimated? If the maximum amount of the payment is unlimited, the acquirer should disclose that fact.	_____	_____	_____
d.	The total amount of goodwill that is expected to be deductible for tax purposes?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
e. If the acquirer is required to disclose segment information in accordance with FASB ASC 280-10, the amount of goodwill by reportable segment? (If the assignment of goodwill to reporting units required by paragraphs 41–44 of FASB ASC 350-20-35 has not been completed as of the date the financial statements are issued or are available to be issued, the acquirer should disclose that fact.)	_____	_____	_____
f. In a bargain purchase (see paragraphs 2–4 of FASB ASC 805-30-25), both of the following:			
i. The amount of any gain recognized in accordance with FASB ASC 805-30-25-2 and the line item in the income statement in which the gain is recognized?	_____	_____	_____
ii. A description of the reasons why the transaction resulted in a gain? [FASB ASC 805-30-50-1]	_____	_____	_____
2. Has the entity properly disclosed, for individually immaterial business combinations occurring during the reporting period that are material collectively, the information required FASB ASC 805-30-50-1, in the aggregate? [FASB ASC 805-30-50-2]	_____	_____	_____
3. Has the entity properly disclosed, if the acquisition date of a business combination is after the reporting date but before the financial statements are issued or available to be issued, the information required by FASB ASC 805-30-50-1, unless the initial accounting for the business combination is incomplete at the time the financial statements are issued or available to be issued? ( <i>Note:</i> If the initial accounting is incomplete, the entity, as the acquirer, should describe which disclosures could not be made and the reasons why they could not be made.) [FASB ASC 805-30-50-3]	_____	_____	_____
The Financial Effects of Adjustments That Relate to Business Combinations That Occurred in the Current or Previous Reporting Periods			
4. Has the entity properly disclosed, in order to meet the objective of FASB ASC 805-10-50-5, the following information for each material business combination, or in the aggregate for individually immaterial business combinations that are material collectively, that occurred during the period:			
a. For each reporting period after the acquisition date until the entity collects, sells, or otherwise loses the right to a contingent consideration asset, or until the entity settles a contingent consideration liability or the liability is cancelled or expires, all of the following:			
i. Any changes in the recognized amounts, including any differences arising upon settlement?	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
	ii. Any changes in the range of outcomes (undiscounted) and the reasons for those changes?	_____	_____	_____
	iii. The fair value disclosures required by FASB ASC 820-10-50?	_____	_____	_____
	b. A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period as required by FASB ASC 350-20-50-1? [FASB ASC 805-30-50-4]	_____	_____	_____
<b>D.</b>	<b>Business Combinations—Reverse Acquisitions</b> (FASB ASC 805-40)			
	<i>Presentation</i>			
	Preparation and Presentation of Consolidated Financial Statements			
1.	Do the consolidated financial statements reflect all of the following:			
	a. The assets and liabilities of the legal subsidiary (the accounting acquirer) recognized and measured at their precombination carrying amounts?	_____	_____	_____
	b. The assets and liabilities of the legal parent (the accounting acquiree) recognized and measured in accordance with the guidance in FASB ASC 805, <i>Business Combinations</i> ?	_____	_____	_____
	c. The retained earnings and other equity balances of the legal subsidiary (accounting acquirer) before the business combination?	_____	_____	_____
	d. The amount recognized as issued equity interests in the consolidated financial statements determined by adding the issued equity interest of the legal subsidiary (the accounting acquirer) outstanding immediately before the business combination to the fair value of the legal parent (accounting acquiree) determined in accordance with the guidance in FASB ASC 805?	_____	_____	_____
	e. The noncontrolling interest's proportionate share of the legal subsidiary's (accounting acquirer's) precombination carrying amounts of retained earnings and other equity interests as discussed in FASB ASC 805-40-25-2 and 805-40-30-3 and illustrated in example 1, case B (see FASB ASC 805-40-55-18). [FASB ASC 805-40-45-2]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>E. Business Combinations—Related Issues (FASB ASC 805-50)</b>			
<i>Presentation</i>			
Transactions Between Entities Under Common Control— Financial Statement Presentation in Period of Transfer			
1. For assets and liabilities transferred between entities under common control, has the receiving entity properly presented the results of operations for the period in which the transfer occurs as though the transfer of net assets or exchange of equity interest had occurred at the beginning of the period? [FASB ASC 805-50-45-2]	_____	_____	_____
2. Has the receiving entity properly presented the statement of financial position and other financial information as of the beginning of the period as though the assets and liabilities had been transferred at that date? [FASB ASC 805-50-45-4]	_____	_____	_____
Transactions Between Entities Under Common Control— Comparative Financial Statement Presentation in Prior Years			
3. Has the entity properly presented prior years’ financial statements and financial information retrospectively adjusted to furnish comparative information, only adjusting periods during which the entities were under common control? ( <i>Note:</i> All adjusted financial statements and financial summaries should clearly indicate that financial data of previously separate entities are combined.) [FASB ASC 805-50-45-5]	_____	_____	_____
<i>Disclosure</i>			
Transactions Between Entities Under Common Control			

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**Additional Disclosure Information**

Per FASB ASC 805-50-50-4, the entity should also consider whether additional disclosures are required in accordance with FASB ASC 850-10-50, which provides guidance on related party transactions and certain common control relationships.

4. Has the entity properly disclosed the nature of and effects on EPS of nonrecurring intra-entity transactions involving long-term assets and liabilities? ( <i>Note:</i> Under the guidance of FASB ASC 805-50-45-3 the effects of these transaction is not required to be eliminated.) [FASB ASC 805-50-50-2]	_____	_____	_____
5. Has the entity properly disclosed, in the notes to the financial statements, the following, for the period in which the transfer of assets and liabilities or exchange of equity interests occurred:			
<i>a.</i> The name and brief description of the entity included in the reporting entity as a result of the net asset transfer or exchange of equity interests?	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
	<p><i>b.</i> The method of accounting for the transfer of net assets or exchange of equity interests? [FASB ASC 805-50-50-3]</p>	_____	_____	_____
<b>F.</b>	<b>Collaborative Arrangements</b> (FASB ASC 808-10)			
	<i>Disclosure</i>			
1.	Has the entity properly disclosed the following, if a participant in a collaborative arrangement, in the period in which the collaborative arrangement has been entered into and all annual periods thereafter: ( <i>Note:</i> Information related to individually significant collaborative arrangements should be disclosed separately.)			
	<p><i>a.</i> Information about the nature and purpose of its collaborative arrangements?</p>	_____	_____	_____
	<p><i>b.</i> Its rights and obligations under the collaborative arrangements?</p>	_____	_____	_____
	<p><i>c.</i> The accounting policy for collaborative arrangements in accordance with FASB ASC 235?</p>	_____	_____	_____
	<p><i>d.</i> The income statement classification and amounts attributable to transactions arising from the collaborative arrangement between participants for each period an income statement is presented? [FASB ASC 808-10-50-1]</p>	_____	_____	_____
<b>G.</b>	<b>Consolidation</b> (FASB ASC 810-10)			
	<i>Presentation</i>			
	<i>Procedures</i>			
1.	Has the parent properly presented its consolidated financial statements with intra-entity balances and transactions eliminated? [FASB ASC 810-10-45-1]	_____	_____	_____
2.	Has the parent properly presented its consolidated financial statements <i>without</i> retained earnings or deficit of a subsidiary at the date of acquisition included in consolidated retained earnings? [FASB ASC 810-10-45-2]	_____	_____	_____
3.	Has the parent properly presented in its consolidated financial statements a subsidiary's revenues, expenses, gains, and losses only from the date the subsidiary was initially consolidated? [FASB ASC 810-10-45-4]	_____	_____	_____
4.	Has the entity properly not presented shares of the parent, held by the subsidiary as outstanding shares in the consolidated statement of financial position? (These shares are not considered outstanding shares and should be eliminated and reflected as treasury shares.) [FASB ASC 810-10-45-5]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Combined Financial Statements			
5. Has the entity properly presented its combined financial statements, prepared for a group of related entities, with intra-entity transactions and profits or losses eliminated, and noncontrolling interests, foreign operations, different fiscal periods, or income taxes treated and presented in the same manner as in consolidated financial statements? [FASB ASC 810-10-45-10]	_____	_____	_____
Parent-Entity Financial Statements			
6. Has the entity properly presented parent-entity financial statements, in addition to consolidated financial statements, if necessary, to adequately indicate the position of bondholders and other creditors or preferred shareholders of the parent? [FASB ASC 810-10-45-11]	_____	_____	_____
Differing Fiscal Year-Ends Between Parent and Subsidiary			
7. Has the entity properly presented information regarding intervening events that materially affect the financial position or results of operations if the financial reporting periods of any subsidiaries are different from that of the parent? [FASB ASC 810-10-45-12]	_____	_____	_____
A Change in the Fiscal Year-End Lag Between Subsidiary and Parent			
8. Has the parent or investor properly presented information regarding a change to (or the elimination of) a previously existing difference between the parent's reporting period and the reporting period of a consolidated entity or between the reporting period of an investor and the reporting period of an equity method investee in the parent's or investor's consolidated financial statements, in accordance with FASB ASC 250, as described in FASB ASC 810-10-45-13? [FASB ASC 810-10-45-13]	_____	_____	_____
Noncontrolling Interest in a Subsidiary—Nature and Classification of the Noncontrolling Interest in the Consolidated Statement of Financial Position			
9. Has the entity properly presented, clearly identified and labeled, a noncontrolling interest in the entity (net assets) section of the consolidated statement of position, separately from the entity's equity (net assets)? ( <i>Note:</i> An entity with noncontrolling interests in more than one subsidiary may present those interests in aggregate.) [FASB ASC 810-10-45-16]	_____	_____	_____
10. Has the entity properly presented an equity-classified instrument as a component of noncontrolling interest in the consolidated financial statements? [FASB ASC 810-10-45-17]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
11. If an equity-classified instrument entered into by the parent expires unexercised, has the entity properly reclassified the carrying amount of the instrument from the noncontrolling interest to the controlling interest? [FASB ASC 810-10-45-17]	_____	_____	_____
<i>Attributing Net Income and Comprehensive Income to the Parent and the Noncontrolling Interest</i>			
12. Has the entity properly presented, in the consolidated financial statements, revenues, expenses, gains, losses, net income or loss, and other comprehensive income at the consolidated amounts, which include amounts attributable to the owners of the parent and the noncontrolling interest? [FASB ASC 810-10-45-19]	_____	_____	_____
13. Has the entity attributed net income or loss and comprehensive income or loss, as described in FASB ASC 220, <i>Comprehensive Income</i> , to the parent and the noncontrolling interest? [FASB ASC 810-10-45-20]	_____	_____	_____
<i>Variable Interest Entities</i>			
14. Has the entity properly presented each of the following separately on the income statement:			
a. Assets of a consolidated variable interest entity (VIE) that can be used only to settle obligations of the consolidated VIE?	_____	_____	_____
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? ["Pending Content" in FASB ASC 810-10-45-25]	_____	_____	_____
<i>Disclosure</i>			
<i>Disclosure for All Entities</i>			
<i>Consolidation Policy</i>			
15. Has the entity properly disclosed the consolidation policy that is being followed? ( <i>Note:</i> In most cases this can be made apparent by the headings or other information in the financial statements.) [FASB ASC 810-10-50-1]	_____	_____	_____
<i>Parent With a Less-Than-Wholly-Owned Subsidiary</i>			
16. Has the parent properly disclosed all the following regarding one or more less-than-wholly-owned subsidiaries for each reporting period:			
a. Separately, on the face of the consolidated financial statements, both of the following:			
i. The amounts of consolidated net income and consolidated comprehensive income?	_____	_____	_____
ii. The related amounts on each attributable to the parent and the noncontrolling interest?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>b.</i> Either in the notes or on the face of the consolidated income statement, amounts attributable to the parent for any of the following, if reported in the consolidated financial statements:			
<i>i.</i> Income from continuing operations?	_____	_____	_____
<i>ii.</i> Discontinued operations?	_____	_____	_____
<i>iii.</i> Extraordinary items?	_____	_____	_____
<i>c.</i> Either in the consolidated statement of changes in equity, if presented, 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 (net assets), equity (net assets) attributable to the parent, and equity (net assets) attributable to the non-controlling interest? ( <i>Note:</i> This reconciliation should separately disclose [i] net income, [ii] transactions with owners acting in their capacity as owners, showing separately contributions from and distributions to owners, and [iii] each component of other comprehensive income.)	_____	_____	_____
<i>d.</i> In notes to the consolidated financial statements, a separate schedule that shows the effects of any changes in a parent's ownership interest in a subsidiary on the equity attributable to the parent? [FASB ASC 810-10-50-1A]	_____	_____	_____
<b>Deconsolidation of a Subsidiary</b>			
17. Has the entity properly disclosed the following, as a parent entity, if a subsidiary has been deconsolidated:			
<i>a.</i> The amount of any gain or loss recognized in accordance with FASB ASC 810-10-40-5?	_____	_____	_____
<i>b.</i> The portion of any gain or loss related to the remeasurement of any retained investment in the former subsidiary of group of assets to its fair value?	_____	_____	_____
<i>c.</i> The caption in the income statement in which the gain or loss is recognized unless separately presented on the face of the income statement?	_____	_____	_____
<i>d.</i> 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?	_____	_____	_____
<i>e.</i> Information that enables users of the parent's financial statements to assess the inputs used to develop the fair value in item <i>d</i> ?	_____	_____	_____
<i>f.</i> The nature of continuing involvement with the subsidiary or entity acquiring the group of assets after it has been deconsolidated or derecognized?	_____	_____	_____
<i>g.</i> Whether the transaction that resulted in the deconsolidation or derecognition was with a related party?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>h.</i> Whether the former subsidiary or entity acquiring a group of assets will be a related party after deconsolidation? [FASB ASC 810-10-50-1B]</p>	_____	_____	_____
A Change in the Difference Between Parent and Subsidiary Fiscal Year-Ends			
18. Has the entity properly disclosed, pursuant to FASB ASC 250, regarding a change in (or elimination of) a previously existing difference between the fiscal year-ends of a parent entity and subsidiary or an investor and an equity method investee? [FASB ASC 810-10-50-2]	_____	_____	_____
Variable Interest Entities			
19. Has the entity properly included disclosures, in order to provide financial statement users with an understanding of the following: (The entity may need to supplement the disclosures required by this subsection to achieve the objectives that follow. Further, these disclosures may be made in more than one note, provided there is a cross-reference provided.)			
<p><i>a.</i> The significant judgments and assumptions made by the entity in determining whether it must (i) consolidate a VIE and (ii) disclose information about its involvement in a VIE?</p>	_____	_____	_____
<p><i>b.</i> The nature of restrictions on the consolidated VIE's assets and on the settlement of its liabilities reported by the entity in its statement of financial position, including the carrying amounts of such assets and liabilities?</p>	_____	_____	_____
<p><i>c.</i> The nature of, and changes in, the risks associated with the reporting entity's involvement with the VIE?</p>	_____	_____	_____
<p><i>d.</i> How the entity's involvement with the VIE affects the reporting entity's financial position, financial performance, and cash flows? ["Pending Content" in FASB ASC 810-10-50-2AA]</p>	_____	_____	_____
Variable Interest Entities—Primary Beneficiary of a Variable Interest Entity			
20. Has the entity properly disclosed, if it is the primary beneficiary of a VIE, all of the following: ( <i>Note:</i> A VIE may issue voting equity interests, and the entity that holds a majority voting interest may also be the primary beneficiary of the VIE. If so, and if the VIE meets the definition of a <i>business</i> and the VIE's assets can be used for purposes other than the settlement of the VIE's obligations, the disclosures that follow are not required.)			
<p><i>a.</i> The carrying amounts and classification of the VIE's assets and liabilities in the statement of financial position that are consolidated in accordance with the "Variable Interest Entities" subsections of FASB ASC 810-10, including qualitative information about the relationship(s) between those assets and liabilities?</p>	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. Lack of recourse if creditors (or beneficial interest holders) of a consolidated VIE have no recourse to the general credit of the primary beneficiary?	_____	_____	_____
c. Terms of arrangements, giving consideration to both explicit arrangements and implicit variable interests that could require the reporting entity to provide financial support to the VIE, including events or circumstances that could expose the reporting entity to a loss? [“Pending Content” in FASB ASC 810-10-50-3]	_____	_____	_____
Variable Interest Entities—Nonprimary Beneficiary of a Variable Interest Entity			
21. Has the entity properly disclosed the following, if it holds an interest in a VIE but is not the VIE’s primary beneficiary:			
a. The carrying amounts and classification of the assets and liabilities in the reporting entity’s statement of financial position that relate to the reporting entity’s variable interest in the VIE?	_____	_____	_____
b. The reporting entity’s maximum exposure to loss as a result of its involvement with the VIE, including how the maximum exposure is determined and the significant sources of the reporting entity’s exposure to the VIE?	_____	_____	_____
c. A tabular comparison of the carrying amounts of the assets and liabilities, as required by item a, preceding, and the reporting entity’s maximum exposure to loss, as required by item b, preceding? ( <i>Note:</i> The reporting entity should provide qualitative and quantitative information to allow financial statement users to understand the differences between the two amounts. That discussion should include, but is not limited to, the terms of arrangements, giving consideration to both explicit arrangements and implicit variable interests, that could require the reporting entity to provide financial support to the VIE, including events or circumstances that could expose the reporting entity to a loss.)	_____	_____	_____
d. Encouraged, although not required, information about any liquidity arrangements, guarantees, or other commitments by third parties that may affect the fair value or risk of the reporting entity’s variable interest in the VIE?	_____	_____	_____
e. If applicable, significant factors considered and judgments made in determining that the power to direct the activities of a VIE that most significantly impact the VIE’s economic performance is shared in accordance with the guidance in FASB ASC 810-10-25-38D? [“Pending Content” in FASB ASC 810-10-50-4]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Variable Interest Entities—Primary Beneficiaries or Other Holders of Interests in Variable Interest Entities			
22. Has the reporting entity properly disclosed the following, if it is a primary beneficiary of a VIE or if it holds a variable interest in a VIE but is not the entity's primary beneficiary: ( <i>Note:</i> A VIE may issue voting equity interests, and the entity that holds a majority voting interest may also be the primary beneficiary of the VIE. If so, and if the VIE meets the definition of a <i>business</i> and the VIE's assets can be used for purposes other than the settlement of the VIE's obligation, the disclosures that follow are not required.)			
<i>a.</i> Its methodology for determining whether the reporting entity is the primary beneficiary of a VIE, including, but not limited to, significant judgments and assumptions made. (The entity may meet this disclosure requirement by providing information about the types of involvements a reporting entity considers significant, supplemented with information about how the significant involvements were considered in determining whether the reporting entity is the primary beneficiary.)	_____	_____	_____
<i>b.</i> If facts and circumstances change such that the conclusion to consolidate a VIE has changed in the most recent financial statements (for example, the VIE was previously consolidated and is not currently consolidated), the primary factors that caused the change and the effect on the reporting entity's financial statements?	_____	_____	_____
<i>c.</i> Whether the reporting entity has provided financial or other support (explicitly or implicitly) during the periods presented to the VIE that it was not previously contractually required to provide or whether the reporting entity intends to provide that support, including both of the following:			
<i>i.</i> The type and amount of support, including situations in which the reporting entity assisted the VIE in obtaining another type of support?	_____	_____	_____
<i>ii.</i> The primary reason for providing the support?	_____	_____	_____
<i>d.</i> Qualitative and quantitative information about the reporting entity's involvement (giving consideration to both explicit arrangements and implicit variable interests) with the VIE, including, but not limited to, the nature, purpose, size, and activities of the VIE, including how the VIE is financed?	_____	_____	_____
["Pending Content" in FASB ASC 810-10-50-5A]			

Yes      No      N/A

Scope-Related Disclosures

23. Has the reporting entity properly disclosed the following information if the entity does not apply the guidance in the “Variable Interest Entities” subsections of FASB ASC 810, *Consolidation*, to one or more VIEs or potential VIEs because of the condition described in FASB ASC 810-10-15-17(c):
- a. The number of legal entities to which this guidance is not being applied and the reason why the information required to apply this guidance is not available? \_\_\_\_\_
  - b. The nature, purpose, size (if available), and activities of the legal entity or entities and the nature of the reporting entity’s involvement with the legal entity or entities? \_\_\_\_\_
  - c. The reporting entity’s maximum exposure to loss because of its involvement with the legal entity or entities? \_\_\_\_\_
  - d. The amount of income, expense, purchases, sales, or other measure of activity between the reporting entity and the legal entity or entities for all periods presented? [FASB ASC 810-10-50-6] \_\_\_\_\_

Aggregation of Certain Disclosures

24. Has the entity properly disclosed, if providing disclosures about VIEs, and if providing separate reporting would not provide more useful information to financial statement users, how similar entities are aggregated? The reporting entity should distinguish between (a) VIEs that are consolidated and (b) those that are not consolidated because the reporting entity is not the primary beneficiary, but has a variable interest or is the sponsor that holds the variable interest? (*Note:* The entity should consider quantitative and qualitative information about different risk and reward characteristics of each VIE and the significance of each VIE to the entity. Further, disclosures should be presented in a manner that clearly and fully explains to the financial statement users the nature and extent of an entity’s involvement with VIEs.) [“Pending Content” in FASB ASC 810-10-50-9] \_\_\_\_\_

**H. Derivatives and Hedging (FASB ASC 815-10)**

*Presentation*

Balance Sheet—Netting

1. Has the entity properly *not* presented a hedging derivative’s asset (or liability) position netted against the hedged liability (or asset) position in the balance sheet? [FASB ASC 815-10-45-2] \_\_\_\_\_

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Income Statement Classification—Derivative Instruments Held for Trading Purposes			
2. Has the entity properly presented gains and losses (realized and unrealized) on all derivative instruments within the scope of FASB ASC 815, <i>Derivatives and Hedging</i> , as net when recognized in the income statement, whether or not settled physically, if the derivative instruments are held for trading purposes? [FASB ASC 815-10-45-9]	_____	_____	_____
Cash Flow Statement Classification—Derivative Instruments With a Financing Element			
3. If an other-than-insignificant financing element is present at inception—other than a financing element inherently included in an at-the-market derivative instrument with no prepayments—has the entity properly presented all cash inflows and outflows associated with that derivative instrument, in a manner consistent with financing activities as described in paragraphs 14–15 of FASB ASC 230-10-45? [FASB ASC 815-10-45-12]	_____	_____	_____
<i>Disclosure</i>			
4. Has the entity properly disclosed information, in order for the users of the financial statements to understand the following, if the entity has derivative instruments (or nonderivative instruments that are designated and qualify as hedging instruments pursuant to FASB ASC 815-20-25-58 and 815-20-25-66):			
a. How and why an entity uses derivative instruments (or such nonderivative instruments)?	_____	_____	_____
b. How derivative instruments (or such nonderivative instruments) and related hedged items are accounted for under FASB ASC 815?	_____	_____	_____
c. How derivative instruments (or such nonderivative instruments) and related hedged items affect the entity's financial position, performance and cash flows? [FASB ASC 815-10-50-1]	_____	_____	_____
5. Has the entity properly disclosed the following for each annual and interim reporting period for which a statement of financial position and statement of financial performance are presented, if the entity has derivative instruments (or nonderivative instruments that are designated and qualify as hedging instruments pursuant to FASB ASC 815-20-25-58 and 815-20-25-66):			
a. Its objectives for holding or issuing those instruments?	_____	_____	_____
b. The context needed to understand those objectives?	_____	_____	_____
c. Its strategies for achieving those objectives?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>d.</i> Information that would enable users of its financial statements to understand the volume of its activity in those instruments? (An entity should select the format and the specifics of disclosures relating to its volume of such activity that are most relevant and practicable for its individual facts and circumstances.) [FASB ASC 815-10-50-1A]</p>	_____	_____	_____
<p>6. Has the entity properly disclosed information, regarding the derivative instruments in question 5<i>d</i> in such a format and in enough specifics relating to the volume of such activity such that the disclosures are most relevant and practicable for the individual facts and circumstances? For items in question 5<i>a-c</i>, has information been disclosed in the context of each instrument's primary underlying risk exposure and have such items been distinguished between those used for risk management purposes and those used for other purposes? [FASB ASC 815-10-50-1B]</p>	_____	_____	_____
<p>7. Has the entity properly disclosed the following to distinguish between the instruments with disclosures required by question 5<i>a-c</i>:</p> <p><i>a.</i> Derivative instruments (and nonderivative instruments) used for risk management purposes, distinguished between each of the following:</p> <p style="margin-left: 20px;"><i>i.</i> Derivative instruments (and nonderivative instruments) designated as hedging instruments, distinguished between each of the following: (1) fair value hedging instruments, (2) cash flow hedging instruments, and (3) hedges of foreign currency exposure of net investments in foreign operations?</p> <p style="margin-left: 20px;"><i>ii.</i> Derivative instruments used as economic hedges and for other purposes related to the entity's risk exposure?</p> <p><i>b.</i> Derivative instruments used for other purposes? [FASB ASC 815-10-50-2]</p>	_____	_____	_____
<p>8. Has the entity properly disclosed the purpose of any derivative instruments not designated as hedging instruments under FASB ASC 815-20? [FASB ASC 815-10-50-4]</p>	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Overall Quantitative Disclosures			
9. Has the entity properly disclosed in tabular format, for every annual and interim reporting period for which a statement of financial position and statement of financial performance are presented, the location and fair value amounts of derivative instruments reported in the statement of financial position and the location and amount of the gains and losses on derivative instruments (or nonderivative instruments it holds or issues that are designated and qualify as hedging instruments pursuant to FASB ASC 815-20-25 paragraphs 58 and 66) reported in the statement of financial performance (or when applicable, the statement of financial position) (for example, gains and losses initially recognized in other comprehensive income)? [FASB ASC 815-10-50-4A]	_____	_____	_____
10. Has the entity properly formatted the disclosures, with respect to the disclosures required by FASB ASC 815-10-50-A(a), to conform to the following: ( <i>Note</i> : Amounts to be reported for nonderivative instruments pursuant to paragraphs 58 and 66 of FASB ASC 815-20-25 should be the carrying value of the nonderivative hedging instrument, rather than the following.)			
a. The fair value of derivative instruments have been disclosed on a gross basis (even if the derivative instruments are subject to master netting agreements and qualify for net presentation in the statement of financial position in accordance with FASB ASC 210-20 [general hedging activities])?	_____	_____	_____
b. Cash collateral payables and receivables associated with those instruments have not been added to or netted against fair value amounts?	_____	_____	_____
c. Fair value amounts have been presented as separate asset and liability values segregated between each of the following:			
i. Those instruments designated and qualifying as hedging instruments under FASB ASC 815-20, presented separately by type of contract?	_____	_____	_____
ii. Those instruments not designated as hedging instruments, presented separately by type of contract?	_____	_____	_____
d. The disclosure has identified the line item(s) in the statement of financial position in which the fair value amounts for these categories of derivative instruments are included? [FASB ASC 815-10-50-4B]	_____	_____	_____
11. Has the entity properly disclosed in tabular format (with the exception of item <i>a</i> , which follows) the gains and losses disclosed pursuant to FASB ASC 815-10-50-4A(b) separately for all of the following by type of contract:			

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
a. Derivative instruments designated and qualifying as hedging instruments in fair value hedges and related hedged items designated and qualifying in fair value hedges?	_____	_____	_____
b. The effective portion of gains and losses on derivative instruments designated and qualifying in cash flow hedges and net investment hedges that was recognized in other comprehensive income during the current period?	_____	_____	_____
c. The effective portion of gains and losses on derivative instruments designated and qualifying in cash flow hedges and net investment hedges recorded in accumulated other comprehensive income during the term of the hedging relationship and reclassified into earnings during the current period?	_____	_____	_____
d. The portion of gains and losses on derivative instruments designated and qualifying in cash flow hedges and net investment hedges representing (i) the amount of the hedges' ineffectiveness and (ii) the amount, if any, excluded from the assessment of hedge effectiveness?	_____	_____	_____
e. Derivative instruments not designated or qualifying as hedging instruments under FASB ASC 815-20? [FASB ASC 815-10-50-4C]	_____	_____	_____
12. Has the entity properly disclosed separately, pursuant to question 11, information by type of derivative contract (for example, interest rate contracts, foreign exchange contracts, equity contracts, commodity contracts, credit contracts, and so forth) as well as identify the line item(s) in the statement of financial performance in which the gains and losses for the categories of derivative instruments are included? [FASB ASC 815-10-50-4D]	_____	_____	_____

Trading Derivatives

13. If the entity's policy is to include derivative instruments that are not designated or qualified as hedging instruments under FASB ASC 815-20 in its trading activities, and the entity elects not to separately disclose gain and losses as required by FASB ASC 815-10-50-4C(e), has the entity properly disclosed the following: ( <i>Note:</i> If the disclosure option in this paragraph is elected, the entity should include a footnote in the required tables referencing the use of this alternative disclosure for trading activities.)			
a. The gains and losses on its trading activities (including both derivative and nonderivative instruments) recognized in the statement of financial performance, separately by major types of items (such as fixed income/ interest rates, foreign exchange, equity, commodity, and credit)?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. The line items in the statement of financial performance in which trading activities gains and losses are included?	_____	_____	_____
c. A description of the nature of its trading activities and related risks, and how the entity manages those risks? [FASB ASC 815-10-50-4F]	_____	_____	_____

## Credit-Risk-Related Contingent Features

14. Has the entity properly disclosed, for every annual and interim reporting period for which a statement of financial position and statement of financial performance are presented, the following information about derivative instruments it holds or issues (or nonderivative instruments it holds or issues that are designated and qualify as hedging instruments pursuant to FASB ASC 815-20-25-58 and FASB ASC 815-20-25-66) that have credit-risk-related contingent features and that are in a net liability position at the end of the reporting period: ( <i>Note:</i> Amounts to be reported for nonderivative instruments pursuant to paragraphs 58 and 66 of FASB ASC 815-20-25 should be the carrying value of the nonderivative hedging instrument, rather than the following.)			
a. The existence and nature of credit-risk-related contingent features and the circumstances in which the features could be triggered in derivative instruments that are in a net liability position at the end of the reporting period?	_____	_____	_____
b. The aggregate fair value amounts of derivative instruments that contain credit-risk-related contingent features that are in a net liability position at the end of the reporting period?	_____	_____	_____
c. The aggregate fair value of assets that are already posted as collateral at the end of the reporting period and (i) the aggregate fair value of additional assets that would be required to be posted as collateral and (ii) the aggregate fair value of assets needed to settle the instrument immediately, if the credit-risk-related contingent features were triggered at the end of the reporting period? [FASB ASC 815-10-50-4H]	_____	_____	_____

## Information in More Than One Footnote

15. Has the entity properly included cross-references to other notes in which derivative-related information is disclosed, if the disclosures related to derivative instruments (or nonderivative instruments that are designated and qualify as hedging instruments pursuant to paragraphs 58 and 66 of FASB ASC 815-20-25) are disclosed in more than a single footnote? [FASB ASC 815-10-50-4I]	_____	_____	_____
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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Credit Derivatives			
16. Has the entity properly disclosed the following, as a <i>seller of credit derivative</i> (as defined in FASB ASC 815-10-50-4J as a guarantor in a guarantee type contract or any party that provides the credit protection in an option type contract, a credit default swap, or any other credit derivative), even if the likelihood of the seller's having to make any payments under the credit derivative is remote: ( <i>Note:</i> Per FASB ASC 815-10-50-4L, for hybrid instruments that have embedded credit derivatives, the seller of the embedded credit derivative should disclose the information required for the entire hybrid instrument, not just the embedded credit derivatives.)			
<i>a.</i> The nature of the credit derivative, including all of the following:			
<i>i.</i> The approximate term of the credit derivative?	_____	_____	_____
<i>ii.</i> The reasons for entering into the credit derivative?	_____	_____	_____
<i>iii.</i> The events or circumstances that would require the seller to perform under the credit derivative?	_____	_____	_____
<i>iv.</i> The current status (that is, as of the date of the statement of financial position) of the payment/performance risk of the credit derivative?	_____	_____	_____
<i>v.</i> If the entity uses internal groupings for the purposes of item <i>a(iv)</i> , how those groupings are determined and used for managing risk?	_____	_____	_____
<i>b.</i> The maximum potential amount of future payments (undiscounted) that the seller could be required to make under the credit derivative, which should not be reduced by the effect of any amounts that may possibly be recovered under recourse or collateralization provisions in the credit derivative?	_____	_____	_____
<i>c.</i> If the terms of the credit derivative provide for no limitation to the maximum potential future payments under the credit derivative, is that fact disclosed?	_____	_____	_____
<i>d.</i> If the seller is unable to develop an estimate of the maximum potential amount of future payments under the credit derivative, the reasons why the maximum potential amount cannot be estimated?	_____	_____	_____
<i>e.</i> The fair value of the credit derivative as of the date of the statement of financial position?	_____	_____	_____
<i>f.</i> The nature of			
<i>i.</i> any recourse provisions that would enable the seller to recover from third parties any of the amounts paid under the credit derivative?	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
ii. any assets held either as collateral or by third parties that, upon the occurrence of any triggering event or condition under the credit derivative, the seller can obtain and liquidate to recover all or a portion of the amounts paid under the credit derivative?	_____	_____	_____
g. If estimable, 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? ( <i>Note:</i> The disclosures required by this paragraph (FASB ASC 815-10-50-4K) do not apply to the embedded derivative feature discussed in FASB ASC 815-15-15-9.) [FASB ASC 815-10-50-4K]	_____	_____	_____
<b>Qualitative Disclosures</b>			
17. Although encouraged, but not required, has the entity properly included additional qualitative disclosures for every annual and interim reporting period for which a statement of financial position and statement of financial performance are presented related to qualitative items about the entity's objectives and strategies for using derivative instruments? ( <i>Note:</i> These disclosures may relate to interest rate risk, foreign currency exchange rate risk, commodity price risk, credit risk, and equity price risk.) [FASB ASC 815-10-50-5]	_____	_____	_____
<b>Unconditional Purchase Obligations</b>			
18. Has the entity properly disclosed the information required by FASB ASC 440 and FASB ASC 815 if the entity has unconditional purchase obligations which are subject to the requirements of those topics? [FASB ASC 815-10-50-6]	_____	_____	_____
<b>Balance Sheet Offering</b>			
19. Has the entity properly disclosed its policy for offsetting or not offsetting in accordance with FASB ASC 815-10-45-6? [FASB ASC 815-10-50-7]	_____	_____	_____
20B. ( <b>ASU No. 2013-01</b> ) Has the entity disclosed the information required by paragraphs 1–6 of FASB ASC 210-20 for all recognized derivative instruments accounted for in accordance with FASB ASC 815, including bifurcated embedded derivatives, which are either			
a. offset in accordance with either FASB ASC 210-20-45 or FASB ASC 815-10-45, or	_____	_____	_____
b. subject to an enforceable master netting arrangement or similar agreement? [“Pending Content” in FASB ASC 815-10-50-7A]	_____	_____	_____
21. Has the entity properly disclosed the amounts recognized at the end of each reporting period for the right to reclaim cash collateral or the obligation to return cash collateral as follows:			

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>a.</i> If the entity has made an accounting policy decision to offset fair value amounts, has it separately disclosed amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral that have been offset against net derivative positions in accordance with FASB ASC 815-10-45-5?</p>	_____	_____	_____
<p><i>b.</i> Has the entity separately disclosed amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral under master netting arrangements that have not been offset against net derivative instrument positions?</p>	_____	_____	_____
<p><i>c.</i> If the entity has made an accounting policy decision to not offset fair value amounts, has it separately disclosed the amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral under master netting arrangements? [FASB ASC 815-10-50-8]</p>	_____	_____	_____
<b>Certain Contracts on Debt and Equity Securities</b>			
<p>22. Has the entity properly disclosed its accounting policy for the premium paid (time value) to acquire an option that is classified as held to maturity or available for sale, if applicable? [FASB ASC 815-10-50-9]</p>	_____	_____	_____
<b>I. Embedded Derivatives (FASB ASC 815-15)</b>			
<i>Presentation</i>			
<p>1. Has the entity properly presented hybrid financial instruments measured at fair value under the election and practicability exception in FASB ASC 815-15-30-1 by either (a) displaying separate line items for the fair value and non-fair-value carrying amounts or (b) presenting the aggregate of the fair value and non-fair-value amounts and parenthetically disclosing the amount of fair value included in the aggregate amount? [FASB ASC 815-15-45-1]</p>	_____	_____	_____
<i>Disclosure</i>			
<b>Hybrid Instruments That Are Not Separated</b>			
<p>2. Has the entity properly disclosed, for those hybrid financial instruments measured at fair value under the election and under the practicability exception in FASB ASC 815-15-30-1 on earnings (or other performance indicators for entities that do not report earnings), the information in paragraphs 28–32 of FASB ASC 825-10-50? [FASB ASC 815-15-50-1]</p>	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
3. Has the entity properly disclosed information that will allow users to understand the effect of changes in the fair value of hybrid financial instruments measured at fair value under the election and under the practicability exception in FASB ASC 815-15-30-1 on earnings (or other performance indicators for entities that do not report earnings)? [FASB ASC 815-15-50-2]	_____	_____	_____
<b>Embedded Conversion Option That Is No Longer Bifurcated</b>			
4. Has the entity properly disclosed, for those embedded conversion options previously accounted for as a derivative instrument under FASB ASC 815-15 (embedded derivatives) that no longer meet the separation criteria, a description of the principal changes causing the embedded conversion option to no longer require bifurcation and the amount of the liability for the conversion option which has been reclassified to stockholders' equity? [FASB ASC 815-15-50-3]	_____	_____	_____
<b>J. Fair Value Hedging (FASB ASC 815-25)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed, for every annual and interim reporting period for which a statement of financial position and statement of financial performance are presented, the following for derivative instruments, as well as nonderivative instruments that may give rise to foreign currency transaction gains or losses under FASB ASC 830-20, that have been designated and have qualified as fair value hedging instruments and for the related hedged items:			
a. The net gain or loss recognized in earnings during the reporting period representing (i) the amount of the hedges' ineffectiveness and (ii) the component of the derivative instruments' gain or loss, if any, excluded from the assessment of hedge effectiveness?	_____	_____	_____
b. The amount of net gain or loss recognized in earnings when a hedged firm commitment no longer qualifies as a fair value hedge? [FASB ASC 815-25-50-1]	_____	_____	_____
<b>K. Cash Flow Hedges (FASB ASC 815-30)</b>			
<i>Presentation</i>			
Other Comprehensive Income			
1. Has the entity properly presented, as a separate classification within other comprehensive income, the net gain or loss on any derivative instruments designated and qualifying as cash flow hedging instruments that are reported in comprehensive income pursuant to FASB ASC 815-20-25-65 and FASB ASC 815-30-35-3? [FASB ASC 815-30-45-1]	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>Disclosure</i>				
2.	Has the entity properly disclosed, for every annual and interim reporting period for which a statement of financial position and statement of financial performance are presented, the following for derivative instruments that have been designated and have qualified as cash flow hedging instruments and for the related hedged transactions:			
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, and the estimated net amount of the existing gains or losses at the reporting date that is expected to be reclassified into earnings within the next 12 months?	_____	_____	_____
b.	The estimated net amount of the existing gains or losses that are reported in accumulated other comprehensive income at the reporting date that is expected to be reclassified into earnings in 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?	_____	_____	_____
d.	The amount of gains and losses reclassified into earnings as a result of 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 paragraphs 4–5 of FASB ASC 815-30-40? [FASB ASC 815-30-50-1]	_____	_____	_____
3.	Has the entity properly disclosed, as a separate component of other comprehensive income, the beginning and ending accumulated derivative instrument gain or loss, the related net change associated with current period hedging transactions, and the net amount of any reclassification into earnings? [FASB ASC 815-30-50-2]	_____	_____	_____
<b>L.</b>	<b>Net Investment Hedges (FASB ASC 815-35)</b>			
<i>Disclosure</i>				
1.	Although encouraged, but not required, has the entity properly included additional qualitative disclosures to present a more complete picture of its activities about derivative instruments by presenting information that may be more useful, and less likely to be perceived to be out of context or otherwise misunderstood, if similar information is disclosed about other financial instruments or nonfinancial assets and liabilities to which the derivative instruments are related by activity? [FASB ASC 815-35-50-2]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>M. Contracts in Entity's Own Equity (FASB ASC 815-40)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed, in the financial statements, changes in fair value for all contracts within the scope of FASB 815-40 classified as assets or liabilities as long as the contracts remain classified as assets or liabilities? [FASB ASC 815-40-50-1]	_____	_____	_____
2. Has the entity properly disclosed the related disclosures required by FASB ASC 815-10-50; FASB ASC 815-25-50; FASB ASC 815-30-50; and FASB ASC 815-35-50, if a contract within the scope of FASB ASC 815-40 meets the definition of a <i>derivative instrument</i> ? [FASB ASC 815-40-50-2]	_____	_____	_____
<i>Reclassifications and Related Accounting Policy Disclosures</i>			
3. Has the entity properly disclosed the contract reclassification, the reason for the reclassification and the effect on the entity's financial statements, if contracts within the scope of FASB ASC 815-40 are reclassified into (or out of) equity during the life of the instrument (in whole or in part) pursuant to the provisions of paragraphs 8–13 of FASB ASC 815-40-35? [FASB ASC 815-40-50-3]	_____	_____	_____
4. Has the entity properly disclosed the accounting policy decision pursuant to FASB ASC 235, if the entity partially reclassifies a contract(s) subject to FASB ASC 815-40? [FASB ASC 815-40-50-4]	_____	_____	_____
<i>Interaction With Disclosures About Capital Structure</i>			
5. Has the entity properly disclosed the following, pursuant to FASB ASC 505-10-50, if the entity has contracts related to their capital structure of the following nature:			
a. If the entity has an option or forward contract, has relevant information including (i) the forward rate, (ii) the option strike price, (iii) the number of shares to which the contract is indexed, (iv) the settlement date(s), and (v) the issuers accounting for the contract (asset, liability, or equity) been disclosed?	_____	_____	_____
b. If the entity's contract(s) provide settlement alternatives, has the relevant information including (i) who controls the settlement alternatives and (ii) the maximum number of shares that could be required to be issued to net share settle the contract been disclosed?	_____	_____	_____
c. If the entity's contract(s) does not have a fixed or determinable maximum number of shares that may be required to be issued, is the fact that an infinite number may be required to settle the contract(s) disclosed?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
d. For each of the entity’s contract(s) has disclosure been made of the current fair value for each settlement alternative and how changes in the price of the issuer’s equity instruments affect those settlement amounts? (For some issuers, a tabular format may provide the most concise and informative presentation of these data.)	_____	_____	_____
e. If the entity has temporary equity (for example redeemable stock issued by nonpublic entities) have the disclosures required by FASB ASC 505-10-50-11 been made? [FASB ASC 815-40-50-5]	_____	_____	_____
<b>N. Weather Derivatives (FASB ASC 815-45)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed information for financial instruments, such as those required in FASB ASC 825-10-50, for weather derivative contracts, which are financial instruments within the scope of FASB ASC 815-45? [FASB ASC 815-45-50-1]	_____	_____	_____
<b>O. Fair Value Measurements and Disclosures (FASB ASC 820-10)</b>			
<i>Disclosure</i>			

**Additional Disclosure Information**

The quantitative disclosures required by FASB ASC 820-10-50 should be presented using a tabular format. [FASB ASC 820-10-50-8]

1. Has the entity properly disclosed information that enables users of its financial statements to assess both of the following:			
a. For assets and liabilities that are measured at fair value on a recurring or nonrecurring basis in the periods subsequent to initial recognition, the valuation techniques and inputs used to develop those measurements?	_____	_____	_____
b. For recurring fair value measurements using significant unobservable inputs (level 3), the effect of the measurements on earnings (or changes in net assets) or other comprehensive income for the period? [FASB ASC 820-10-50-1]	_____	_____	_____

**Additional Disclosure Information**

The quantitative disclosures required by FASB ASC 820-10-50-2 have been indefinitely deferred for employee benefit plans other than those plans that are subject to the SEC’s filing requirements by the issuance of ASU No. 2013-09, *Fair Value Measurement (Topic 820): Deferral of the Effective Date of Certain Disclosures for Nonpublic Employee Benefit Plans in Update No. 2011-04*.

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
2. Has the entity properly disclosed the following information, to meet the objectives of FASB ASC 820-10-50-1, for each interim and annual period separately for each class of assets and liabilities: ( <i>Note:</i> The reporting entity should determine appropriate classes of assets and liabilities on the basis of guidance in FASB ASC 820-10-50-2. It should provide sufficient information to permit reconciliation of the fair value measurement disclosures for the various classes of assets and liabilities to the line items in the statement of financial position.)			
<i>a.</i> For recurring and nonrecurring fair value measurements, the fair value measurement at the end of the reporting period and for nonrecurring fair value measurements, the reasons for the measurement?	_____	_____	_____
<i>b.</i> For recurring and nonrecurring fair value measurements, the level of the fair value hierarchy within which the fair value measurements are categorized in their entirety (level 1, 2, or 3)?	_____	_____	_____
<i>c.</i> The amounts of significant transfers between level 1 and level 2 of the fair value hierarchy, and the reasons for the transfers? (Significant transfers into each level should be disclosed separately from transfers out of each level.)	_____	_____	_____
<i>d.</i> For recurring and nonrecurring fair value measurements categorized with-in level 2 and level 3 of the fair value hierarchy, a description of the valuation technique(s) and the inputs used in the fair value measurement?	_____	_____	_____
<i>e.</i> If there has been a change in valuation technique (for example, changing from a market approach to an income approach or the use of an additional valuation technique), the reporting entity shall disclose that change and the reason(s) for making it?	_____	_____	_____
<i>f.</i> For fair value measurements categorized within level 3 of the fair value hierarchy, a reporting entity shall provide quantitative information about the significant unobservable inputs used in the fair value measurement? (A reporting entity is not required to create quantitative information to comply with this disclosure requirement if quantitative unobservable inputs are not developed by the reporting entity when measuring fair value). However, when providing this disclosure, a reporting entity cannot ignore quantitative unobservable inputs that are significant to the fair value measurement and are reasonably available to the reporting entity.)	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
g.	For recurring fair value measurements categorized within level 3 of the fair value hierarchy, a reconciliation of the beginning and ending balances, separately presenting changes during the period attributable to any of the following:		
i.	Total gains or losses for the period recognized in earnings (or changes in net assets), and the line item(s) in the statement of income (or activities) in which those gains or losses are recognized?		
	_____	_____	_____
ii.	Total gains or losses for the period recognized in other comprehensive income and the line item(s) in other comprehensive income in which those gains or losses are recognized?		
	_____	_____	_____
iii.	Purchases, sales, issuances, and settlements (each of those types of changes disclosed separately)?		
	_____	_____	_____
iv.	Transfers in and out, or both, of level 3, the reasons for those transfers, and the reporting entity's policy for determining when transfers between levels are deemed to have occurred? (Transfers into level 3 should be disclosed and discussed separately from transfers out of level 3.)		
	_____	_____	_____
h.	For recurring and nonrecurring fair value measurements categorized within level 3 of the fair value hierarchy, a description of the valuation processes used by the reporting entity (including, for example, how an entity decides its valuation policies and procedures and analyzes changes in fair value measurements from period to period)?		
	_____	_____	_____
i.	The amount of the total gains or losses for the period in FASB ASC 820-10-50-1(c)(1) included in earnings (or changes in net assets) that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date and a description of where those unrealized gains or losses are reported in the statement of income (or activities)?		
	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>j.</i> For recurring fair value measurements categorized within level 3 of the fair value hierarchy, a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs if a change in those inputs to a different amount might result in a significantly higher or lower fair value measurement? If there are interrelationships between those inputs and other unobservable inputs used in the fair value measurement, a reporting entity should also provide a description of those interrelationships and of how they might magnify or mitigate the effect of changes in the unobservable inputs on the fair value measurement. (To comply with this disclosure requirement, the narrative description of the sensitivity to changes in unobservable inputs shall include, at a minimum, the unobservable inputs disclosed when complying with FASB ASC 820-10-50-2(bbb).)</p>	_____	_____	_____
<p><i>k.</i> For recurring and nonrecurring fair value measurements, if the highest and best use of a nonfinancial asset differs from its current use, a reporting entity shall disclose that fact and why the nonfinancial asset is being used in a manner that differs from its highest and best use. [“Pending Content” in FASB ASC 820-10-50-2]</p>	_____	_____	_____
<p>3. Has the entity properly disclosed its policy for determining when transfers between levels of the fair value hierarchy are deemed to have occurred in accordance with FASB ASC 820-10-50-2(bb) and FASB ASC 820-10-50-2(c)(3)? (<i>Note:</i> The policy about the timing of recognizing transfers shall be the same for transfers into the levels as for transfers out of the levels.) [FASB ASC 820-10-50-2C]</p>	_____	_____	_____
<p>4. Has the entity properly disclosed, if applicable, if the entity has made an accounting policy decision to use the exception in FASB ASC 820-10-35-18D? [FASB ASC 820-10-50-2D]</p>	_____	_____	_____
<p>5. Has the entity properly disclosed for each class of assets and liabilities not measured at fair value in the statement of financial position but for which the fair value is disclosed, the information required by paragraphs 2(b), 2(bbb), and (h) of FASB ASC 820-10-50? [FASB ASC 820-10-50-2E]</p>	_____	_____	_____
<p>6. Has the entity properly disclosed both of the following:</p>			
<p><i>a.</i> The fair value disclosures required by FASB ASC 820-10-50-2(a) on a gross basis?</p>	_____	_____	_____
<p><i>b.</i> The reconciliation disclosure required by FASB ASC 820-10-50-2(c)–(d) either gross or net? [FASB ASC 820-10-50-3]</p>	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
Liability Issued With an Inseparable Third-Party Credit Enhancement			
7. Has the entity properly disclosed, for a liability issued with an inseparable third-party credit enhancement that is measured or disclosed at fair value on a recurring basis, the existence of a third-party credit enhancement on its issued liability, if such an enhancement exists? [FASB ASC 820-10-50-4A]	_____	_____	_____
Fair Value Measurements of Investments in Certain Entities That Calculate Net Asset Value Per Share (or Its Equivalent)			
8. Has the entity properly disclosed the following information regarding each class of investment that are within the scope of paragraphs 4–5 of FASB ASC 820-10-15 and that are measured at fair value, information that enables users of its financial statements to understand the nature and risks of the investment and whether the investment are probably of being sold at amounts different from net asset value per share (or its equivalent):			
<i>a.</i> 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) in the class?	_____	_____	_____
<i>b.</i> For each class of investment that includes investments that can never be redeemed with the investees, but the reporting entity receives distributions through the liquidation of the underlying assets of the investees, the reporting entity's estimate of the period of time over which the underlying assets are expected to be liquidated by the investees?	_____	_____	_____
<i>c.</i> The amount of the reporting entity's unfunded commitments related to investments in the class?	_____	_____	_____
<i>d.</i> A general description of the terms and conditions upon which the investor may redeem investments in the class?	_____	_____	_____
<i>e.</i> The circumstances in which an otherwise redeemable investment in the class (or a portion thereof) might not be redeemable? ( <i>Note:</i> For those otherwise redeemable investments that are restricted from redemption as of the reporting entity's measurement date, the reporting entity should disclose its estimate of when the restriction from redemption might lapse. If an estimate cannot be made, the reporting entity should disclose that fact and how long the restriction has been in effect.)	_____	_____	_____
<i>f.</i> Any other significant restriction on the ability to sell investments in the class at the measurement date?	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
g.	If the reporting entity determines that it is probable that it will sell an investment(s) for an amount different from net asset value per share (or its equivalent) as described in FASB ASC 820-10-35-62, the reporting entity should disclose the total fair value of all investments that meet the criteria in FASB ASC 820-10-35-62 and any remaining actions required to complete the sale?	_____	_____	_____
h.	If a group of investments would otherwise meet the criteria in FASB ASC 820-10-35-62 but the individual investments to be sold have not been identified, so the investments continue to qualify for the practical expedient in FASB ASC 820-10-35-59, the reporting entity should disclose its plans to sell and any remaining actions required to complete the sale(s)? [FASB ASC 820-10-50-6A]	_____	_____	_____
<b>P. Financial Instruments (FASB ASC 825-10)</b>				
<i>Presentation</i>				
Fair Value Option—Statement of Financial Position				
1.	Has the entity properly presented information that separates the reported assets and liabilities that are measured at fair value, pursuant to the fair value option in FASB ASC 825, <i>Financial Instruments</i> , from the carrying amounts of similar assets 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 statement of financial position 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 par. 1–2]	_____	_____	_____
Fair Value Option—Statement of Cash Flows				
2.	Has the entity properly presented cash receipts and cash payments related to items measured at fair value according to their nature and purpose as required by FASB ASC 230? [FASB ASC 825-10-45-3]	_____	_____	_____

Yes    No    N/A

*Disclosure*

Applicability of This Subsection—Entities

**Additional Disclosure Information**

The disclosure about fair values of financial instruments is optional (for annual reporting periods) for reporting entities that meet all of the following criteria:

- Are *nonpublic entities* as defined in the FASB ASC glossary.
- Have total assets of less than \$100 million on the date of the financial statements.
- Have no instrument that, in whole or in part, is accounted for as a derivative instrument under FASB ASC 815, other than commitments related to the origination of mortgage loans to be held for sale during the reporting period.

This criterion should be applied to the most recent year presented in comparative financial statements to determine the applicability of FASB ASC 825-10-50.

The following table clarifies the requirements for disclosures if prior periods are presented in comparative financial statements.

If Disclosures for the Current Period Are:	And Disclosures for Prior Periods Were:	Then Disclosures for Prior Periods Presented in Comparative Statements Are:
Optional	Optional	Optional
Optional	Required	Optional
Required	Optional	Optional
Required	Required	Required

[FASB ASC 825-10-50 par. 3–7]

Transactions

3. Has the entity properly *not* made disclosure if the requirements of FASB ASC 825-10-50 paragraphs 10–16 for the following items:

- |   |       |       |       |
|---|-------|-------|-------|
| <p><i>a.</i> Employers’ and plans’ obligations for pension benefits, other postretirement benefits including health care and life insurance benefits, postemployment benefits, employee stock option and stock purchase plans, and other forms of deferred compensation agreements?</p> | _____ | _____ | _____ |
| <p><i>b.</i> Substantively extinguished debt subject to the disclosure requirements of FASB ASC 405-20?</p>   | _____ | _____ | _____ |
| <p><i>c.</i> Insurance contracts, other than financial guarantees and investment contracts, as discussed in FASB ASC 944-20?</p>  | _____ | _____ | _____ |
| <p><i>d.</i> Lease contracts as defined in FASB ASC 840, <i>Leases</i>?</p>   | _____ | _____ | _____ |
| <p><i>e.</i> Warranty obligations?</p>  | _____ | _____ | _____ |
| <p><i>f.</i> Unconditional purchase obligations as defined in FASB ASC 440-10-50-2?</p>   | _____ | _____ | _____ |

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
g. Investments accounted for under the equity method in accordance with the requirements of FASB ASC 323, <i>Investments—Equity Method and Joint Ventures</i> ?	_____	_____	_____
h. Noncontrolling interests and equity investments in consolidated subsidiaries?	_____	_____	_____
i. Equity instruments issued by the entity and classified in stockholders' equity in the statement of financial position? [FASB ASC 825-10-50-8]	_____	_____	_____
Fair Value of Financial Instruments			
4. Has the entity properly made the following disclosures:			
a. Either in the body of the financial statements or in the accompanying notes, the fair value of financial instruments for which it is practicable to estimate the value?	_____	_____	_____
b. The method or methods and significant assumptions used to estimate the fair value of financial instruments?	_____	_____	_____
c. A description of the changes in the method or methods and significant assumptions used to estimate the fair value of financial instruments, if any, during the period?	_____	_____	_____
d. The level of the fair value hierarchy within which the fair value measurements are categorized in their entirety (level 1, 2 or 3)? [FASB ASC 825-10-50-10]	_____	_____	_____
5. Has the entity properly disclosed fair value in the notes together with the related carrying amount in a form that clarifies both (a) whether the fair value and carrying amount represent assets or liabilities and (b) how the carrying amounts relate to what is reported in the statement of financial position? [FASB ASC 825-10-50-11]	_____	_____	_____
6. Has the entity properly disclosed, if fair value information is disclosed in more than a single note, a summary table of the fair value and related carrying amounts in one note, and does the note cross-reference to the location(s) of the remaining required disclosures? [FASB ASC 825-10-50-12]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p>7. Has the entity properly <i>not</i> disclosed a net presentation of the fair value of financial instruments with the fair value of other financial instruments, even if those financial instruments are of the same class or are otherwise considered to be related, except to the extent that the offsetting of carrying amounts in the statement of financial position is permitted under the general principle in FASB ASC 210-20-45-1, or the exceptions for master netting arrangements in FASB ASC 815-10-45-5 and for amounts related to certain repurchase and reverse repurchase agreements in paragraphs 11–17 of FASB ASC 210-20-45? [FASB ASC 825-10-50-15]</p>	_____	_____	_____
<p>8. Has the entity properly made both of the following disclosures if it is not practicable (see FASB ASC 825-10-50 paragraphs 17–19 for a definition of <i>practicable</i> in this context) to estimate the fair value of a financial instrument or a class of financial instruments:</p> <p style="margin-left: 20px;">a. Information pertinent to estimating the fair value of that financial instrument or class of financial instruments, such as the carrying amount, effective interest rate, and maturity?</p> <p style="margin-left: 20px;">b. The reasons why it is not practicable to estimate fair value? [FASB ASC 825-10-50-16]</p>	_____	_____	_____
<p>Concentration of Credit Risk</p>			
<p>9. Has the entity properly disclosed, except as indicated in FASB ASC 825-10-50-22, all significant concentrations of credit risk arising from all financial instruments, whether from an individual counterparty or groups of counterparties? (<i>Note:</i> Group concentrations of credit risk exist if a number of counterparties are engaged in similar activities and have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.) <i>Note:</i> The term <i>financial instruments</i> includes derivatives accounted for under FASB ASC 815. [FASB ASC 825-10-50-20]</p>	_____	_____	_____
<p>10. Has the entity properly disclosed the following about each significant concentration: (<i>Note:</i> These disclosure requirements do not apply to financial instruments described in FASB ASC 825-10-50-8[a], [c], [e], or [f], except for reinsurance receivables and prepaid reinsurance premiums or financial instruments of a pension plan, including plan assets, if subject to the accounting and reporting requirements of FASB ASC 715, <i>Compensation—Retirement Benefits</i>.)</p> <p style="margin-left: 20px;">a. Information about the (shared) activity, region, or economic characteristic that identifies the concentration?</p>	_____	_____	_____

## Corporations

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
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, for the amount due proved to be of no value to the entity?	_____	_____	_____
c. The entity's policy of requiring collateral or other security to support financial instruments subject to credit risk, information about the entity's access to that collateral or other security, and the nature and a brief description of the collateral or other security supporting those financial instruments?	_____	_____	_____
d. The entity's policy of entering into master netting arrangements to mitigate the credit risk of financial instruments, information about the arrangements for which the entity is a party, and a brief description of the terms of those arrangements, including the extent to which they would reduce the entity's maximum amount of loss due to credit risk? [FASB ASC 825-10-50-21]	_____	_____	_____

## Market Risk of All Financial Instruments

11. Although encouraged but not required, has the entity properly disclosed quantitative information about the market risks of financial instruments that is consistent with the way it manages or adjusts those risks? Although appropriate ways of reporting that quantitative information will differ, possibilities include the following: ( <i>Note:</i> The following is not an exhaustive list and the entity is encouraged to develop other ways of reporting quantitative information.)			
a. More details about current positions and perhaps activity during the period?	_____	_____	_____
b. The hypothetical effects on comprehensive income (or net assets), or annual income, of several possible changes in market prices?	_____	_____	_____
c. A gap analysis of interest rate repricing or maturity dates?	_____	_____	_____
d. The duration of the financial instruments?	_____	_____	_____
e. The entity's value at risk from derivatives and from other positions at the end of the reporting period and the average value at risk during the year? [FASB ASC 825-10-50-23]	_____	_____	_____

## Fair Value Option—Required Disclosures as of Each Date for Which an Interim or Annual Statement of Financial Position Is Presented

12. Has the entity properly disclosed, as of each date for which a statement of financial position is presented, the following information about items measured at fair value under the option in FASB ASC 825:			
---	--	--	--

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
a. Management's reasons for electing a fair value option for each eligible item or group of similar eligible items?	_____	_____	_____
b. The following information of the fair value option is elected for some but not all eligible items within a group of similar eligible items:			
i. A description of those similar items and the reasons for partial election?	_____	_____	_____
ii. Information to enable users to understand how the group of similar items relates to individual line items on the statement of financial position?	_____	_____	_____
c. The following information for each line item in the statement of financial position that includes an item or items for which the fair value option has been elected:			
i. Information to enable users to understand how each line item in the statement of financial position relates to major categories of assets and liabilities presented in accordance with the fair value disclosure requirements in FASB ASC 820, <i>Fair Value Measurement</i> ?	_____	_____	_____
ii. The aggregate carrying amount of items included in each line item in the statement of financial position that are not eligible for the fair value option, if any?	_____	_____	_____
d. The difference between the aggregate fair value and the aggregate unpaid principal balance of the following:			
i. Loans and long term receivables (other than securities subject to FASB ASC 320) that have contractual principal amounts and for which the fair value option has been elected?	_____	_____	_____
ii. Long term debt instruments that have contractual principal amounts and for which the fair value option has been elected?	_____	_____	_____
e. For loans held as assets for which the fair value option has been elected,			
i. the aggregate fair value of loans that are 90 days or more past due?	_____	_____	_____
ii. if 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?	_____	_____	_____
iii. 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?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>f.</i> The information required by FASB ASC 323-10-50-3 (equity method and joint venture investments) for investments that would have been accounted for under the equity method if the entity had not chosen to apply the fair value option? (<i>Note:</i> This disclosure applies to investments in common stock, in-substance common stock, and other investments that both [i] would otherwise be required to be accounted for under the equity method and [ii] would be required to satisfy the requirements of FASB ASC 323-10-50-3. When applying this item, the entity should apply the guidance of FASB ASC 323-10-50-2 and FASB ASC 323-10-50-3[a] and [c].) [FASB ASC 825-10-50-28]</p>	_____	_____	_____
<p>Fair Value Option—Required Disclosures for Each Period for Which an Interim or Annual Income Statement Is Presented</p>			
<p>13. Has the entity properly disclosed, for each period for which an interim or annual income statement is presented, the following information about items measured at fair value under the option in FASB ASC 825:</p>			
<p><i>a.</i> For each line item in the statement of financial position, the amounts of gains and losses from fair value changes included in earnings during the period and in which line in the income statement those gains and losses are reported? (An entity may meet this requirement by disclosing amounts of gains and losses that include amounts of gains and losses for other items measured at fair value, such as items required to be measured at fair value.)</p>	_____	_____	_____
<p><i>b.</i> A description of how interest and dividends are measured and where they are reported in the income statement?</p>	_____	_____	_____
<p><i>c.</i> For loans and other receivables held as assets, (i) the estimated amount of gains or losses included in earnings during the period attributable to changes in instrument-specific credit risk and (ii) how the gains or losses attributable to changes in instrument-specific credit risk were determined?</p>	_____	_____	_____
<p><i>d.</i> For liabilities with fair values that have been significantly affected during the reporting period by changes in the instrument-specific credit risk, (i) the estimated amount of gains and losses from fair value changes included in earnings that are attributable to changes in the instrument-specific credit risk, (ii) qualitative information about the reasons for those changes, and (iii) how the gains and losses attributable to changes in instrument-specific credit risk were determined? [FASB ASC 825-10-50-30]</p>	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>Fair Value Option—Other Required Disclosures</b>			
14. Has the entity properly disclosed, for its annual period only, 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]	_____	_____	_____
15. Has the entity properly disclosed the following information in the financial statements for the period of the election, if it had elected the fair value option at the time one of the events in FASB ASC 825-10-25-4(d)–(e) occurred:			
a. Qualitative information about the nature of the event?	_____	_____	_____
b. Quantitative information by line item in the statement of financial position indicating which line items in the income statement include the effect of initially electing the fair value option for an item? [FASB ASC 825-10-50-32]	_____	_____	_____
<b>Q. Financial Instruments—Registration Payment Arrangements (FASB ASC 825-20)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed the following information, if it is the issuer of a registration payment arrangement, about each registration payment arrangement or each group of similar arrangements: ( <i>Note:</i> These disclosures are incremental to the disclosures that may be required under other applicable GAAP and are required even if the likelihood of the issuer having to make any payments under the arrangement is remote.)			
a. The nature of the registration payment, including all of the following:			
i. The approximate term of the arrangement?	_____	_____	_____
ii. The financial instrument(s) subject to the arrangement?	_____	_____	_____
iii. The events or circumstances that would require the issuer to transfer consideration under the arrangement?	_____	_____	_____
b. Any settlement alternatives contained in the terms of the registration payment arrangement, including the party that controls the settlement alternatives?	_____	_____	_____
c. The maximum potential amount of consideration, undiscounted, that the issuer could be required to transfer under the registration payment arrangement (including the maximum number of shares that may be required to be issued)?	_____	_____	_____
d. If the terms of the arrangement provide for no limitation to the maximum potential consideration (including shares) to be transferred, that fact should be disclosed?	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
e.	The current carrying amount of the liability representing the issuer's obligations under the registration payment arrangement?	_____	_____	_____
f.	The income statement classification of any gains or losses resulting from changes in the carrying amount of the liability representing the issuer's obligations under the registration payment arrangement? [FASB ASC 825-20-50 par. 1-2]	_____	_____	_____
<b>R. Foreign Currency Transactions (FASB ASC 830-20)</b>				
<i>Presentation</i>				
1.	Has the entity properly presented the aggregate transaction gain or loss included in determining net income for the period in the financial statement or the notes thereto? [FASB ASC 830-20-45-1]	_____	_____	_____
<i>Disclosure</i>				
2.	Has the entity properly disclosed, in the notes to the financial statements (if not disclosed in the financial statements, as discussed in FASB ASC 830-20-45-2), the aggregate transaction gain or loss included in determining net income for the period? [FASB ASC 830-20-50-1]	_____	_____	_____
<i>Subsequent Rate Changes</i>				
3.	Has the entity properly disclosed significant rate changes that have occurred after the date of the financial statements and the effects on unsettled balances related to foreign currency transactions? ( <i>Note:</i> The disclosure should include consideration of changes in unsettled transactions from the date of the financial statements to the date that the rate changed. Further, in some cases it is not practicable to determine these changes, if so, the entity should disclose that fact.) [FASB ASC 830-20-50-2]	_____	_____	_____
<i>Effects of Rate Changes on Results of Operations</i>				
4.	Although encouraged but not required, has the entity supplemented the disclosures required by FASB ASC 830-20-50 with an analysis and discussion of the effects of rate changes on the reported results of operations? ( <i>Note:</i> This type of disclosure might include the mathematical effects of translating revenue and expenses at rates that are different from those used in a preceding period as well as the economic effects of rate changes, such as the effects on selling prices, sales volume, and cost structures. The purpose is to assist financial report users in understanding the broader economic implications of rate changes and to compare recent results with those of prior periods.) [FASB ASC 830-20-50-3]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>S. Foreign Currency Matters—Translation of Financial Statements</b> (FASB ASC 830-30)			
<i>Disclosure</i>			
Analysis of Changes in Cumulative Translation Adjustment			
1. Has the entity properly disclosed an analysis of the changes during the period in the accumulated amount of translation adjustments reported in equity, either in a separate financial statement, as a part of the statement of changes in equity or in the notes to the financial statements? (See FASB ASC 830-30-45-20 for minimum disclosure requirements.) [FASB ASC 830-30-50-1]	_____	_____	_____
Subsequent Rate Change			
2. Has the entity properly disclosed, if significant rate changes have occurred after the date of the financial statements, the rate change and its effects on unsettled balances related to foreign currency transactions, if significant? [FASB ASC 830-30-50-2]	_____	_____	_____
<b>T. Capitalization of Interest</b> (FASB ASC 835-20)			
<i>Disclosure</i>			
1. Has the entity properly disclosed the following information regarding interest cost, in the financial statement or related notes:			
a. For accounting periods in which no interest is capitalized, the amount of interest cost incurred and charged to expense during the period?	_____	_____	_____
b. For an accounting period in which some interest cost is capitalized, the total amount of interest cost incurred during the period and the amount thereof that has been capitalized? [FASB ASC 835-20-50-1]	_____	_____	_____
<b>U. Imputation of Interest</b> (FASB ASC 835-30)			

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**Additional Presentation Information**

This subtopic does not apply to the amortization of premium and discount and debt issuance costs of liabilities that are reported at fair value.  
[FASB ASC 835-30-45-1]

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*Presentation*

1. Has the entity properly presented the following, if the entity has notes that are noninterest bearing or have an inappropriately stated interest rate:			
a. The discount or premium as a deduction from or addition to the face amount of the note?	_____	_____	_____
b. The effective interest rate and face amount of the note?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
c. Amortization of discount or premium as interest in the income statement? ( <i>Note:</i> See FASB ASC 835-30-55-8 for an illustration of balance sheet presentation of a discount on a note.)	_____	_____	_____
d. Issue costs on the balance sheet as deferred charges? [FASB ASC 835-30-45 par. 1-4]	_____	_____	_____
<b>V. Leases—Overall (Lessees) (FASB ASC 840-10)</b>			
<i>Presentation</i>			
1. Has the entity properly presented the accounts of any subsidiaries whose principal business activity is leasing property or facilities to the parent or other affiliated entities on a consolidated basis? ( <i>Note:</i> The equity method is not adequate for fair presentation of those subsidiaries.) [FASB ASC 840-10-45-1]	_____	_____	_____
<i>Disclosure</i>			
2. Has the entity properly disclosed the nature and extent of leasing transactions with related parties? [FASB ASC 840-10-50-1]	_____	_____	_____
3. Has the entity, as a lessee, properly disclosed, in its financial statements or notes thereto, a general description of its leasing arrangements, including, but not limited to:			
a. The basis on which contingent rental payments are determined?	_____	_____	_____
b. The existence and terms of renewal or purchase options and escalation clauses?	_____	_____	_____
c. Restrictions imposed by lease agreements, such as those concerning dividends, additional debt, and further leasing? [FASB ASC 840-10-50-2]	_____	_____	_____
<b>W. Operating Leases (Lessees) (FASB ASC 840-20)</b>			
<i>Presentation</i>			
1. Has the entity properly presented rental costs in the lessee's income from continuing operations? [FASB ASC 840-20-45-1]	_____	_____	_____
<i>Disclosure</i>			
2. Has the entity properly disclosed, for all operating leases, the rental expense for each period for which an income statement is presented, with separate amounts for minimum rentals, contingent rentals, and sublease rentals? ( <i>Note:</i> Rental payments under leases with terms of a month or less that were not renewed need not be included.) [FASB ASC 840-20-50-1]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
3. Has the entity properly disclosed, for all operating leases having initial or remaining noncancelable lease terms in excess of one year (a) the future minimum rental payments required as of the date of the latest balance sheet presented, in aggregate and for each of the five succeeding fiscal years, and (b) the total of minimal rentals to be received in the future under noncancelable subleases as of the date of the latest balance sheet presented? [FASB ASC 840-20-50-2]	_____	_____	_____
<b>X. Capital Leases (Lessees) (FASB ASC 840-30)</b>			
<i>Presentation</i>			
1. Has the entity properly presented assets recorded under capital leases and the accumulated amortization thereon separately in the lessee's balance sheet or notes thereto? [FASB ASC 840-30-45-1]	_____	_____	_____
2. Has the entity properly presented obligations under capital leases and separately identified them as such in the lessee's balance sheet and have they been properly classified using the same consideration as other obligations in classifying them with current and noncurrent liabilities in classified balance sheets? [FASB ASC 840-30-45-2]	_____	_____	_____
3. Has the entity properly presented interest expense or amortization of leased assets with depreciation expense and properly disclosed that fact, or properly presented the amortization charge as a separate disclosure in the financial statements or notes thereto? [FASB ASC 840-30-45-3]	_____	_____	_____
<i>Disclosure</i>			
4. Has the entity properly disclosed the following information, in the financial statements or notes thereto, about capital leases:			
a. The gross amounts of assets recorded under capital leases as of each balance-sheet date presented by major classes according to nature or function? ( <i>Note:</i> This information may be combined with comparable information for owned assets.)	_____	_____	_____
b. The future minimum lease payments as of the latest balance sheet presented in the aggregate and for each of the five succeeding fiscal years with separate deductions from the total for the amount representing executory costs, including any profit thereon, included in the minimum lease payments and for the amount of imputed interest necessary to reduce net minimum lease payments to present value?	_____	_____	_____
c. The total of future minimum sublease rentals to be received in the future under noncancelable subleases as of the latest balance-sheet date?	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
	d. The total contingent rentals actually incurred for each period for which an income statement is presented? [FASB ASC 840-30-50-1]	_____	_____	_____
<b>Y.</b>	<b>Sale-Leaseback Transactions (Lessees) (FASB ASC 840-40)</b>			
	<i>Disclosure</i>			
	1. Has the entity properly disclosed in the financial statements, as a seller-lessee, a description of the terms of the sale-leaseback transaction including future commitments, obligations, provisions, or circumstances that require or result in the seller-lessee's continuing involvement? [FASB ASC 840-40-50-1]	_____	_____	_____
	Real Estate—Transactions That Do Not Qualify for Sale-Leaseback Accounting			
	2. Has the entity properly disclosed in the financial statements, as a seller-lessee that has accounted for a sale-leaseback transaction by the deposit method or as a financing according to the guidance of FASB ASC 840-40, both of the following:			
	a. The obligation for future minimum lease payments as of the date of the latest balance sheet presented in the aggregate and for each of the five succeeding fiscal years?	_____	_____	_____
	b. The total of minimum sublease rentals, if any, to be received in the future under noncancelable subleases in the aggregate and for each of the five succeeding fiscal years? [FASB ASC 840-40-50-2]	_____	_____	_____
<b>Z.</b>	<b>Leases—Overall (Lessors) (FASB ASC 840-10)</b>			
	<i>Disclosure</i>			
	1. Has the entity properly disclosed the nature and extent of leasing transactions with related parties? [FASB ASC 840-10-50-1]	_____	_____	_____
	2. Has the entity properly disclosed, in the financial statements or footnotes thereto, a general description of the leasing arrangements if a significant part of the entity's business activities is leasing activity? [FASB ASC 840-10-50-4]	_____	_____	_____
	3. Has the entity properly disclosed (a) its accounting policy for contingent rental income, and (b) if a lessor accrues contingent rental income before the lessee's achievement of the specified target (provided the achievement of that target is considered probable), disclosure of the impact on rental income presented as if the lessor's accounting policy was to defer contingent rental income until the specified target is met? [FASB ASC 840-10-50-5]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>AA. Operating Leases (Lessors) (FASB ASC 840-20)</b>			
<i>Presentation</i>			
1. Has the entity properly presented leased property with or near property, plant, and equipment in the balance sheet? [FASB ASC 840-20-45-2]	_____	_____	_____
2. Has the entity properly presented accumulated depreciation as a deduction in the investment in the leased property in the balance sheet? [FASB ASC 840-20-45-3]	_____	_____	_____
<i>Disclosure</i>			
3. Has the entity properly disclosed, in the financial statements or footnotes thereto, the following, if a significant part of the entity's business activities are the result of leasing activity:			
a. The cost and carrying amount (if different) of property on lease or held for leasing by major classes of property according to nature and function, and the amount of accumulated depreciation in total as of the latest balance-sheet date?	_____	_____	_____
b. The minimum future rentals on noncancelable leases as of the latest balance-sheet date presented, in the aggregate and for each of the five succeeding fiscal years?	_____	_____	_____
c. The total contingent rentals included in income for each period for which an income statement is presented? [FASB ASC 840-20-50-4]	_____	_____	_____
<b>BB. Capital Leases (Lessors) (FASB ASC 840-30)</b>			
<i>Presentation</i>			
Sales-Type Leases and Direct Financing Leases			
1. Has the entity properly presented the net investment in a sales-type or direct financing lease(s) using the same considerations as other assets in classification as current or noncurrent assets in a classified balance sheet? [FASB ASC 840-30-45-4]	_____	_____	_____
Leveraged Leases			
2. Has the entity properly presented, for the purposes of presenting the investment in a leveraged lease, the amount of related deferred taxes separately from the remainder of the net investment, in the balance sheet, and the amount of pretax income, the tax effect of pretax income, and the amount of investment tax credit recognized, separately, in the income statement or notes thereto? [FASB ASC 840-30-45-5]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<i>Disclosure</i>			
Sales-Type Leases and Direct Financing Leases			
3.			
Has the entity properly disclosed, in the financial statements or footnotes thereto, the following, if a significant part of the entity's business activities are the result of sales-type and direct financing leasing activity:			
a.			
The components of the net investment in sales-type and direct financing leases as of each balance-sheet date:			
i.			
Future minimum lease payments to be received, with separate deductions for (1) amounts representing executory costs, including any profit thereon, included in minimum lease payments and (2) the accumulated allowances for uncollectible minimum lease payments receivable?			
ii.			
The unguaranteed residual values accruing to the benefit of the lessor?			
iii.			
For direct financing leases only, initial direct costs?			
iv.			
Unearned income?			
b.			
The future minimum lease payments to be received for each of the five succeeding fiscal years as of the latest balance sheet presented?			
c.			
The total contingent rentals included in income for each period for which an income statement is presented? [FASB ASC 840-30-50-4]			
Leveraged Leases			
4.			
Has the entity properly disclosed, in the notes to the financial statements, the following, as set forth in FASB ASC 840-30-25-8, if a significant part of the entity's business activities are the result of leveraged leasing activity:			
a.			
Rentals receivable?			
b.			
Investment-tax-credit receivable?			
c.			
Estimated residual value of the leased asset?			
d.			
Unearned and deferred income? [FASB ASC 840-30-50-5]			
5.			
Has the entity properly disclosed, if accounting for the effect on leveraged leases of the change in tax rates results in a significant variation from the customary relationship between income tax expense and pretax accounting income and the reason for that variation is not otherwise apparent, the reason for that variation? [FASB ASC 840-30-50-6]			

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>CC. Nonmonetary Transactions (FASB ASC 845-10)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed the following, related to nonmonetary transactions during the period:			
a. The nature of the transactions?	_____	_____	_____
b. The basis of accounting for the assets transferred?	_____	_____	_____
c. Any gains or losses recognized on the transfers? [FASB ASC 845-10-50-1]	_____	_____	_____
2. Has the entity properly disclosed, in each period's financial statements, the amount of gross operating revenue recognized as a result of nonmonetary transactions (see FASB ASC 505-50)? [FASB ASC 845-10-50-2]	_____	_____	_____
<i>Purchase and Sale of Inventory</i>			
3. Has the entity properly disclosed the amount of revenue and costs (or gains and losses) associated with inventory exchanges recognized at fair value? [FASB ASC 845-10-50-3]	_____	_____	_____
<b>DD. Related Party Disclosures (FASB ASC 850-10)</b>			
<i>Disclosure</i>			
1. Has the entity properly disclosed the following for material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business (excluding any that are eliminated in the preparation of consolidated or combined financial statements):			
a. The nature of the relationship(s) involved?	_____	_____	_____
b. A description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are 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 income statements are presented and the effect 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. If the entity issues separate financial statements <i>and</i> is a member of a group that files a consolidate tax return,			

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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<ul style="list-style-type: none"> <li>i. the aggregate amount of current and deferred tax expense for each statement of earnings presented and the amount of any tax-related balances due to or from affiliates as of the date of each statement of financial position presented?</li> </ul>	_____	_____	_____
<ul style="list-style-type: none"> <li>ii. the principal provisions of the method by which the consolidated amount of current and deferred tax expense is allocated to members of the group and the nature and effect of any changes in that method (and in determining related balances to or from affiliates) during the years for which the preceding disclosures are presented? [FASB ASC 850-10-50-1]</li> </ul>	_____	_____	_____
2. Has the entity shown separately notes or accounts receivable from officers, employees, or affiliated entities and not included them under a general heading (such as notes receivable or accounts receivable)? [FASB ASC 850-10-50-2]	_____	_____	_____
3. Has the entity properly disclosed, if necessary to understand the relationship, the name of the related party? [FASB ASC 850-10-50-3]	_____	_____	_____
4. Has the entity properly <i>not</i> disclosed duplicate disclosures in a separate set of financial statements that are presented in the financial report of another entity (the primary entity) if those separate financial statements are also consolidated or combined in a complete set of financial statements and both sets of financial statements are presented in the same financial report? [FASB ASC 850-10-50-4]	_____	_____	_____
Purchase and Sales of Inventory			
5. Has the entity properly disclosed representations about transactions with related parties in such a manner that they avoid the implication that the related party transactions were consummated at arm's length, or if such implications are made, can they be substantiated? [FASB ASC 850-10-50-5]	_____	_____	_____
Control Relationships			
6. If the reporting entity and one or more other entities are under common ownership or common control and the existence of that control could result in operating results or financial position of the reporting entity being significantly different from those that would have been obtained if the entities were autonomous, has the entity properly disclosed the nature of a control relationship, even if there are no transactions between the entities? [FASB ASC 850-10-50-6]	_____	_____	_____

## EE. Reorganizations (FASB ASC 852-10 and FASB ASC 852-20)

Yes      No      N/A

**Additional Presentation and Disclosure Information**

For entities involved in reorganizations, see FASB ASC 852-10 for presentation and disclosure information. For entities involved in quasi-reorganizations, see FASB ASC 852-20 for presentation and disclosure information.

**FF. Subsequent Events (FASB ASC 855-10)**

*Disclosure*

Dates Through Which Subsequent Events Have Been Evaluated

- |    |   |       |       |       |
|----|---|-------|-------|-------|
| 1. | Has the entity properly disclosed the following regarding subsequent events:  |       |       |       |
| a. | The date through which subsequent events have been evaluated?   | _____ | _____ | _____ |
| b. | Whether the date disclosed in item <i>a</i> is the date the financial statements were issued, or the date the financial statements were available to be issued?<br>[FASB ASC 855-10-50-1] | _____ | _____ | _____ |

Nonrecognized Subsequent Events

- |    |   |       |       |       |
|----|---|-------|-------|-------|
| 2. | Has the entity properly disclosed the following regarding nonrecognized subsequent events such that the financial statements are kept from being misleading:  |       |       |       |
| a. | The nature of the event?  | _____ | _____ | _____ |
| b. | An estimate of its financial effect, or a statement that such an estimate cannot be made?<br>[FASB ASC 855-10-50-2]   | _____ | _____ | _____ |
| 3. | Has the entity considered disclosing, regarding significant nonrecognized subsequent events, historical financial statements with pro forma financial data, including the presentation of pro forma statements (usually a balance sheet only, in columnar form on the face of the historical statements)?<br>[FASB ASC 855-10-50-3] | _____ | _____ | _____ |

Reissuance of Financial Statements

- |    |  |       |       |       |
|----|--|-------|-------|-------|
| 4. | Has the entity properly disclosed in revised financial statements the dates through which subsequent events have been evaluated in both the issued or available to be issued financial statements and in the revised financial statements?<br>[FASB ASC 855-10-50-4] | _____ | _____ | _____ |
|----|--|-------|-------|-------|

Yes      No      N/A

**GG. Transfers and Servicing (FASB ASC 860-10)**

*Disclosure*

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**Additional Disclosure Information**

Note that FASB ASC 860-10-50 contains disclosures that apply only to public companies.

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*Public Entity Disclosures*

Public Entities—Disclosure Objectives

- |  |       |       |       |
|--|-------|-------|-------|
| <p>1. Has the entity properly disclosed, in order to meet the objectives of the public entity disclosure requirements of FASB ASC 860, <i>Transfers and Servicings</i>, the following in order to provide the financial statement users an understanding of the following:</p>   |       |       |       |
| a. A transferor's continuing involvement, if any, with transferred financial assets?   | _____ | _____ | _____ |
| b. The nature of any restrictions on assets reported by an entity in its statement of financial position that related to a transferred financial asset, including the carrying amounts of such assets?   | _____ | _____ | _____ |
| c. How servicing assets and servicing liabilities are reported under FASB ASC 860-50?  | _____ | _____ | _____ |
| d. For both of the following, how the transfer of financial assets affects an entity's financial position, financial performance, and cash flows:  |       |       |       |
| i. Transfers accounted for as sales, if a transferor has continuing involvement with the transferred financial assets?   | _____ | _____ | _____ |
| ii. Transfers of financial assets accounted for as secured borrowing?<br>[FASB ASC 860-10-50-3]  | _____ | _____ | _____ |
| 2. Has the entity achieved the objectives in FASB ASC 860-10-50-3 through their disclosures, regardless of whether any of the specific disclosures of FASB ASC 860, including any possible supplemental disclosures depending on the following apply (disclosures required for a particular form of continuing involvement should be considered when determining whether the disclosure objectives of FASB ASC 860 have been met): |       |       |       |
| a. The facts and circumstances of the transfer?  | _____ | _____ | _____ |
| b. The nature of an entity's continuing involvement with the transferred financial assets?   | _____ | _____ | _____ |
| c. The effect of an entity's continuing involvement on the transferor's financial position, financial performance, and cash flows?<br>[FASB ASC 860-10-50-4]   | _____ | _____ | _____ |

Aggregation of Certain Disclosures

Yes      No      N/A

**Additional Disclosure Information**

FASB ASC 860-10-50-5, in determining whether to aggregate the disclosures for multiple transfers, the reporting entity should consider quantitative and qualitative information about the characteristics of the transferred financial assets, including the following:

- The nature of the transferor’s continuing involvement
- The types of financial assets transferred
- Risks related to the transferred financial assets to which the transferor continues to be exposed after the transfer and the change in the transferor’s risk profile as a result of the transfer
- The guidance in FASB ASC 310-10-50-25 (for risks and uncertainties) and paragraphs 1–2 of FASB ASC 825-10-55 (for considerations involving loan product terms)

- |    |  |       |       |       |
|----|--|-------|-------|-------|
| 3. | Has the entity properly disclosed the following, if it aggregates disclosures for similar transfers (and separate reporting would not provide more information): |       |       |       |
|    | a. How similar transfers are aggregated?   | _____ | _____ | _____ |
|    | b. A distinguishment between transfers that are accounted for as secured borrowings and transfers that are accounted for as sales?<br>[FASB ASC 860-10-50-4A]    | _____ | _____ | _____ |

**HH. Sales of Financial Assets (FASB ASC 860-20)**  
*Disclosure*

**Additional Disclosure Information**

FASB ASC 860-20-50 contains disclosures for both nonpublic and public companies.

Nonpublic Entities—Disclosures For Each Income Statement Presented

- |    |   |       |       |       |
|----|---|-------|-------|-------|
| 1. | Has the entity properly disclosed the following, for each income statement period presented, the following:   |       |       |       |
|    | a. The characteristics of the transfer, including (i) a description of the transferor’s continuing involvement with the transferred financial assets, (ii) the nature and fair value of the assets obtained as proceeds and the liabilities incurred in the transfer, and (iii) the gain or loss from the sale of transferred financial assets? | _____ | _____ | _____ |
|    | b. For the initial fair value measurements in item <i>a</i> , the level within the fair value hierarchy, as described in FASB ASC 820, in which fair value measurements fall, segregating fair value measurements into each “level”?  | _____ | _____ | _____ |
|    | c. For the initial fair value measurements in item <i>a</i> , the 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 quantitative information about all of the following:                        |       |       |       |
|    | i. Discount rates?  | _____ | _____ | _____ |

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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
ii. Expected prepayments including the expected weighted-average life of prepayable financial assets?	_____	_____	_____
iii. Anticipated credit losses, including expected static pool losses?	_____	_____	_____
d. For the initial fair value measurements in item <i>a</i> , the valuation technique(s) used to measure fair value?	_____	_____	_____
e. Cash flows between a transferor and transferee, including (i) proceeds from new transfers, (ii) proceeds from collections reinvested in revolving-period transfers, (iii) purchases of previously transferred financial assets, (iv) servicing fees, and (v) cash flows received from a transferor's interests? [FASB ASC 860-20-50-3]	_____	_____	_____

Nonpublic Entities—Disclosures For Each Statement of Financial Position Presented

2. Has the entity properly disclosed the following, for each statement of financial presented, regardless of when the transfer occurred, the following:

a. Qualitative and quantitative information about the transferor's continuing involvement with transferred financial assets that provides financial statement users with sufficient information to assess the reasons for the continuing involvement and the risks related to the transferred financial assets to which the transferor continues to be exposed after the transfer and the extent that the transferor's risk profile has changed as a result of the transfer, including the following:			
i. The total principal amount outstanding?	_____	_____	_____
ii. The amount that has been derecognized?	_____	_____	_____
iii. The amount that continues to be recognized in the statement of financial position?	_____	_____	_____
iv. The terms of any arrangements that could require the transferor to provide financial support to the transferee or its beneficial interest holders, including (1) a description of any events or circumstances that could expose the transferor to loss and (2) the amount of the maximum exposure to loss?	_____	_____	_____
v. Whether the transformer has provided financial or other support during the periods presented that it was not previously contractually required to provide to the transferee or its beneficial interest holders, including (1) the type and amount of support and (2) the primary reason for providing the support?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
vi. Although encouraged, but not required, information about any liquidity arrangements, guarantees, or other commitments by third parties related to the transferred financial assets that may affect the fair value or risk of the related transferor's interest?	_____	_____	_____
b. The entity's accounting policies for subsequently measuring assets or liabilities that relate to the continuing involvement with the transferred financial assets?	_____	_____	_____
c. The key inputs and assumptions used in measuring the fair value of those interests including, at a minimum, quantitative information about (i) discount rates, (ii) expected prepayments including the expected weighted-average life of prepayable financial assets, and (iii) anticipated credit losses, if applicable? ( <i>Note:</i> If the entity has aggregated transfers during a period in accordance with FASB ASC 860-10-50-5, it may disclose the range of assumptions.)	_____	_____	_____
d. A sensitivity analysis or stress test showing the hypothetical effect on the fair value of those interests (including any servicing assets or servicing liabilities) of two or more unfavorable variations from the expected levels for each key assumption that is reported under item c independently from any change in another key assumption?	_____	_____	_____
e. A description of the objectives, methodology, and limitations of the sensitivity analysis or stress test?	_____	_____	_____
f. Information about the asset quality of transferred financial assets and any other financial assets that it manages together with them? ( <i>Note:</i> This information should be separated between assets that have been derecognized and assets that continue to be recognized in the statement of financial position. This information is intended to provide financial statement users with an understanding of the risks inherent in the transferred financial assets as well as in other financial assets and liabilities that it manages together with transferred financial assets.) [FASB ASC 860-20-50-4]	_____	_____	_____
All Entities Within the Scope of Subtopic—Sales of Loans and Trade Receivables			
3. Has the entity properly disclosed 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 cost or fair value) separately in the financial statements or in the notes to the financial statements? [FASB ASC 860-20-50-5]	_____	_____	_____

		<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>II. Secured Borrowing and Collateral (FASB ASC 860-30)</b>				
<i>Presentation</i>				
1.	Has the entity properly presented a collateral asset, which the secured party has the right by contract or custom to sell or repledge, separately from other assets not so encumbered, in its statement of financial position? [FASB ASC 860-30-45-1]	_____	_____	_____
2.	Has the entity properly presented liabilities incurred by either the secured party or the obligor in securities borrowing or resale transactions separately? [FASB ASC 860-30-45-2]	_____	_____	_____
<i>Disclosure</i>				
<i>Collateral</i>				
3.	Has the entity properly disclosed the following, regarding collateral:			
a.	If the entity has entered into repurchase agreements or securities lending transactions, its policy for requiring collateral or other security?	_____	_____	_____
b.	As of the date of the latest statement of financial position presented, the carrying amount and classifications of any assets pledged as collateral that are not reclassified and separately reported in the statement of financial position in accordance with FASB ASC 860-30-25-5(a) and associated liabilities, and qualitative information about the relationship(s) between those assets and associated liabilities?	_____	_____	_____
c.	If the entity has accepted collateral that it is permitted by contract or custom to sell or repledge, the fair value (as of the date of each statement of financial position presented) of that collateral and of the portion of that collateral that it has sold or repledged, and information about the sources and uses of that collateral? [FASB ASC 860-30-50-1A]	_____	_____	_____
<i>Disclosure for Repurchase Agreements and Securities Lending Transactions</i>				
4B.	<b>(ASU No. 2013-01)</b> Has the entity disclosed the information required by paragraphs 1–6 of FASB ASC 210-20-50 for both of the following that are either offset in accordance with FASB ASC 210-20-45 or subject to an enforceable master netting arrangement or similar agreement:			
a.	Recognized repurchase agreements and reverse sale and repurchase agreements?	_____	_____	_____
b.	Recognized securities borrowing and securities lending transactions? [“Pending Content” in FASB ASC 860-30-50-4]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>JJ. Servicing Assets and Liabilities (FASB ASC 860-50)</b>			
<i>Presentation</i>			
1. Has the entity properly presented recognized servicing assets and servicing liabilities that are subsequently measured using the fair value measurement method in a manner that separates those carrying amounts on the face of the statement of financial position from the carrying amounts for separately recognized servicing assets and servicing liabilities that are subsequently measured using the amortization method? [FASB ASC 860-50-45-1]	_____	_____	_____
2. Has the entity properly presented the information, in order to accomplish the separate reporting in FASB ASC 860-40-45-1, either by (a) displaying separate line items for the amounts that are subsequently measured using the fair value measurement method and amounts that are subsequently measured using the amortization method, or (b) presenting the aggregate of those amounts that are subsequently measured at fair value and those amounts that are subsequently measured using the amortization method and by disclosing parenthetically the amount that is subsequently measured at fair value is included in the aggregate amount? [FASB ASC 860-50-45-2]	_____	_____	_____
<i>Disclosure</i>			
All Servicing Assets and Servicing Liabilities			
3. Has the entity properly disclosed the following regarding all servicing assets and servicing liabilities:			
a. Management's basis for determining its classes of servicing assets and servicing liabilities?	_____	_____	_____
b. A description of the risks inherent in servicing assets and servicing liabilities and, if applicable, the instruments used to mitigate the income statement effect of changes in fair value of the servicing assets and servicing liabilities?	_____	_____	_____
c. The amount of <i>contractually specified servicing fees</i> (as defined in the FASB ASC glossary), late fees, and ancillary fees earned for each period for which results of operations are presented, including a description of where each amount is reported in the statement of income?	_____	_____	_____
d. Quantitative and qualitative information about the assumptions used to estimate fair value?	_____	_____	_____

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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p>e. Although not required, the entity is encouraged to disclose quantitative information about the instruments used to manage the risks inherent in servicing assets and servicing liabilities, including the fair value of those instruments at the beginning and the end of the period, and quantitative and qualitative information about the assumptions used to estimate the fair value of those instruments? [FASB ASC 860-50-50-2]</p>	_____	_____	_____
Servicing Assets and Servicing Liabilities Subsequently Measured at Fair Value			
<p>4. Has the entity properly disclosed the following regarding all servicing assets and servicing liabilities subsequently measured at fair value:</p> <p>a. For each class of servicing assets and servicing liabilities, the activity in the balance of servicing assets and the activity in the balance of servicing liabilities (including a description of where changes in fair value are reported in the statement of income for each period for which results of operations are presented), including, but not limited to, the following:</p> <p>i. The beginning and ending balances?</p> <p>ii. Additions (through purchases of servicing assets, assumptions of servicing obligations, and recognition of servicing obligations that result from transfers of financial assets)?</p> <p>iii. Disposals?</p> <p>iv. Changes in the fair value during the period resulting from changes in valuation inputs or assumptions used in the valuation model?</p> <p>v. Changes in the fair value during the period resulting from other changes in fair value and a description of those changes?</p> <p>vi. Other changes that affect the balance and a description of those changes? [FASB ASC 860-50-50-3]</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>
Servicing Assets and Servicing Liabilities Subsequently Amortized			
<p>5. Has the entity properly disclosed the following regarding all servicing assets and servicing liabilities subsequently measured under the amortization method:</p> <p>a. For each class of servicing assets and servicing liabilities, the activity in the balance of servicing assets and the activity in the balance of servicing liabilities (including a description of where changes in the carrying amount are reported in the statement of income for each period for which results of operations are presented), including, but not limited to, the following:</p> <p>i. The beginning and ending balances?</p>	<p>_____</p>	<p>_____</p>	<p>_____</p>

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
ii. Additions (through purchases of servicing assets, assumption of servicing obligations, and recognition of servicing obligations that result from transfers of financial assets)?	_____	_____	_____
iii. Disposals?	_____	_____	_____
iv. Amortization?	_____	_____	_____
v. Application of valuation allowance to adjust carrying value of servicing assets?	_____	_____	_____
vi. Other-than-temporary impairments?	_____	_____	_____
vii. Other changes that affect the balance and a description of those changes?	_____	_____	_____
b. For each class of servicing assets and servicing liabilities, the fair value of recognized servicing assets and servicing liabilities at the beginning and end of the period?	_____	_____	_____
c. The risk characteristics of the underlying financial assets used to stratify recognized servicing assets for purposes of measuring impairment in accordance with FASB ASC 860-50-35-9? ( <i>Note:</i> If the predominant risk characteristics and resulting stratums are changes, that fact and the reasons for those changes should be included in the disclosures about the risk characteristics of the underlying financial assets used to stratify the recognized servicing assets in accordance with FASB ASC 860-50-50-4.)	_____	_____	_____
d. The activity by class in any valuation allowance for impairment of recognized servicing assets—including beginning and ending balances, aggregate additions charged and recoveries credited to operations, and aggregate write-downs charged against the allowance—for each period for which results of operations are presented? [FASB ASC 860-50-50-4]	_____	_____	_____
All Entities Within the Scope of Subtopic—Servicing Assets and Servicing Liabilities Which Subsequently Measurement at Fair Value Is Elected as of the Beginning of the Fiscal Year			
6. Has the entity properly disclosed separately, if it elected under FASB ASC 860-50-35-3(d) to subsequently measure a class of servicing assets and servicing liabilities at fair value at the beginning of the fiscal year, the amount of the cumulative-effect adjustment to retained earnings? [FASB ASC 860-50-50-5]	_____	_____	_____



## Part 2

# Auditors' Reports Checklist

.01 This checklist has been developed by the staff of the Accounting and Auditing Publications Team of the AICPA as a nonauthoritative practice aid. This checklist contains the basic requirements for reporting on an audit of the financial statements in accordance with generally accepted auditing standards.

.02 The Public Company Accounting Oversight Board (PCAOB) establishes standards for audits of *issuers*, as that term is defined by the Sarbanes-Oxley Act of 2002, or whose audit is prescribed by the rules of the Securities and Exchange Commission. Other entities are referred to as *nonissuers*. This checklist does *not* address PCAOB standards. However, the auditor may be engaged to audit and report on the effectiveness of an entity's internal control over financial reporting in accordance with PCAOB auditing standards. In those cases, the auditor should modify this checklist considering the guidance in PCAOB standards. If the auditor is engaged to audit both an entity's financial statements and management's assessment of the effectiveness of internal control over financial reporting in accordance with PCAOB auditing standards, refer to paragraphs 85–98 of PCAOB Auditing Standard No. 5, *An Audit of Internal Control Over Financial Reporting That Is Integrated with An Audit of Financial Statements* (AICPA, *PCAOB Standards and Related Rules, Auditing Standards*), for the audit reports that should be used.

.03 Explanation of References:

AU-C = Reference to clarified section number in AICPA *Professional Standards*

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>Auditor's Report</b>			
<b>Title</b>			
1. Does the report have a title that includes the word <i>independent</i> to clearly indicate that it is the report of an independent auditor? [AU-C 700.23 and .A18]	_____	_____	_____
<b>Addressee</b>			
2. Is the report addressed to the entity whose financial statement is being audited or to its board of directors or stockholders as required by the engagement? [AU-C 700.24 and .A19]	_____	_____	_____
<b>Introductory Paragraph</b>			
3. Does the introductory paragraph			
<i>a.</i> identify the entity whose financial statements have been audited?	_____	_____	_____
<i>b.</i> state that the financial statements have been audited?	_____	_____	_____
<i>c.</i> identify the title of each statement that the financial statements comprise?	_____	_____	_____
<i>d.</i> state the date or period covered by each financial statement that the financial statements comprise? [AU-C 700.25 and .A20–.A23]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>Management's Responsibility for the Financial Statements</b>			
4. Does the auditor's report include a section with the heading "Management's Responsibility for the Financial Statements"? [AU-C 700.26]	_____	_____	_____
5. Does the auditor's report describe management's responsibility for the preparation and fair presentation of the financial statements including			
<i>a.</i> an explanation that management is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework?	_____	_____	_____
<i>b.</i> the responsibility that includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error? [AU-C 700.27 and .A24]	_____	_____	_____
6. Does the description about management's responsibility appropriately not refer to a separate statement prepared by management? [AU-C 700.28]	_____	_____	_____
<b>Auditor's Responsibility</b>			
7. Does the report include a section with the heading "Auditor's Responsibility"? [AU-C 700.29]	_____	_____	_____
8. Does the auditor's report state that the responsibility of the auditor is to express an opinion on the financial statements based on the audit? [AU-C 700.30 and .A26]	_____	_____	_____
9. Does the auditor's report state that the audit was conducted in accordance with GAAS and identify the United States of America as the country of origin of those standards and that those standards require the auditor to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement? [AU-C 700.31 and .A27-.A28]	_____	_____	_____
10. If applicable, when the auditor's report refers to both GAAS and another set of auditing standards, does the auditor's report identify the other set of auditing standards as well as their origin? [AU-C 700.43]	_____	_____	_____
11. Does the auditor's report describe an audit by stating			
<i>a.</i> that an audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p>b. that procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error and that in making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, and accordingly, no such opinion is expressed? (<i>Note:</i> If the auditor has the responsibility to express an opinion on the effectiveness of internal control in conjunction with the audit of the financial statements, the auditor should omit the phrase "that the auditor's consideration of internal control is not for the purpose of expressing an opinion on the effectiveness of internal control, and accordingly, no such opinion is expressed.")</p>	_____	_____	_____
<p>c. that an audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the financial statements? [AU-C 700.32]</p>	_____	_____	_____
<p>12. Does the auditor's report state whether the auditor believes that the audit evidence the auditor has obtained is sufficient and appropriate to provide a basis for the auditor's opinion? [AU-C 700.33]</p>	_____	_____	_____
<b>Auditor's Opinion</b>			
<p>13. Does the auditor's report include a section with the heading "Opinion"? [AU-C 700.34]</p>	_____	_____	_____
<p>14. Does the auditor's opinion state that the financial statements present fairly, in all material respect, the financial position of the entity as of the balance sheet date and the results of its operations and its cash flows for the period then ended, in accordance with the applicable financial reporting framework if an unmodified opinion is being expressed on the financial statements? [AU-C 700.35 and .A29]</p>	_____	_____	_____
<p>15. Does the auditor's opinion identify the applicable reporting framework and its origin? [AU-C 700.36 and .A31]</p>	_____	_____	_____
<b>Other Reporting Responsibilities</b>			
<p>16. Does the auditor's report contain a separate section subtitled "Report on Other Legal and Regulatory Requirements" or otherwise, as appropriate to the content of the section, if the auditor addresses other reporting responsibilities in addition to the auditor's responsibility under GAAS to report on the financial statements? [AU-C 700.37 and .A32-.A34]</p>	_____	_____	_____

Yes      No      N/A

If the auditor's report contains a separate section on other reporting responsibilities, the headings, statements, and explanations referred to in questions 3–15 should be under the subtitle "Report on the Financial Statements." The "Report on Other Legal and Regulatory Requirements" should follow the "Report on the Financial Statements."

[AU-C 700.38]

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**Signature of the Auditor**

17. Does the auditor's report include the manual or printer signature of the auditor's firm?  
[AU-C 700.39 and .A35]

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**Auditor's Address**

18. Does the auditor's report name the city and state where the auditor practices? (*Note:* the city and state may be named in the firm's letterhead on which the report is presented.)  
[AU-C 700.40 and .A37]

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**Date of the Auditor's Report**

19. Is the auditor's report dated no earlier than the date on which the auditor obtained sufficient appropriate audit evidence on which to base the auditor's opinion on the financial statements including evidence that
- a. the audit documentation has been reviewed?
  - b. all statements that the financial statements comprise, including the related notes, have been prepared?
  - c. management has asserted that they have taken responsibility for those financial statements?
- [AU-C 700.41 and .A38–.A40]

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**Comparative Financial Statements and Comparative Information**

20. Does the auditor's report refer to each period for which financial statements are presented and on which an audit opinion is expressed if comparative financial statements are presented?  
[AU-C 700.44]
21. Does the report include appropriate language for when different opinions are expressed on comparative financial statements?  
[AU-C 700.A44]
22. Is the auditor's report appropriately dated no earlier than the date on which the auditor has obtained sufficient appropriate audit evidence on which to support the opinion for the most recent audit?  
[AU-C 700.45]
23. Does the auditor's report clearly indicate the character of the auditor's work and degree of responsibility the auditor is taking if comparative information is presented but not covered by the auditor's opinion?  
[AU-C 700.46]

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	<u>Yes</u>	<u>No</u>	<u>N/A</u>
24. When reporting on prior period financial statements in connection with the current period's audit, if the auditor's opinion on such prior period financial statements differs from the opinion the auditor expressed, does the auditor disclose the following matters in an emphasis-of-matter or other-matter paragraph, in accordance with AU-C section 706, <i>Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report</i> ?			
a. The date of the auditor's previous report?	_____	_____	_____
b. The type of opinion previously expressed?	_____	_____	_____
c. The substantive reason for the different opinion?	_____	_____	_____
d. That the auditor's opinion on the amended financial statements is different from the auditor's previous opinion? [AU-C 700.53 and .A51]	_____	_____	_____

**Prior Period Financial Statements Audited by a Predecessor Auditor**

25. If the financial statements of the prior period were audited by a predecessor auditor and the predecessor auditor's report on the prior period's financial statements is not reissued, in addition to expressing an opinion on the current period's financial statements, does the auditor's report include the following in an other-matter paragraph?			
a. The financial statements of the prior period were audited by a predecessor auditor?	_____	_____	_____
b. The type of opinion expressed by the predecessor auditor and, if the opinion was modified, the reason for the modification?	_____	_____	_____
c. The nature of an emphasis-of-matter paragraph or other-matter paragraph included in the predecessor auditor's report?	_____	_____	_____
d. The date of that report? [AU-C 700.54]	_____	_____	_____

**Prior Period Financial Statements Not Audited**

26. When the current period financial statements are audited and presented in comparative form with compiled or reviewed financial statements for the prior period, and the report on the prior period is not reissued, has the auditor included an other-matter paragraph in the current period auditor's report that includes the following:			
a. The services performed in the prior period?	_____	_____	_____
b. The date of the report on that service?	_____	_____	_____
c. A description of any material modifications noted in that report?	_____	_____	_____
d. A statement that the service was less in scope than an audit and does not provide the basis for the expression of an opinion on the financial statements? [AU-C 700.56 and .A53-.A54]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
27. If the prior period financial statements were not audited, reviewed, or compiled, does the auditor's report include an other-matter paragraph to indicate that the auditor has not audited, reviewed, or compiled the prior period financial statements and that the auditor assumes no responsibility for them? [AU-C 700.57 and .A55]	_____	_____	_____
<b>Modifications to the Opinion in the Independent Auditor's Report</b>			
28. If applicable, has the auditor modified the opinion in the auditor's report when either the auditor concludes that, based on the audit evidence obtained, the financial statements as a whole are materially misstated or the auditor is unable to obtain sufficient appropriate audit evidence to conclude that the financial statements as a whole are free from material misstatement? [AU-C 705.07]	_____	_____	_____
29. If applicable, has the auditor expressed a qualified opinion when the auditor, having obtained sufficient appropriate audit evidence, concludes that misstatements, individually or in the aggregate, are material but not pervasive to the financial statements or the auditor is unable to obtain sufficient audit evidence on which to base the opinion, but the auditor concludes that the possible effects on the financial statements of undetected misstatements, if any, could be material but not pervasive? [AU-C 705.08]	_____	_____	_____
30. If applicable, has the auditor expressed an adverse opinion when the auditor, having obtained sufficient appropriate audit evidence, concludes that misstatements, individually or in the aggregate, are both material and pervasive to the financial statements? [AU-C 705.09]	_____	_____	_____
31. If applicable, has the auditor disclaimed an opinion when the auditor has been unable to obtain sufficient appropriate audit evidence on which to base the opinion, and the auditor concludes that the possible effects on the financial statements of undetected statements, if any, could be both material and pervasive? [AU-C 705.10]	_____	_____	_____
32. If the auditor considers it necessary to express an adverse opinion or disclaim an opinion on the financial statements as a whole, does the auditor's report appropriately not also include an unmodified opinion with respect to the same financial reporting framework on a single statement or one or more specific elements, accounts, or items of a financial statement? [AU-C 705.15]	_____	_____	_____
33. If the accountant is not independent but is required by law or regulation to report on the financial statements, has he or she disclaimed the opinion with respect to the financial statements and specifically stating that he or she is not independent? [AU-C 705.16]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
34. If the auditor concludes that an illegal act has a material effect on the financial statements and the act has not been properly accounted for or disclosed, has the auditor issued a qualified or adverse opinion (depending on the materiality effect on the financial statements taken as a whole)? [AU-C 250.24]	_____	_____	_____
<i>Basis for Modification Paragraph</i>			
35. If the auditor has modified the opinion on the financial statements, has the auditor included a paragraph in the auditor's report			
a. that provides a description of the matter giving rise to the modification?	_____	_____	_____
b. that immediately proceeds the opinion paragraph?	_____	_____	_____
c. that has a heading that includes "Basis for Qualified Opinion," "Basis for Adverse Opinion" or "Basis for Disclaimer of Opinion"? [AU-C 705.17]	_____	_____	_____
36. If there is a material misstatement of the financial statements that relates to specific amounts in the financial statements (including quantitative disclosure), has the auditor included in the basis for modification paragraph a description and quantification of the financial effects of the misstatement, unless impracticable? If it is not practical to quantify the financial effects, has the auditor stated that in the basis for modification paragraph? [AU-C 705.18, .A21, and .A24-.A25]	_____	_____	_____
37. If there is a material misstatement of the financial statements that relates to narrative disclosures, has the auditor included an explanation of how the disclosures are misstated in the modification paragraph? [AU-C 705.19 and .A22]	_____	_____	_____
38. If there is a material misstatement of the financial statements that relates to the omission of information required to be presented or disclosed, has the auditor			
a. described in the basis for modification paragraph the nature of the omitted information?	_____	_____	_____
b. included the omitted information, provided that it is practicable to do so and the auditor has obtained sufficient appropriate audit evidence about the omitted information? [AU-C 705.20]	_____	_____	_____
39. If the modification results from the inability to obtain sufficient appropriate audit evidence, has the auditor included the reasons for that inability in the basis for modification paragraph? [AU-C 705.21 and .A26]	_____	_____	_____
40. If the auditor has expressed an adverse opinion or disclaimed an opinion on the financial statements, has the auditor described in the basis for modification paragraph any other matters of which the auditor is aware that would have required a modification to the opinion and the effects thereof? [AU-C 705.22]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
41. If the auditor has expressed an adverse opinion or disclaimed an opinion on the financial statements, has the auditor considered the need to describe in an emphasis-of-matter or other-matter paragraph(s) any other matters of which the auditor is aware that would have resulted in additional communications in the auditor's report on the financial statements that are not modifications of the auditor's opinion? [AU-C 705.22]	_____	_____	_____
<i>Opinion Paragraph</i>			
42. If the auditor has modified the opinion, has the auditor used a heading that includes "Qualified Opinion," "Adverse Opinion," or "Disclaimer of Opinion" ? [AU-C 705.23 and .A28]	_____	_____	_____
43. If the auditor has expressed a qualified opinion due to material misstatement in the financial statements, has the auditor stated in the opinion paragraph that, in the auditor's opinion, except for the effects of the matter(s) described in the basis for qualified opinion paragraph, the financial statements are presented fairly, in all material respects, in accordance with the applicable financial reporting framework? [AU-C 705.24 and .A30]	_____	_____	_____
44. If the auditor expressed a qualified opinion due to an inability to obtain sufficient appropriate audit evidence, has the auditor used the corresponding phrase "except for the possible effects of the matter(s)..." for the modified opinion? [AU-C 705.24]	_____	_____	_____
45. If the auditor has expressed an adverse opinion, has the auditor stated in the opinion paragraph that, in the auditor's opinion, because of the significance of the matter(s) described in the basis for modification paragraph, the financial statements are not presented fairly in accordance with the applicable financial reporting framework? [AU-C 705.25]	_____	_____	_____
46. If the auditor has disclaimed an opinion due to an inability to obtain sufficient appropriate audit evidence, has the auditor stated in the opinion paragraph that			
a. because of the significance of the matter(s) described in the basis for disclaimer of opinion paragraph, the auditor has not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion?	_____	_____	_____
b. the auditor does not express an opinion on the financial statements? [AU-C 705.26]	_____	_____	_____
47. Is a qualified opinion or disclaimer of opinion expressed when the auditor's understanding of internal control raises doubts about the audit ability of an entity's financial statements, such as			

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
a. concerns about the integrity of an entity's management that caused the auditor to conclude that the risk of management misrepresentation in the financial statements is such that an audit cannot be conducted?	_____	_____	_____
b. concerns about the condition and reliability of an entity's records that cause the auditor to conclude that it is unlikely that sufficient appropriate audit evidence will be available to support an unqualified opinion on the financial statements? [AU-C 315.A110]	_____	_____	_____
<i>Description of the Auditor's Responsibility When the Auditor Expresses a Modified Opinion</i>			
48. If the auditor expressed a qualified or adverse opinion, has the auditor amended the description of the auditor's responsibility to state that the auditor believes that the audit evidence the auditor obtained is sufficient and appropriate to provide a basis for the auditor's modified opinion? [AU-C 705.27]	_____	_____	_____
49. If the auditor has disclaimed an opinion due to an inability to obtain sufficient appropriate audit evidence, has the auditor amended			
a. the introductory paragraph to state that the auditor was engaged to audit the financial statements?	_____	_____	_____
b. the description of the auditor's responsibility and scope of services of the audit to state only "Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter(s) described in the basis for disclaimer of opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion."? [AU-C 705.28]	_____	_____	_____
<b>Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report</b>			
50. Has an emphasis-of-matter paragraph been added to the standard report when the auditor considers it necessary to draw users' attention to a matter appropriately presented or disclosed in the financial statements that, in the auditor's professional judgment, is of such importance that it is fundamental to users' understanding of the financial statements? ( <i>Note:</i> Such a paragraph should refer only to information presented or disclosed in the financial statements.) [AU-C 706.06]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
51. Has an emphasis-of-matter paragraph been added to the auditor's report in any of the following conditions:			
<i>a.</i> To prevent the financial statements from being misleading because of unusual circumstances, the financial statements contain a departure from an accounting principle promulgated by a body designated by the AICPA council to establish such principles? In such circumstances, does the report include, in a separate paragraph or paragraphs, the information required by the rule? [AU-C 700.A15]	_____	_____	_____
<i>b.</i> An uncertainty relating to the future outcome of unusually important litigation or regulatory action? [AU-C 706.A2]	_____	_____	_____
<i>c.</i> A major catastrophe that has had, or continues to have, a significant effect on the entity's financial position? [AU-C 706.A2]	_____	_____	_____
<i>d.</i> Significant transactions with related parties? [AU-C 706.A2]	_____	_____	_____
<i>e.</i> Unusually important subsequent events? [AU-C 706.A2]	_____	_____	_____
<i>f.</i> The auditor's opinion on the revised financial statements differs from the opinion the auditor previously expressed? [AU-C 706.A14; AU-C 560.16c]	_____	_____	_____
<i>g.</i> There has been a change in accounting principle that has a material effect on the financial statements? [AU-C 706.A14; AU-C 708.08]	_____	_____	_____
<i>h.</i> A change in the reporting entity that results in financial statements that, in effect, are those of a different reporting entity? [AU-C 706.A14; AU-C 708.11]	_____	_____	_____
<i>i.</i> If an entity's financial statements contain an investment accounted for by the equity method and, the investee makes a change in accounting principle that is material to the investing entity's financial statements? [AU-C 706.A14; AU-C 708.12]	_____	_____	_____
<i>j.</i> Unless the financial statements with the auditor's report are intended for general use, when the financial statements are prepared in accordance with a special purpose framework and indicate that the financial statements are prepared in accordance with the applicable special purpose framework, refers to the note to the financial statements that describes that framework, and states that the special purpose framework is a basis of accounting other than generally accepted accounting principles (GAAP)? [AU-C 706.A14; AU-C 800.19 and .21]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p>k. There is substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time, not to exceed one year beyond the date of the financial statements being audited, and if so, is that conclusion expressed through the use of the phrase "substantial doubt about its (the entity's) ability to continue as a going concern" or similar wording that includes the terms substantial doubt and going concern?<sup>1</sup> [AU-C 706.A14; AU-C 570.12]</p>	_____	_____	_____
<p>l. There has been a material change between periods in accounting principles or in the method of their application and the auditor's report identifies the nature of the change and refer the reader to the note in the financial statements that discusses the change in detail? (<i>Note:</i> The auditor's concurrence with a change is implicit unless he or she takes exception to the changes in expressing his or her opinion as to the fair presentation of the financial statements in conformity with GAAP.) [AU-C 706.A14; AU-C 708.08 and .A7-.A8]</p>	_____	_____	_____
<p>m. When there are adjustments to correct a material misstatement in previously issued financial statements and the financial statements are restated to correct the prior material misstatement? [AU-C 708.13 and .A14]</p>	_____	_____	_____
<p>52. If an emphasis-of-matter paragraph has been included in the auditor's report</p>			
<p>a. is it immediately after the opinion paragraph?</p>	_____	_____	_____
<p>b. does it have a heading "Emphasis of Matter"?</p>	_____	_____	_____
<p>c. does it include clear reference to the matter being emphasized and to where relevant disclosures that fully describe the matter can be found in the financial statements?</p>	_____	_____	_____
<p>d. does it indicate that the auditor's opinion is not modified with respect to the matter emphasized? [AU-C 706.07 and .A5]</p>	_____	_____	_____
<p>53. Has an other-matter paragraph been included in the auditor's report when the auditor considers it necessary to communicate a matter other than those that are presented or disclosed in the financial statements that, in the auditor's professional judgment, is relevant to users' understanding of the audit, the auditor's responsibilities, or the auditor's report, in a paragraph in the auditor's report with the heading "Other Matter" or other appropriate heading? [AU-C 706.08]</p>	_____	_____	_____
<p>54. If included, does the content of an other-matter paragraph reflect clearly that such other matter is not required to be presented and disclosed in the financial statements? [AU-C 706.A10]</p>	_____	_____	_____

<sup>1</sup> In a going concern paragraph, the auditor should not use conditional language in expressing a conclusion concerning the existence of substantial doubt about the entity's ability to continue as a going concern. See paragraph .13 of AU-C section 570, *The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern*, for an example.

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
55. If included, does the other-matter paragraph appropriately not include information that the auditor is prohibited from providing by law, regulation, or other professional standards (for example, ethical standards relating to the confidentiality of information) or information that is required to be provided by management? [AU-C 706.A10]	_____	_____	_____
56. Is the other-matter paragraph properly placed in the auditor's report based on the following:			
<i>a.</i> The other-matter paragraph draws users' attention to a matter relevant to their understanding of the audit of the financial statements, the paragraph is included immediately after the opinion paragraph and any emphasis-of-matter paragraph?	_____	_____	_____
<i>b.</i> The other-matter paragraph draws users' attention to a matter relating to other reporting responsibilities addressed in the auditor's report, the paragraph is included in the section subtitled "Report on Other Legal and Regulatory Requirements"?	_____	_____	_____
<i>c.</i> When relevant to all the auditor's responsibilities or users' understanding of the auditor's report, the other-matter paragraph is included as a separate section following the "Report on the Financial Statements" and the "Report on Other Legal and Regulatory Requirements"? [AU-C 706.A11]	_____	_____	_____
57. Has an other-matter paragraph been added to the auditor's report in any of the following conditions:			
<i>a.</i> The auditor's opinion on the revised financial statements differs from the opinion the auditor previously expressed? [AU-C 706.A15; AU-C 560.16c]	_____	_____	_____
<i>b.</i> The auditor's opinion on prior financial statements has changed or the prior periods were audited by a predecessor auditor as required by questions 24–26? [AU-C 706.A15; AU-C 700.53–.54]	_____	_____	_____
<i>c.</i> The prior period financial statements were not audited as required by questions 26–27? [AU-C 706.A15; AU-C 700.56–.57]	_____	_____	_____
<i>d.</i> The auditor identifies a material inconsistency prior to the report release date that requires revision of the other information and management refuses to make the revision? [AU-C 706.A15; AU-C 720.12]	_____	_____	_____
<i>e.</i> The entity presents the supplementary information with the financial statements? [AU-C 706.A15; AU-C 725.09; AU-C 730.07]	_____	_____	_____
<i>f.</i> The auditor is expressing an opinion on special purpose financial statements? [AU-C 706.A15; AU-C 800.20]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
g. A report on compliance is included in the auditor's report on the financial statements? [AU-C 706.A15; AU-C 806.13]	_____	_____	_____
h. The auditor's report should contain an alert that restricts the use of the auditor's written communication? [AU-C 706.A15; AU-C 905.07]	_____	_____	_____

**Considerations of Subsequent Events**

58. If a subsequent event disclosed in the financial statements occurs after the original date of the independent auditor's report but before the issuance of the related financial statements, has the auditor followed one of the following two methods available for dating the report:

a. Dual dating, in which the independent auditor's responsibility for events occurring subsequent to the original report date is limited to the specific event referred to in an explanatory note in the report (or otherwise disclosed)?	_____	_____	_____
b. Dating the report as of the later date, in which the independent auditor's responsibility for subsequent events extends to the date of the report? [AU-C 560.A11]	_____	_____	_____

**Consideration of Other Information Presented In a Document Containing Audited Financial Statements**

59. Has the auditor considered including an other-matter paragraph that includes a disclaimer on the other information? (*Note: An example can be found in paragraph .A13 of AU-C section 720, Other Information in Documents Containing Audited Financial Statements.*)  
[AU-C 720.A2]

60. If information accompanies the basic financial statements in an auditor-submitted document, does the report on the accompanying information

a. state that the audit is performed for the purpose of forming an opinion on the basic financial statements taken as a whole?	_____	_____	_____
b. specifically identify the accompanying information?	_____	_____	_____
c. state that the accompanying information is presented for purposes of additional analysis and is not part of the basic financial statements?	_____	_____	_____
d. state whether the accompanying information is subject to the auditing procedures applied in an audit of the basic financial statements?	_____	_____	_____
e. the appropriate expression of opinion (if subject to audit procedures) or disclaimer (if not subject to audit procedures)?	_____	_____	_____
f. a statement that the supplementary information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
g. a statement that, in addition to the auditing procedures applied in the audit, the supplementary information has been subjected to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America?	_____	_____	_____
h. a statement that, in the auditor's opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole, if the auditor issues an unqualified opinion on the financial statements and the auditor has concluded that the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole?	_____	_____	_____
i. if the auditor issues a qualified opinion on the financial statements and the qualification has an effect on the supplementary information, a statement that, in the auditor's opinion, except for the effects on the supplementary information of (refer to the paragraph in the auditor's report explaining the qualification), such information is fairly stated, in all material respects, in relation to the financial statements as a whole? [AU-C 725.09 and A.17 illustration 1]	_____	_____	_____
j. a statement that the auditor does not express an opinion on the supplementary information if the auditor's report on the audited financial statements contains an adverse opinion or a disclaimer of opinion? [AU-C 725.11 and A.17 illustration 1]	_____	_____	_____
k. do the statements required in items a-j appear in a separate report when the audited financial statements are not presented with the supplementary information? [AU-C 725.10 and .A3]	_____	_____	_____
61. If certain other information, including supplementary information required by GAAP, contained in annual reports and other client-prepared documents described in AU-C section 720, <i>Other Information in Documents Containing Audited Financial Statements</i> , that contain audited financial statements has been subjected to auditing procedures applied in the audit of the basic financial statements, does the auditor express an opinion on whether the information is fairly stated in all material respects in relation to those financial statements taken as a whole in the auditor's report and does the report describe clearly the character of the auditor's work and the degree of responsibility the auditor is taking? [AU-C 720; AU-C 730]	_____	_____	_____
62. If other information contained in annual reports and other client-prepared documents described in AU-C section 720 that contain audited financial statements is materially inconsistent with information appearing in the financial statements, has it been determined whether the financial statements, the auditor's report, or both require revision? [AU-C 700; AU-C 730]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
63. If information accompanying the basic financial statements and auditor's report in an auditor-submitted document is materially misstated in relation to the basic financial statements taken as a whole, has the auditor either			
a. requested that the client revise the accompanying information to eliminate the material misstatement?	_____	_____	_____
b. considered other actions such as modifying the audit report to describe the misstatement or refusing to include the accompanying information in the auditor-submitted document? [AU-C 725.13]	_____	_____	_____
64. When the basic financial statements are accompanied by supplementary information required by GAAP and such supplementary information has not been audited as part of the basic financial statements, does the auditor's report exclude any language that refers to the supplementary information or the limited procedures applied (except in the circumstances described in AU-C section 730, <i>Required Supplementary Information</i> ? [AU-C 730.A3 illustration 5]	_____	_____	_____
65. When the basic financial statements are accompanied by supplementary information required by GAAP and such supplementary information has been audited as part of the basic financial statements, does the audit report include an other-matters paragraph describing the supplementary information? [AU-C 730.A3 illustration 1]	_____	_____	_____
66. If supplementary information required by GAAP has been omitted, the presentation of such information departs materially from prescribed guidelines, the auditor is unable to complete prescribed procedures with respect to such information, or the auditor is unable to remove substantial doubt about whether the supplementary information conforms to prescribed guidelines, does the report include an other-matter paragraph stating that fact? [AU-C 730.07]	_____	_____	_____

**Consideration of Audits of Financial Statements Prepared in Accordance With Special Purpose Frameworks**

67. Does the explanation of management's responsibility for the financial statements make reference to its responsibility for determining that the applicable financial reporting framework is acceptable in the circumstances, when management has a choice of financial reporting frameworks in the preparation of such financial statements? [AU-C 800.18]	_____	_____	_____
68. Does the auditor's report describe the purpose for which the financial statements are prepared or refer to a note in the special purpose financial statements that contains that information, when the financial statements are prepared in accordance with a regulatory or contractual basis of accounting? [AU-C 800.18 and .A24]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
69. Unless the special purpose financial statements together with the auditor's report are intended for general use, does the auditor's report include an emphasis-of-matter paragraph under the appropriate heading that			
<i>a.</i> indicates that the financial statements are prepared in accordance with the applicable special purpose framework?	_____	_____	_____
<i>b.</i> refers to the note to the financial statements that describes that framework?	_____	_____	_____
<i>c.</i> states that the special purpose framework is a basis of accounting other than GAAP? [AU-C 800.19 and .A25]	_____	_____	_____
70. If applicable and if the special purpose financial statements together with the auditor's report are intended for general use, does the auditor's report include an other-matter paragraph, under an appropriate heading, that restricts the use of the auditor's report solely to those within the entity, the parties to the contract or agreement, or the regulatory agencies to whose jurisdiction the entity is subject when the special purpose financial statements are prepared in accordance with either			
<i>a.</i> a contractual basis of accounting?	_____	_____	_____
<i>b.</i> a regulatory basis of accounting?	_____	_____	_____
<i>c.</i> an other basis of accounting when required pursuant to paragraph .06a–b of AU-C section 905, <i>Alert That Restricts the Use of the Auditor's Written Communication</i> ? [AU-C 800.20 and .A26–.A27]	_____	_____	_____
71. Does the auditor's report include a separate paragraph which expresses an opinion about whether the financial statements are prepared in accordance with the special purpose framework? [AU-C 800.21 and .A28]	_____	_____	_____
72. If the auditor is required by law or regulation to use a specific layout, form, or wording of the auditor's report, does the auditor's report refer to GAAS only if the auditor's report includes, at a minimum, each of the following elements:			
<i>a.</i> A title?	_____	_____	_____
<i>b.</i> An addressee?	_____	_____	_____
<i>c.</i> An introductory paragraph that identifies the special purpose financial statements audited?	_____	_____	_____
<i>d.</i> A description of the responsibility of management for the preparation and fair presentation of the special purpose financial statements?	_____	_____	_____
<i>e.</i> A reference to management's responsibility for determining that the applicable financial reporting framework is acceptable in the circumstances when required by question 67?	_____	_____	_____
<i>f.</i> A description of the purpose for which the financial statements are prepared when required by question 68?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
g. A description of the auditor's responsibility to express an opinion on the special purpose financial statements and the scope of the audit, that includes (i) reference to GAAS and, if applicable, the law or regulation and (ii) a description of an audit in accordance with those standards?	_____	_____	_____
h. An opinion paragraph containing an expression of opinion on the special purpose financial statements and a reference to the special purpose framework used to prepare the financial statements (including identifying the origin of the framework) and, if applicable, an opinion on whether the special purpose financial statements are presented fairly, in all material respects, in accordance with GAAP when required by paragraph .21 of AU-C section 800, <i>Special Considerations—Audits of Financial Statements Prepared in Accordance With Special Purpose Frameworks</i> ?	_____	_____	_____
i. An emphasis-of-matter paragraph that indicates that the financial statements are prepared in accordance with a special purpose framework when required?	_____	_____	_____
j. An other-matter paragraph that restricts the use of the auditor's report when required?	_____	_____	_____
k. The auditor's signature?	_____	_____	_____
l. The auditor's city and state?	_____	_____	_____
m. The date of the auditor's report? [AU-C 800.22 and .A29–.A32]	_____	_____	_____

**Consideration of Audits of Single Financial Statements and Specific Elements, Accounts, or Items of a Financial Statement**

73. If, in conjunction with an engagement to audit the entity's complete set of financial statements, the auditor undertakes an engagement to audit a single financial statement or a specific element of a financial statement, did the auditor			
a. issue a separate auditor's report and express a separate opinion for each engagement?	_____	_____	_____
b. indicate in the report on a specific element of a financial statement the date of the auditor's report on the complete set of financial statements and the nature of opinion expressed on those financial statements under an appropriate heading? [AU-C 805.16]	_____	_____	_____
74. Did the auditor differentiate the report on the single financial statement or the specific element of a financial statement from the report on the complete set of financial statements? [AU-C 805.17]	_____	_____	_____
75. If the opinion in the auditor's report on an entity's complete set of financial statements is modified, did the auditor determine the effect that this may have on the auditor's opinion on a single financial statement or a specific element of those financial statements? [AU-C 805.19]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
76. In the case of an audit of a specific element of a financial statement, if the auditor's modified opinion on the entity's complete set of financial statements as a whole is relevant to the audit of the specific element, did the auditor			
<i>a.</i> express an adverse opinion on the specific element when the modification of the auditor's opinion on the complete set of financial statements as a whole arises from a material misstatement in such financial statements?	_____	_____	_____
<i>b.</i> disclaim an opinion on the specific element when the modification of the auditor's opinion on the complete set of financial statements as a whole arises from an inability to obtain sufficient appropriate audit evidence? [AU-C 805.20]	_____	_____	_____
77. If the auditor concludes that it is necessary to express an adverse opinion or disclaim an opinion on the entity's complete set of financial statements as a whole and considers it appropriate to express an unmodified opinion on that specific element, has the auditor ensured			
<i>a.</i> that an opinion is expressed in an auditor's report that is neither published together with nor otherwise accompanies the auditor's report containing the adverse opinion or disclaimer of opinion?	_____	_____	_____
<i>b.</i> that the specific element does not constitute a major portion of the entity's complete set of financial statements or the specific element is not, or is not based upon, the entity's stockholders' equity or net income or the equivalent? [AU-C 805.21]	_____	_____	_____
78. If the auditor's report on an entity's complete set of financial statements includes an emphasis-of-matter paragraph or an other-matter paragraph that is relevant to the audit of the single financial statement or the specific element, did the auditor include a similar emphasis-of-matter paragraph or an other-matter paragraph in the auditor's report on the single financial statement or the specific element? [AU-C 805.23]	_____	_____	_____
79. When the auditor reports on an incomplete presentation but one that is otherwise in accordance with GAAP, did the auditor include an emphasis-of-matter paragraph in the auditor's report that			
<i>a.</i> states the purpose for which the presentation is prepared and refers to a note in the financial statements that describes the basis of presentation?	_____	_____	_____
<i>b.</i> indicates that the presentation is not intended to be a complete presentation of the entity's assets, liabilities, revenues, or expenses? [AU-C 805.24 and .A22-.A23]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>Consideration of Alerts That Restrict the Use of the Auditor's Written Communication</b>			
80. Does the auditor's report include an alert, in a separate paragraph, that restricts its use when the subject matter of the auditor's written communication is based on			
<i>a.</i> measurement or disclosure criteria that are determined by the auditor to be suitable only for a limited number of users who can be presumed to have an adequate understanding of the criteria?	_____	_____	_____
<i>b.</i> measurement or disclosure criteria that are available only to the specified parties?	_____	_____	_____
<i>c.</i> matters identified by the auditor during the course of the audit engagement when the identification of such matters is not the primary objective of the audit engagement (commonly referred to as a <i>by-product report</i> )? [AU-C 905.06 and .A4-.A6]	_____	_____	_____
81. Unless otherwise required, does the alert contain the following:			
<i>a.</i> That the auditor's written communication is intended solely for the information and use of the specified parties?	_____	_____	_____
<i>b.</i> Identify the specified parties for whom use is intended?	_____	_____	_____
<i>c.</i> That the auditor's written communication is not intended to be and should not be used by anyone other than the specified parties? [AU-C 905.07 and .A8]	_____	_____	_____



## Part 3

# *Accountants' Reports on Compiled or Reviewed Financial Statements Checklist*

*Note:* In December 2009, the Accounting and Review Service Committee, a senior technical committee of the AICPA, issued Statement on Standards for Accounting and Review Services (SSARS) No. 19, *Compilation and Review Engagements* (AICPA, *Professional Standards*). SSARS No. 19 is effective for compilations and reviews of financial statements for periods ending on or after December 15, 2010. Significant changes to SSARSs include the following:

- The introduction of the term review evidence to the review literature. This change to the review literature clarifies that a review requires the accumulation of review evidence to provide a reasonable basis for obtaining limited assurance that there are no material modifications that should be made to the financial statements in order for the statements to be in accordance with the applicable financial reporting framework. The standard states that evidence from analytical procedures and inquiries will ordinarily provide that evidence but that the accountant should use professional judgment in making that determination.
- A discussion of materiality in the context of a review engagement.
- A requirement that an accountant document the establishment of an understanding with management through a written communication (that is, an engagement letter) regarding the services to be performed.
- The establishment of enhanced documentation requirements for compilation and review engagements.
- The removal of the prohibition against allowing an accountant to include a description in the accountant's compilation report regarding the reason(s) for an independence impairment.
- The recodification of SSARS literature into separate sections for compilation and review engagements.

This checklist has been updated to reflect the new reporting standards in SSARS No. 19.

.01 This checklist has been developed by the staff of the Accounting and Auditing Publications Team of the AICPA as a nonauthoritative practice aid. The AICPA Guide *Compilation and Review Engagements* (available at [www.cpa2biz.com](http://www.cpa2biz.com)) features information on implementing SSARS No. 19, including illustrative engagement and representation letters, sample compilation and review reports, detailed illustrations, and case studies.

.02 Additionally, the AICPA Compilation and Review Alert *Compilation and Review Developments* (available at [www.cpa2biz.com](http://www.cpa2biz.com)) is published annually to provide CPAs with an update on recent practice issues and professional standards that affect compilation and review engagements. The alert is an *other compilation and review publication* as defined in AR section 60, *Framework for Performing and Reporting on Compilation and Review Engagements* (AICPA, *Professional Standards*). Other compilation and review publications have no authoritative status; however, they may help the accountant understand and apply the SSARSs.

.03 This checklist is not intended to address all the considerations if an auditor is engaged to compile or review special-purpose financial statements prepared to comply with a contractual agreement or regulatory provision that specifies a special basis of presentation. In most circumstances, these financial statements are

intended solely for the use of the parties to the agreement, regulatory bodies, or other specified parties. Refer to paragraph .33 of AR section 80, *Compilation of Financial Statements*, and paragraph .40 of AR section 90, *Review of Financial Statements (AICPA, Professional Standards)*, for guidance about how the accountant should modify the standard compilation or review reports, respectively, when reporting on these special purpose financial statements.

**.04 Explanation of References:**

AR = Reference to section number in AICPA *Professional Standards*

**.05** This checklist is divided into two sections. Section I should be used by accountants engaged to report on compiled financial statements. Section II should be used if the accountant performs a review of financial statements. AR section 60 provides a framework and defines and describes the objectives and elements of compilation and review engagements.

**.06 Checklist Questionnaire:**

## Section I — For Engagements to Report on Compiled Financial Statements

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### Additional Information

When the accountant submits compiled financial statements to his or her client that are not expected to be used by a third party, paragraph .23 of AR section 80 states that each page of the compiled financial statements should include a statement restricting their use. This statement may read “Restricted for Management’s Use Only,” for example. This requirement is in addition to the disclosure requirements contained in this section of the checklist.

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		<u>Yes</u>	<u>No</u>	<u>N/A</u>
1.	Does the compilation report contain the following basic elements:			
a.	A title that clearly indicates that it is the accountant’s compilation report? ( <i>Note:</i> The accountant may indicate that he or she is independent in the title, if applicable. Appropriate titles would be “Accountant’s Compilation Report” or “Independent Accountant’s Compilation Report.”)	_____	_____	_____
b.	An address that is appropriate in the circumstances of the engagement?	_____	_____	_____
c.	An introductory paragraph that contains the following:			
i.	An identification of the entity whose financial statements have been compiled?	_____	_____	_____
ii.	A statement that the financial statements have been compiled?	_____	_____	_____
iii.	An identification of the financial statements subject to the compilation?	_____	_____	_____
iv.	The date or period covered by the financial statements?	_____	_____	_____
v.	A statement that the accountant has not audited or reviewed the financial statements, and, accordingly, does not express an opinion or provide any assurance about whether the financial statements are in accordance with the applicable financial reporting framework?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
d. A statement that management (the owners) is (are) responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework?	_____	_____	_____
e. A statement that management is responsible for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements?	_____	_____	_____
f. A statement that the accountant's responsibility is to conduct the compilation in accordance with SSARs, issued by the AICPA?	_____	_____	_____
g. A statement that the objective of the compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements?	_____	_____	_____
h. The manual or printed signature of the accounting firm or accountant?	_____	_____	_____
i. The date of the compilation report? ( <i>Note:</i> The date of the completion of the compilation should be used as the date of the accountant's report.) [AR 80.17]	_____	_____	_____
2. Does each page of the compiled financial statements include a reference to the compilation report (for example, "See accountant's compilation report")? [AR 80.18]	_____	_____	_____
3. If the financial statements are prepared using an other comprehensive basis of accounting (OCBOA), do they contain the following elements:			
a. A description of the OCBOA, including a summary of significant accounting policies and a description of the primary differences from generally accepted accounting principles (GAAP)? ( <i>Note:</i> The effects of the differences need not be quantified.)	_____	_____	_____
b. Informative disclosures similar to those required by GAAP if the financial statements contain items that are the same as, or similar to, those in the financial statements prepared in accordance with GAAP? [AR 80.19]	_____	_____	_____
4. If reporting on financial statements that omit substantially all disclosures, does the report include, after the paragraph describing the accountant's responsibility, a paragraph containing the following elements:			
a. A statement that management has elected to omit substantially all the disclosures (and the statement of cash flows, if applicable) required by the applicable financial reporting framework (or those ordinarily included in accordance with an OCBOA)?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. A statement that if the omitted disclosures (and the statement of cash flows, if applicable) were included, they might influence the user's conclusions about the entity's financial position, results of operations, and cash flows?	_____	_____	_____
c. A statement that the financial statements are not designed for those who are not informed about such matters? [AR 80.20]	_____	_____	_____
5. If reporting on financial statements that include disclosures about only a few matters in the form of notes to the financial statements, but substantially omit all other disclosures, have the disclosures been indicated as such (for example, "Selected Information—Substantially All Disclosures Required by [ <i>identify the applicable financial reporting framework</i> ] Are Not Included")? [AR 80.20]	_____	_____	_____
6. When the accountant is issuing a report with respect to a compilation of financial statements for an entity, with respect to which the accountant is not independent (as guided by the AICPA's Code of Professional Conduct), has the accountant modified his or her report by including in the final paragraph a disclosure regarding the lack of independence? ( <i>Note</i> : See AR section 80 paragraph .21 and "Compilation Exhibit B—Illustrative Compilation Reports" for examples.) [AR 80.21]	_____	_____	_____
7. If the accountant has elected to disclose a description of the reasons his or her independence is impaired, has the accountant disclosed all reasons for the impairment? [AR 80.21]	_____	_____	_____
8. If the accountant's report is restricted, does the report contain a separate paragraph at the end that included the following elements:			
a. A statement indicating that the report is intended solely for the information and use of specified parties?	_____	_____	_____
b. An identification of the specified parties to whom use is restricted, either in the additional paragraph or elsewhere in the report?	_____	_____	_____
c. A statement that the report is not intended to be and should not be used by anyone other than the specified parties? [AR 80.39]	_____	_____	_____
9. If the accountant wishes to include a discussion or emphasis of a matter, has that information been included in a separate paragraph of the accountant's report? ( <i>Note</i> : Emphasis paragraphs are never required and are added solely at the accountant's discretion.) [AR 80.25]	_____	_____	_____
10. If the accountant has included an emphasis paragraph in a compilation report on financial statements that omit substantially all disclosures, has the matter been disclosed in the financial statements? [AR 80.26]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
11. If the accountant determines that a modification of the standard report is necessary due to a departure from the applicable financial reporting framework, has the departure been disclosed in a separate paragraph of the report? Does this paragraph include disclosure of the effects of the departure on the financial statements if such effects have been determined by management, or are known as a result of the accountant's procedures? ( <i>Note:</i> The accountant is not required to determine the effects of a departure if management has not done so, provided that the accountant states in the report that such determination has not been made.) [AR 80.28]	_____	_____	_____
12. If the accountant determines that an uncertainty regarding the entity's ability to continue as a going concern is present (and management disclosure is not adequate) or that a subsequent event is not adequately accounted for or adequately disclosed, has the accountant included a paragraph regarding the departure, following the guidance of paragraphs .27-.29 of AR section 80? ( <i>Note:</i> Subsequent to the date of the report on the financial statements that the accountant has compiled, he or she may become aware that facts may have existed at that date that might have caused him or her to believe that information supplied by the entity was incorrect, incomplete, or otherwise unsatisfactory had the accountant then been aware of such facts. If the accountant becomes aware of these facts, the accountant should follow the guidance of paragraphs .47-.52 of AR section 80.) [AR 80.42 and .45]	_____	_____	_____
13. When the basic financial statements are accompanied by supplementary information, has the accountant clearly indicated the degree of responsibility, if any, he or she is taking with respect to this supplementary information? ( <i>Note:</i> When the accountant has compiled both the basic financial statements and other data presented only for supplementary analysis purposes, the compilation report should refer to the other data, or the accountant can issue a separate report on the other data. If a separate report is issued, the report should state that the other data accompanying the financial statements are presented only for the purposes of additional analysis, and that the information has been compiled from information that is the representation of management, without audit or review, and that the accountant does not express an opinion or provide any assurance on such data.) [AR 80.53]	_____	_____	_____
14. If the accountant who is engaged to perform an audit in accordance with U.S. GAAP, or is engaged to perform a review in accordance with SSARSs, agrees to change the engagement to a compilation, has the accountant made no mention of the following in the compilation report:			
a. The original engagement?	_____	_____	_____
b. Any audit or review procedures that may have been performed?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
c. Scope limitations that resulted in the changed engagement? [AR 80.61]	_____	_____	_____
15. If comparative financial statements are presented, does the accountant's report cover each period presented? [AR 200.02]	_____	_____	_____
16. If compiled financial statements that omit substantially all of the disclosures required by GAAP are presented with the comparative financial statements that previously included all disclosures, do all the periods presented also omit such disclosures? [AR 200.05]	_____	_____	_____
a. If the prior-period financial statements do not omit the required disclosures and the accountant is requested to compile statements for the same period that do omit those disclosures, does the accountant's compilation report include an additional paragraph that indicates			
i. the nature of the previous service rendered (compilation, review, or audit)?	_____	_____	_____
ii. the date of the previous report? [AR 200.30-.31]	_____	_____	_____
17. For comparative statements, if the level of service performed by the continuing accountant on the current-period financial statements is the same as, or higher than, that performed on the prior period financial statements presented, is the report on the prior period updated? [AR 200.08]	_____	_____	_____
18. For comparative statements, if the level of service performed by the continuing accountant on the current-period financial statements is lower than that performed on the prior period financial statements			
a. does the report on the current period include a separate paragraph that describes the responsibility assumed for the prior period?	_____	_____	_____
b. is the report on the current period accompanied by or combined with a reissued report on the prior period financial statements? [AR 200.08 and .11-.12]	_____	_____	_____
19. If the report requires a changed reference to a departure from GAAP regarding the prior period presented, does the report indicate			
a. the date of the previous report?	_____	_____	_____
b. description of the circumstances or events underlying the change?	_____	_____	_____
c. if applicable, that the prior-period financial statements are changed? [AR 200.14-.15]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
20. For comparative statements, if the current-period financial statements are compiled and the prior period financial statements are audited and the audit report is not reissued, does the current-period report include a separate paragraph that contains the following:			
a. A statement that the prior-period financial statements were audited previously?	_____	_____	_____
b. The date of the previous report?	_____	_____	_____
c. The type of opinion previously expressed?	_____	_____	_____
d. If the opinion is other than unqualified, the substantive reasons therefore?	_____	_____	_____
e. The fact that no auditing procedures were performed after the date of the previous report? [AR 200.29]	_____	_____	_____
21. If the financial statements of a prior period have been restated			
a. if the successor accountant is not engaged to report on the prior year financial statements and the predecessor accountant does not reissue his or her report, does the introductory paragraph of the report indicate that a predecessor accountant reported on the financial statements of the prior period before restatement?	_____	_____	_____
b. if the successor accountant is engaged to compile or review the restatement adjustment(s), does the report indicate that the adjustment(s) were applied to restate prior-year financial statements that were reported on by another accountant? [AR 200.25-.26]	_____	_____	_____

**Predecessor's Compilation Report**

22. If the predecessor accountant does not reissue his or her compilation or review report on the prior-period financial statements, does the successor accountant			
a. make appropriate reference in his or her report to the predecessor's report in accordance with paragraphs .16-.19 of AR section 200, <i>Reporting on Comparative Financial Statements</i> ? ( <i>Note:</i> The accountant should not name the predecessor accountant unless the predecessor's practice was acquired by, or merged with, that of the successor accountant.)	_____	_____	_____
b. perform a compilation, review, or audit of the prior period statements and report on them accordingly? [AR 200.16-.18]	_____	_____	_____

**Section II — For Review Engagements**

1. Does the report in connection with the review contain the following elements:			
a. A title that clearly indicates that it is an accountant's review report and includes the word <i>independent</i> ; for example "Independent Accountant's Review Report?"	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. An address that is appropriate in the circumstances of the engagement?	_____	_____	_____
c. An introductory paragraph that contains the following:			
i. An identification of the entity whose financial statements have been compiled?	_____	_____	_____
ii. A statement that the financial statements have been reviewed?	_____	_____	_____
iii. An identification of the financial statements subject to the review?	_____	_____	_____
iv. The date or period covered by the financial statements?	_____	_____	_____
v. A statement that a review includes primarily applying analytical procedures to management's financial data and making inquiries of company management?	_____	_____	_____
vi. A statement that a review is substantially less in scope than an audit, and that the accountant does not express an opinion, as would be expected in an audit?	_____	_____	_____
d. A statement that management is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework?	_____	_____	_____
e. A statement that management (owners) is (are) responsible for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements?	_____	_____	_____
f. A statement that the accountant's responsibility is to conduct the review in accordance with SSARSs, issued by the AICPA?	_____	_____	_____
g. A statement that the standards require the accountant to perform the procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements?	_____	_____	_____
h. A statement that the accountant believes that the results of his or her procedures provide a reasonable basis for his or her report?	_____	_____	_____
i. A statement that the accountant believes, based on his or her review, that the accountant is not aware of any material modifications that should be made to the financial statement in order for them to be in conformity with the applicable financial reporting framework, other than those modifications, if any, indicated in the report?	_____	_____	_____
j. The manual or printed signature of the accounting firm or accountant?	_____	_____	_____
k. The date of the review report? ( <i>Note:</i> The review report should not be dated earlier than the date on which the accountant has accumulated review evidence sufficient to provide a reasonable basis for concluding that the accountant has obtained limited assurance that there are no material modifications that should be made.)	_____	_____	_____
[AR 90.28]			

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
2. Does each page of the reviewed financial statements include a reference to the review report (for example, "See Independent Accountant's Review Report")? [AR 90.29]	_____	_____	_____
3. If the accountant wishes to include a discussion or emphasis of a matter, has that information been included in a separate paragraph of the accountant's report? ( <i>Note:</i> Emphasis paragraphs are never required and are added solely at the accountant's discretion.) [AR 90.33]	_____	_____	_____
4. If the accountant determines that a modification of the standard report is necessary due to a departure from the applicable financial reporting framework, has the effect(s) of the departure on the financial statements, if such effects have been determined by management, or are known as a result of the accountant's procedures, been disclosed in a separate paragraph? ( <i>Note:</i> The accountant is not required to determine the effects of a departure if management has not done so, provided that the accountant states in the report that such determination has not been made.) [AR 90.35]	_____	_____	_____
5. If the accountant's report is restricted, does the report contain a separate paragraph at the end that included the following elements:			
a. A statement indicating that the report is intended solely for the information and use of specified parties?	_____	_____	_____
b. An identification of the specified parties to whom use is restricted, either in the additional paragraph or elsewhere in the report?	_____	_____	_____
c. A statement that the report is not intended to be and should not be used by anyone other than the specified parties? [AR 90.46]	_____	_____	_____
6. If the accountant determines that an uncertainty regarding the entity's ability to continue as a going concern is present (and management disclosure is not adequate) or that a subsequent event is not adequately accounted for or adequately disclosed, has the accountant included a paragraph regarding the departure, following the guidance of paragraphs .34-.36 of AR section 90? ( <i>Note:</i> Subsequent to the date of the report on the financial statements that the accountant has compiled, he or she may become aware that facts may have existed at that date that might have caused him or her to believe that information supplied by the entity was incorrect, incomplete, or otherwise unsatisfactory had the accountant then been aware of such facts. If the accountant becomes aware of these facts, the accountant should follow the guidance of paragraphs .54-.59 of AR section 90.) [AR 90.49 and .52]	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
7. When the basic financial statements are accompanied by supplementary information, has the accountant clearly indicated the degree of responsibility, if any, he or she is taking with respect to this supplementary information? ( <i>Note</i> : When the accountant has reviewed the basic financial statements, an explanation should be included in the review report or in a separate report on the other data. The report should state that the review has been made for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with the applicable financial reporting framework and that either (a) the other data accompanying the financial statements are presented only for purposes of additional analysis and have been subjected to the inquiry and analytical procedures applied in the review financial statements, and the accountant did not become aware of any material modifications that should be made to such data, or (b) the other data accompanying the financial statements are presented only for purposes of additional analysis and have not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements but were compiled from information that is the representation of management, without audit or review, and the accountant does not express an opinion or provide any assurance on such data.) [AR 90.60]	_____	_____	_____
8. If the accountant who is engaged to perform an audit in accordance with U.S. GAAP agrees to change the engagement to a review, has the accountant made no mention of the following in the compilation report:			
a. The original engagement?	_____	_____	_____
b. Any audit procedures that may have been performed?	_____	_____	_____
c. Scope limitations that resulted in the changed engagement? [AR 90.68]	_____	_____	_____
9. If comparative financial statements are presented, does the accountant's report cover each period presented? [AR 200.02]	_____	_____	_____
10. For comparative statements, if the level of service performed by the continuing accountant on the current-period financial statements is the same as, or higher than, that performed on the prior period financial statements, is the continuing accountant's report on the prior period updated? [AR 200.08]	_____	_____	_____
11. For comparative statements, if the level of service performed by the continuing accountant on the current-period financial statements is lower than that performed on the prior period financial statements			
a. does the report on the current period include a separate paragraph that describes the responsibility assumed for the prior period?	_____	_____	_____

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<p><i>b.</i> is the report on the current period accompanied by or combined with a reissued report on the prior period financial statements, which states that the accountant has not performed any procedures in connection with that review engagement after the date of his review report? [AR 200.08 and .11–.12]</p>	_____	_____	_____
<p>12. If the report requires a changed reference to a departure from GAAP regarding the prior period presented, does the report indicate</p>			
<p><i>a.</i> the date of the previous report?</p>	_____	_____	_____
<p><i>b.</i> a description of the circumstances or events underlying the change?</p>	_____	_____	_____
<p><i>c.</i> if applicable, that the prior-period financial statements are changed? [AR 200.14–.15]</p>	_____	_____	_____
<p>13. If the financial statements of a prior period have been restated</p>			
<p><i>a.</i> if the successor accountant is not engaged to report on the prior year financial statements and the predecessor accountant does not reissue his or her report, does the introductory paragraph of the report indicate that a predecessor accountant reported on the financial statements of the prior period before restatement?</p>	_____	_____	_____
<p><i>b.</i> if the successor accountant is engaged to compile or review the restatement adjustment(s), does the report indicate that the adjustment(s) were applied to restate prior-year financial statements that were reported on by another accountant? [AR 200.25–.26]</p>	_____	_____	_____
<p>14. If the current-period financial statements are reviewed and the financial statements of the prior period presented are audited and the audit report is not reissued, does the current-period report include a separate paragraph that contains the following:</p>			
<p><i>a.</i> A statement that the prior-period financial statements were audited previously?</p>	_____	_____	_____
<p><i>b.</i> The date of the previous report?</p>	_____	_____	_____
<p><i>c.</i> The type of opinion expressed previously?</p>	_____	_____	_____
<p><i>d.</i> If the opinion is other than unqualified, the substantive reasons therefore?</p>	_____	_____	_____
<p><i>e.</i> The fact that no auditing procedures were performed after the date of the previous report? [AR 200.29]</p>	_____	_____	_____

**Predecessor's Review Report**

15. If the predecessor accountant does not reissue his or her compilation or review report on the prior-period financial statements, does the successor accountant

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
a. make appropriate reference in the report to the predecessor's report in accordance with paragraphs .16-.19 of AR section 200? ( <i>Note</i> : The accountant should not name the predecessor accountant unless the predecessor's practice was acquired by, or merged with, that of the successor accountant.)	_____	_____	_____
b. perform a compilation, review, or audit of the statements of the prior period and report on them accordingly? [AR 200.16-.18]	_____	_____	_____

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## Part 4

# *Illustrative Financial Statement Formats*<sup>1</sup>

.01 Generally accepted accounting principles (GAAP) do not require that specific formats be used in the presentation of financial statements. Nonetheless, several formats have come to represent common practice among financial statement preparers. The model illustrative financial statement formats included in this section do not represent comprehensive formats for all situations, but rather are general guidelines that may be tailored to fit the requirements of a wide variety of individual circumstances and situations. Furthermore, the illustrative financial statements do not include all disclosures and presentation items promulgated.

### Basic Financial Statements

.02 The minimum financial statement presentation required to present fairly an entity's financial position, results of operations, and cash flows in conformity with GAAP is outlined by Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2011-05, *Comprehensive Income (Topic 220): Presentation of Comprehensive Income*. The basic financial statements that are generally covered by an auditor's report include

- financial position at the end of the period,
- earnings (net income) for the period (which may be presented as a separate statement or within a continuous statement of comprehensive income),
- comprehensive income (total nonowner changes in equity) for the period in one statement or two separate but consecutive statements,
- cash flows during the period, and
- investments by and distributions to owners during the period.

### The Balance Sheet

.03 *Title*. The entities surveyed in the AICPA's *U.S. GAAP Financial Statements—Best Practices in Presentation and Disclosure* (product nos. ATTATT13P [paperback] or WNG-XX [online]), generally use the title *balance sheet* for the statement showing assets, liabilities, and stockholder's equity. Other titles frequently used by those entities include *statement of financial position* and *statement of financial condition*.

.04 *Balance Sheet Format*. Commonly used balance sheet formats include the account form, the report form, and the financial position form. The account form shows total assets on the left-hand side equal to the sum of liabilities and equity on the right-hand side. The report form shows a downward sequence of either total assets minus total liabilities equal to equity or total assets equal to total liabilities plus equity. The financial position form, a variation of the report form, shows noncurrent assets added to and noncurrent liabilities deducted from working capital to arrive at a balance equal to equity.

.05 Examples of the account form and financial position form of balance sheet are included as exhibits 1–2 of this section.

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<sup>1</sup> The illustrative financial statement formats included in this section have been updated to reflect Financial Accounting Standards Board (FASB) *Accounting Standards Codification*® (ASC). However, in FASB ASC's notice to constituents, it suggests the use of plain English in financial statement footnotes to describe broad FASB ASC topic references. They suggest a reference similar to "as required by the Derivatives and Hedging Topic of the FASB *Accounting Standards Codification*." Entities might consider revising their financial statement references to reflect this plain English referencing, rather than the use of specific FASB ASC references. We have provided these detailed references in the 2009 editions as a learning tool to familiarize constituents with FASB ASC.

## Statement of Income

**.06 Title.** The entities surveyed for the AICPA's *U.S. GAAP Financial Statements—Best Practices in Presentation and Disclosure* (product nos. ATTATT13P [paperback] or WNG-XX [online]), generally use the term *income* in the title of their presentations of the results of operations. Another term used by entities is *earnings*. The Securities and Exchange Commission requires the word *operations* in the title when there is a loss in the current period.

**.07 Income Statement Format.** Commonly used income statement formats include the single-step form and the multistep form. The single-step format groups the components of net income into two categories: (a) revenues and gains and (b) expenses and losses. The difference between the two subtotals is net income or loss for the period. The multiple-step format shows various intermediate components of net income. Generally, operating results are presented separately from nonoperating results (for example, costs and expenses are deducted from sales followed by nonoperating revenues, gains, expenses, and losses, and are grouped by type or function). Intermediate components of net income that are frequently presented in multiple-step statements are gross profit, income from operations, and other income and expenses.

**.08** Examples of the single-step and multiple-step income statement formats are included as exhibits 3–4 of this section.

**.09 Comprehensive Income.** FASB *Accounting Standards Codification (ASC) 220, Comprehensive Income*, requires that reporting entities report comprehensive income and its components in a financial statement that is displayed with the same prominence as other financial statements. FASB ASC 220 does not require a specific format for the statement that presents comprehensive, but provides examples of several different formats. Two such formats—one for a combined statement of income and comprehensive income and another for a separate statement of comprehensive income—are included as exhibits 5–6 of this section.

## Statements of Retained Earnings or Stockholder's Equity

**.10** Although separate statements of retained earnings and statements of stockholder's equity are common presentations for public entities, their use by nonpublic entities is much less frequent. Because of the less complex capital structure of most nonpublic entities and the fact that their securities are not frequently transferred, many have found that the required disclosures can often be made without presenting separate statements. In most cases the only change in stockholder's equity of a nonpublic entity is the change in retained earnings resulting from net income (or loss). That change can usually be adequately disclosed in the statement of income or in the balance sheet.

**.11** When nonpublic entities do experience changes in other components of stockholder's equity (for example, issuance of stock, purchase of treasury stock, and stock splits) disclosure is often made in the notes to the financial statements or in a separate statement of changes in stockholder's equity.

**.12** An example of a combined statement of income and retained earnings is included as exhibit 7 of this section.

**.13** FASB ASC 220-10-55 provides examples of presentations of comprehensive income and its components in the statement of changes in equity.

## Statement of Cash Flows

**.14** FASB ASC 230, *Statement of Cash Flows*, requires that a statement of cash flows be included as part of a full set of financial statements for all business enterprises that report both financial position and results of operations. The primary purpose of a statement of cash flows is to provide relevant information about the cash receipts and cash payments of an entity during a period.

**.15** A statement of cash flows classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities. Entities may report cash flows from operating activities directly by showing major classes of operating cash receipts and payments (the direct method) or by reporting net

cash flows from operating activities indirectly by adjusting net income to reconcile it to net cash flow from operating activities (the indirect or reconciliation method). If the direct method is used, a reconciliation of net income and net cash flow from operating activities is required to be provided in a separate schedule.

.16 Examples of the statements of cash flow prepared using the indirect method and the direct method are included as exhibits 8–9 of this section.

## Notes to Financial Statements

.17 Authoritative pronouncements mandate many types of disclosures but do not mandate the manner of presentation. Some disclosures are best presented in separate notes rather than in the basic financial statements. Descriptions of accounting policies and notes to financial statements are recognized as components of the “basic financial statements” necessary for a fair presentation in accordance with GAAP. Thus, notes are an integral part of financial statements. They should be used to present material disclosures required by generally accepted accounting principles that are not otherwise presented on the face of the statements.

## Exhibit 1

Account Form

## ABC COMPANY AND SUBSIDIARIES

## Consolidated Balance Sheets

December 31, 20X1, and 20X0

	<u>20X1</u>	<u>20X0</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$XXX,XXX	\$XXX,XXX
Marketable securities (Note )	XXX,XXX	XXX,XXX
Notes and accounts receivable:		
Notes receivable, less unearned finance charges (20—\$XXX,XXX; 20—\$XXX,XXX)	XXX,XXX	XXX,XXX
Accounts receivable	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Less: Allowance for doubtful accounts	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Inventories, at lower of average cost or market:		
Finished goods	XXX,XXX	XXX,XXX
Work in process	XXX,XXX	XXX,XXX
Raw materials and supplies	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Prepaid expenses	XXX,XXX	XXX,XXX
Total current assets	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Investment in affiliated company at cost plus equity in undistributed earnings since acquisition	XXX,XXX	XXX,XXX
Cash surrender value of life insurance	XXX,XXX	XXX,XXX
Property, plant, and equipment, at cost:		
Land	XXX,XXX	XXX,XXX
Buildings	XXX,XXX	XXX,XXX
Machinery, equipment, and furniture and fixtures	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Less: Accumulated depreciation (Note )	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Goodwill	XXX,XXX	XXX,XXX
Patents	XXX,XXX	XXX,XXX
Other assets and deferred charges	XXX,XXX	XXX,XXX
Total assets	<u>\$XXX,XXX</u>	<u>\$XXX,XXX</u>
Liabilities and Shareholders' Equity		
Current Liabilities:		
Notes payable (Note )	\$XXX,XXX	\$XXX,XXX
Current portion of mortgage loan payable	XXX,XXX	XXX,XXX
Current portion of obligations under capital leases	XXX,XXX	XXX,XXX
Accounts payable—trade	XXX,XXX	XXX,XXX
Dividends payable	XXX,XXX	XXX,XXX
Income taxes payable (Notes )	XXX,XXX	XXX,XXX

	<u>20X1</u>	<u>20X0</u>
Other accounts payable and accrued expenses	XXX,XXX	XXX,XXX
Total current liabilities	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Mortgage payable (Note )	XXX,XXX	XXX,XXX
Obligation under capital leases (Note )	XXX,XXX	XXX,XXX
Deferred income tax credits (Note )	XXX,XXX	XXX,XXX
Minority interest	XXX,XXX	XXX,XXX
Redeemable preferred stock (Note ):—% cumulative, no par value—XXX shares authorized; XXX shares issued and outstanding	XXX,XXX	XXX,XXX
Common stock, no par value—XXX shares authorized; XXX shares issued at stated value of \$XX a share	XXX,XXX	XXX,XXX
Capital in excess of stated value	XXX,XXX	XXX,XXX
Retained earnings	XXX,XXX	XXX,XXX
Accumulated other comprehensive income	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Less: XXX shares of common stock in treasury, at cost	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Total stockholders' equity	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Total liabilities and stockholders' equity	<u><u>\$XXX,XXX</u></u>	<u><u>\$XXX,XXX</u></u>

## Exhibit 2

Financial Position Format

## ABC COMPANY AND SUBSIDIARIES

## Consolidated Statements of Financial Position

December 31, 20X1, and 20X0

	<u>20X1</u>	<u>20X0</u>
Current Assets:		
Cash and cash equivalents	\$XXX,XXX	\$XXX,XXX
Marketable debt and equity securities (Note )	XXX,XXX	XXX,XXX
Notes and accounts receivable, less estimated doubtful accounts (Note )	XXX,XXX	XXX,XXX
Inventories (Note )	XXX,XXX	XXX,XXX
Prepaid expenses	XXX,XXX	XXX,XXX
Total current assets	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Less: Current liabilities:		
Notes and accounts payable and accrued expenses (Note )	XXX,XXX	XXX,XXX
Income taxes (Note )	XXX,XXX	XXX,XXX
Total current liabilities	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Working capital	XXX,XXX	XXX,XXX
Marketable equity securities (Note )	XXX,XXX	XXX,XXX
Equity in affiliated companies (Note )	XXX,XXX	XXX,XXX
Property, plant, and equipment, at cost less accumulated depreciation (Note )	XXX,XXX	XXX,XXX
Deferred charges and other assets	XXX,XXX	XXX,XXX
Working capital and other assets	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Deductions:		
Long term debt (Note )	XXX,XXX	XXX,XXX
Minority interest in consolidated subsidiary companies	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Excess of assets over liabilities	<u>\$XXX,XXX</u>	<u>\$XXX,XXX</u>
Shareholders' equity:		
Common stock, \$XX par value—authorized XXX shares; issued and outstanding XXX shares	\$XXX,XXX	\$XXX,XXX
Capital in excess of par value	XXX,XXX	XXX,XXX
Retained earnings	XXX,XXX	XXX,XXX
Accumulated other comprehensive income	XXX,XXX	XXX,XXX
Total stockholders' equity	<u>\$XXX,XXX</u>	<u>\$XXX,XXX</u>

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Exhibit 3

Single-Step Income Statement

ABC COMPANY AND SUBSIDIARIES

Consolidated Statements of Income

for the Two Years Ended December 31, 20X1, and 20X0

	<i>Year Ended December 31,</i>	
	<u>20X1</u>	<u>20X0</u>
Sales and other revenue:		
Net sales	\$XXX,XXX	\$XXX,XXX
Other income	XXX,XXX	XXX,XXX
Equity in net earnings of affiliate	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Cost and expenses:		
Cost of goods sold	XXX,XXX	XXX,XXX
Selling, general and administrative expenses	XXX,XXX	XXX,XXX
Depreciation and amortization	XXX,XXX	XXX,XXX
Interest expense	XXX,XXX	XXX,XXX
Provision for income taxes	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Net income	<u>\$XXX,XXX</u>	<u>\$XXX,XXX</u>
Earnings per share data:		
Basic	<u>\$ X.XX</u>	<u>\$ X.XX</u>
Diluted	<u>\$ X.XX</u>	<u>\$ X.XX</u>

## Exhibit 4

Multi-Step Income Statement

## ABC COMPANY AND SUBSIDIARIES

## Consolidated Statements of Income

for the Two Years Ended December 31, 20X1, and 20X0

	<i>Year Ended December 31,</i>	
	<u>20X1</u>	<u>20X0</u>
Net sales	\$XXX,XXX	\$XXX,XXX
Other operating revenue	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Cost of goods sold	XXX,XXX	XXX,XXX
Selling and administrative expenses	XXX,XXX	XXX,XXX
Depreciation and amortization	XXX,XXX	XXX,XXX
Other costs and operating expenses	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Income from operations	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Other income:		
Interest income	XXX,XXX	XXX,XXX
Miscellaneous other income	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Other deductions:		
Interest cost incurred and commitment fee on loans	XXX,XXX	XXX,XXX
Interest cost capitalized	(XXX,XXX)	(XXX,XXX)
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Income before income taxes	XXX,XXX	XXX,XXX
Provision for income taxes (Note )	XXX,XXX	XXX,XXX
Net income	<u>\$XXX,XXX</u>	<u>\$XXX,XXX</u>
Earnings per common share (Note )	<u>\$ X.XX</u>	<u>\$ X.XX</u>

.22

Exhibit 5

**Combined Statement of Income and Comprehensive Income**

**ABC COMPANY AND SUBSIDIARIES**

**Consolidated Statement of Comprehensive Income**

**Year Ended December 31, 20X1**

Sales and other revenue:		
Net sales		\$XXX,XXX
Other income		XXX,XXX
		<u>XXX,XXX</u>
Cost and expenses:		
Cost of goods sold		XXX,XXX
Selling, general, and administrative expenses		XXX,XXX
Depreciation and amortization		XXX,XXX
Interest expense		XXX,XXX
		<u>XXX,XXX</u>
Income from operations before tax		XXX,XXX
Provision for income taxes		—
		<u>(XXX,XXX)</u>
Income before extraordinary item		XXX,XXX
Extraordinary item, net of tax		<u>(XXX,XXX)</u>
Net income		<u>XXX,XXX</u>
Less: net income attributable to the noncontrolling interest	\$(XX,XXX)	
Net income attributable to ABD Company Shareholders	<u>XX,XXX</u>	
Earnings per share		
Basic and Diluted	X.XX	
Other comprehensive income, net of tax:		
Foreign currency translation adjustments		XXX,XXX
Unrealized gains on securities		
Unrealized holding gains arising during period	\$XX,XXX	
Less: reclassification adjustment for gains included in net income	<u>(X,XXX)</u>	XX,XXX
Defined benefit pension plans: <sup>2</sup>		
Prior service cost arising during period	<u>(X,XXX)</u>	<u>          </u>
Net loss arising during period	<u>(X,XXX)</u>	<u>          </u>
Less: amortization of prior service cost included in net periodic pension cost	<u>XXX</u>	(X,XXX)
Other comprehensive income		<u>XX,XXX</u>
Comprehensive income		\$ XX,XXX
Less: comprehensive income attributable to the noncontrolling interest		<u>\$(XX,XXX)</u>
Comprehensive income attributable to ABC Company shareholders		<u><u>\$ XX,XXX</u></u>

<sup>2</sup> This illustrates the gross display. Alternatively, a net display can be used, with disclosure of the gross amounts (prior service cost and net loss for the defined benefit pension plans less amortization of prior service cost) in the notes to financial statements.

The components of other comprehensive income may be displayed before income taxes with one aggregate amount presented for the income tax expense (or benefit) relating to all items of comprehensive income. In that case, the comprehensive income section (the portion of the statement following "net income") might appear as follows:

Net income		<u>XXX,XXX</u>
Less: net income attributable to the noncontrolling interest	\$(XX,XXX)	
Net income attributable to ABD Company Shareholders	<u>XX,XXX</u>	
Earnings per share		
Basic and Diluted	X.XX	
Other comprehensive income, before tax:		
Foreign currency translation adjustments		\$XX,XXX
Unrealized gains on securities		
Unrealized holding gains arising during period	\$XX,XXX	
Less: reclassification adjustment for gains included in net income	<u>(X,XXX)</u>	XX,XXX
Defined benefit pension plans: <sup>3</sup>		
Prior service cost arising during period	(X,XXX)	
Net loss arising during period	(X,XXX)	
Less: amortization of prior service cost included in net periodic pension cost	<u>XXX</u>	<u>(X,XXX)</u>
Other comprehensive income, before tax		XX,XXX
Provision for income taxes related to items of other comprehensive income		<u>(X,XXX)</u>
Other comprehensive income, net of tax		<u>XX,XXX</u>
Comprehensive income		<u>XX,XXX</u>
Less: comprehensive income attributable to the noncontrolling interest		(XX,XXX)
Comprehensive income attributable to ABC Company shareholders		<u>\$XX,XXX</u>

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<sup>3</sup> See footnote 2.

.23

Exhibit 6

Separate Statement of Comprehensive Income

ABC COMPANY AND SUBSIDIARIES

Consolidated Statement of Comprehensive Income

Year Ended December 31, 20X1

Net income		<u>\$XXX,XXX</u>
Other comprehensive income, net of tax		
Foreign currency translation adjustments		XXX,XXX
Unrealized gains on securities		
Unrealized holding gains arising during period	\$XXX,XXX	
Less: reclassification adjustment for gains included in net income	<u>(XXX,XXX)</u>	XXX,XXX
Defined benefit pension plans: <sup>4</sup>		
Prior service cost arising during period	(X,XXX)	
Net loss arising during period	(X,XXX)	
Less: amortization of prior service cost included in net periodic pension cost	<u>XXX</u>	<u>(X,XXX)</u>
Other comprehensive income		XXX,XXX
Comprehensive income		XXX,XXX
Less: comprehensive income attributable to the noncontrolling interest		<u>(X,XXX)</u>
Comprehensive income attributable to Company ABC shareholders		<u><u>\$XXX,XXX</u></u>

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<sup>4</sup> See footnote 2.

## Exhibit 7

Statement of Income and Retained Earnings

## ABC COMPANY AND SUBSIDIARIES

## Consolidated Statements of Income and Retained Earnings

for the Two Years Ended December 31, 20X1, and 20X0

	<i>Year Ended December 31,</i>	
	<u>20X1</u>	<u>20X0</u>
Net sales	\$XXX,XXX	\$XXX,XXX
Other income	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Costs and expenses:		
Cost of goods sold	XXX,XXX	XXX,XXX
Selling and administrative expenses	XXX,XXX	XXX,XXX
Depreciation and amortization	XXX,XXX	XXX,XXX
Research and development expenses	XXX,XXX	XXX,XXX
Interest expenses (Note )	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Income before income taxes	XXX,XXX	XXX,XXX
Provision for income taxes (Note )	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Income before equity in net earnings of affiliate	XXX,XXX	XXX,XXX
Equity in net earnings of affiliated companies (Note )	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Net income	XXX,XXX	XXX,XXX
Retained earnings at beginning of year	XXX,XXX	XXX,XXX
	<u>XXX,XXX</u>	<u>XXX,XXX</u>
Dividends declared:		
Convertible preferred stock (\$.XX per share)	(XXX,XXX)	(XXX,XXX)
Common stock (20—\$.XX per share; 20—\$.XX per share)	(XXX,XXX)	(XXX,XXX)
	<u>(XXX,XXX)</u>	<u>(XXX,XXX)</u>
Retained earnings at end of year	\$XXX,XXX	\$XXX,XXX
Earnings per common share—basic (Note )	<u>\$ X.XX</u>	<u>\$ X.XX</u>
Earnings per common share-diluted (Note )	<u>\$ X.XX</u>	<u>\$ X.XX</u>

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Exhibit 8

**Statement of Cash Flows—Direct Method**

**ABC COMPANY AND SUBSIDIARIES**

**Consolidated Statement of Cash Flows**

**for the Year Ended December 31, 20X1**

Cash flows from operating activities:		
Cash received from customers	\$XXX,XXX	
Cash paid to suppliers and employees	(XXX,XXX)	
Dividend received from investee	XXX,XXX	
Interest received	XXX,XXX	
Interest paid (net of amount capitalized)	(XXX,XXX)	
Income taxes paid	(XXX,XXX)	
Insurance proceeds received	(XXX,XXX)	
Cash paid to settle lawsuit	<u>(XXX,XXX)</u>	
Net cash provided by operating activities		\$ XXX,XXX
Cash flows from investing activities:		
Proceeds from sale of plant and equipment	XXX,XXX	
Payment received on note receivable	XXX,XXX	
Capital expenditures	<u>(XXX,XXX)</u>	
Net cash used in investing activities		(XXX,XXX)
Cash flows from financing activities:		
Net borrowings under loan agreements	XXX,XXX	
Principle payments under capital lease obligation	(XXX,XXX)	
Proceeds from issuance of long term debt	XXX,XXX	
Proceeds from issuance of common stock	XXX,XXX	
Dividends paid	<u>(XXX,XXX)</u>	
Net cash provided by financing activities		<u>XXX,XXX</u>
Net increase in cash and cash equivalents		XXX,XXX
Cash and cash equivalents at beginning of year		<u>XXX,XXX</u>
Cash and cash equivalents at end of year		<u><u>\$ XXX,XXX</u></u>
<b>Reconciliation of net income to net cash provided by operating activities:</b>		
Net income		\$XXX,XXX
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	\$ XXX,XXX	
Provision for losses on trade accounts receivable	XXX,XXX	
Gain on sale of plant and equipment	(XXX,XXX)	
Undistributed earnings of investee	(XXX,XXX)	
Payment received on installment note receivable for sale of inventory	XXX,XXX	
Increase in interest and income taxes payable	XXX,XXX	
Increase in deferred taxes	XXX,XXX	
Increase in other liabilities	<u>XXX,XXX</u>	
Total adjustments		<u>XXX,XXX</u>
Net cash provided by operating activities		<u><u>\$ XXX,XXX</u></u>
Noncash financing activities:		
Equipment capital leases	XXX,XXX	
Conversion of preferred stock to common stock	XXX,XXX	

## Exhibit 9

**Statement of Cash Flows—Indirect Method****ABC COMPANY AND SUBSIDIARIES****Consolidated Statement of Cash Flows****For the Year Ended December 31, 20X1**

Cash flows from operating activities:		
Net income		\$ XXX,XXX
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	\$ XXX,XXX	
Provision for losses on trade accounts receivable	XXX,XXX	
Gain on sale of plant and equipment	(XXX,XXX)	
Undistributed earnings of investee	(XXX,XXX)	
Payment received on note receivable	XXX,XXX	
Increase in interest and income taxes payable	XXX,XXX	
Increase in deferred taxes	XXX,XXX	
Increase in other liabilities	XXX,XXX	
Total adjustments		<u>XXX,XXX</u>
Net cash provided by operating activities		<u>XXX,XXX</u>
Cash flows from investing activities:		
Proceeds from sale of plant and equipment	XXX,XXX	
Payment received on note receivable	XXX,XXX	
Capital expenditures	(XXX,XXX)	
Net cash used in investing activities		<u>(XXX,XXX)</u>
Cash flows from financing activities:		
Net borrowings under loan agreements	XXX,XXX	
Principal payments under capital lease obligation	(XXX,XXX)	
Proceeds from issuance of long term debt	XXX,XXX	
Proceeds from issuance of common stock	XXX,XXX	
Dividends paid	(XXX,XXX)	
Net cash provided by financing activities		<u>XXX,XXX</u>
Net increase in cash and cash equivalents		<u>XXX,XXX</u>
Cash and cash equivalents at beginning of year		<u>XXX,XXX</u>
Cash and cash equivalents at end of year		<u><u>\$ XXX,XXX</u></u>
<b>Supplemental Disclosures:</b>		
Cash paid during the year for:		
Interest (net of amounts capitalized)	\$ XXX,XXX	
Income taxes	XXX,XXX	
Noncash activities:		
Capital lease obligations for equipment	\$ XXX,XXX	
Stock issued for employee stock plans	\$ XXX,XXX	

## Part 5

# *Illustrative Financial Statements, Notes, and Auditor's Report*

### General

.01 The following illustrative auditor's report and financial statements demonstrate financial statement formats and disclosures appropriate for commercial corporations. These illustrations are not intended to represent the only appropriate presentation and disclosure formats, however. Corporations are urged to develop financial statement formats that are appropriate for their individual circumstances and consistent with the accounting and reporting practices promulgated. Furthermore, the illustrative financial statements do not include all disclosures and presentation items promulgated. Additional examples of financial statements and disclosures can be found in the AICPA publication *U.S. GAAP Financial Statements—Best Practices in Presentation and Disclosure* (product nos. ATTATT13P [paperback] or WNG-XX [online]).

.02

**Sample Auditor's Report**  
Independent Auditor's Report

To the stockholders of

ABC Company:

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of ABC Company, which comprise the consolidated balance sheets as of December 31, 20X1 and 20X0, and the related consolidated statements of income, comprehensive income, retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to previously present fairly, in all material respects, the consolidated financial position of ABC Company as of December 31, 20X1, and 20X0, and the consolidated results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*[Auditor's signature]*

*[Auditor's city and state]*

*[Date of the auditor's report]*

.03

## ABC COMPANY AND SUBSIDIARIES

## Consolidated Balance Sheets

December 31, 20X1 and 20X0

*(In thousands, except share data)*

	<u>20X1</u>	<u>20X0</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 663	\$ 590
Marketable debt and equity securities (Note 3)	6,283	4,632
Accounts receivable (Note 4)	24,138	23,211
Inventories (Note 5)	20,152	21,825
Current deferred tax assets (Note 12)	503	449
Other current assets	908	333
Total Current Assets	<u>52,647</u>	<u>51,040</u>
Property, Plant, and Equipment, at cost, net (Note 6)	11,302	11,683
Deferred Tax Assets (Note 12)	1,009	714
Other Assets (Note 7)	1,264	1,258
Total Assets	<u>\$66,222</u>	<u>\$64,695</u>
<b>Liabilities and Stockholders' Equity</b>		
<b>Current Liabilities:</b>		
Short term borrowings (Note 8)	\$ 4,875	\$ 6,960
Current maturities of long term debt (Note 9)	633	399
Accounts payable—trade	9,033	9,888
Accrued payroll and employee benefits	5,341	4,393
Other accrued liabilities	1,552	1,639
Total Current Liabilities	<u>21,434</u>	<u>23,279</u>
Long term Debt (Note 9)	12,517	11,189
Other Long term Liabilities	675	797
Commitments and Contingent Liabilities (Note 14)	—	—
Total Liabilities	<u>34,626</u>	<u>35,265</u>
<b>Stockholders' Equity</b> (Note 10):		
Class A Common stock, issued 5,094,370 shares in 20X1 and 5,089,370 shares in 20X0	51	51
Paid-in capital	17,559	17,559
Retained earnings	11,967	10,598
Accumulated other comprehensive income	2,298	1,501
Treasury stock—at cost, Class A Common stock, 128,000 shares	(279)	(279)
Total Stockholders' Equity	<u>31,596</u>	<u>29,430</u>
Total Liabilities and Stockholders' Equity	<u>\$66,222</u>	<u>\$64,695</u>

The accompanying notes are an integral part of the consolidated financial statements.

## ABC COMPANY AND SUBSIDIARIES

## Consolidated Statements of Income

For the Two Years Ended December 31, 20X1 and 20X0

*(In thousands, except share data)*

	<u>20X1</u>	<u>20X0</u>
<b>Net Sales</b>	\$131,383	\$117,131
Costs of goods sold	117,885	103,333
Selling, general, and administrative expenses	11,223	10,707
Interest expense	1,420	1,033
Other (income) expense	<u>(278)</u>	<u>(138)</u>
Total Costs and Expenses	<u>130,250</u>	<u>114,935</u>
Income Before Income Taxes	1,133	2,196
Income Tax Benefit (Note 12)	<u>(236)</u>	<u>(524)</u>
<b>Net Income</b>	<u>\$ 1,369</u>	<u>\$ 2,720</u>
<b>Earnings Per Common Share</b> (Note 11)	\$ 0.XX	\$ 0.XX

The accompanying notes are an integral part of the consolidated financial statements.

.05

**ABC COMPANY AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**For the Two Years Ended December 31, 20X1 and 20X0**  
*(In thousands)*

<b>20X1</b>		
<hr/>		
Net income		<u>\$1,369</u>
Other comprehensive income, net of tax		
Unrealized gains on securities		
Unrealized holding gains arising during period (net of income taxes of \$317)	\$967	
Less: reclassification adjustment for gains included in net income (net of income taxes of \$57)	<u>(170)</u>	<u>797</u>
Comprehensive income		<u><u>\$2,166</u></u>
<b>20X0</b>		
<hr/>		
Net income		<u>\$2,720</u>
Other comprehensive income, net of tax		
Unrealized gains on securities		
Unrealized holding gains arising during period (net of income taxes of \$41)	\$164	
Less: reclassification adjustment for gains included in net income (net of income taxes of \$31)	<u>(122)</u>	<u>42</u>
Comprehensive income		<u><u>\$2,762</u></u>

The accompanying notes are an integral part of the consolidated financial statements.

.06

## ABC COMPANY AND SUBSIDIARIES

## Consolidated Statements of Cash Flows

For the Two Years Ended December 31, 20X1 and 20X0

*(In thousands)*

	<u>20X1</u>	<u>20X0</u>
<b>Cash Flows From Operating Activities:</b>		
Net income	\$1,369	\$2,720
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Deferred income taxes	(350)	(614)
Depreciation and amortization	1,387	1,466
(Gain) loss on sales of marketable securities	336	(76)
Gain on sale of property, plant, and equipment	(266)	(318)
Change in operating assets and liabilities:		
Accounts receivable	(927)	(5,280)
Inventory	1,673	(2,120)
Other current assets	(575)	25
Other noncurrent assets	(6)	154
Accounts payable—trade	(855)	1,263
Accrued payroll and employee benefits	948	177
Other current liabilities	(87)	(119)
Other liabilities	(122)	(192)
Net Cash Provided (Used) by Operating Activities	<u>2,525</u>	<u>(2,914)</u>
<b>Cash Flows From Investing Activities:</b>		
Proceeds from sales of marketable securities	983	587
Purchases of marketable securities	(1,436)	(491)
Proceeds from sale of property, plant, and equipment	2,983	1,054
Capital expenditures on property, plant, and equipment	<u>(3,303)</u>	<u>(1,420)</u>
Net Cash Provided (Used) by Investing Activities	<u>773</u>	<u>(270)</u>
<b>Cash Flows From Financing Activities:</b>		
(Repayments) proceeds of revolving agreement borrowings	(2,085)	3,710
Repayment of long term debt	(463)	(543)
Proceeds from issuance of long term debt	<u>869</u>	<u>          </u>
– Net Cash Provided (Used) by Financing Activities	<u>(1,679)</u>	<u>3,167</u>
Net Increase (Decrease) in Cash and Cash Equivalents	73	(17)
Cash and Cash Equivalents at Beginning of Year	<u>590</u>	<u>607</u>
Cash and Cash Equivalents at End of Year	<u>\$ 663</u>	<u>\$ 590</u>
<b>Supplemental Disclosures of Cash Flow Information:</b>		
Interest Paid	\$1,453	\$ 967
Income Taxes Paid	\$ 94	\$ 39

During 20X1 and 20X0, the Company financed certain capital expenditures and related maintenance agreements totaling \$2,040,500 and \$207,500, respectively, through the issuance of capital leases.

The accompanying notes are an integral part of the consolidated financial statements.

.07

**ABC COMPANY AND SUBSIDIARIES**  
**Consolidated Statements of Stockholders' Equity**  
**For the Two Years Ended December 31, 20X1 and 20X0**  
*(In thousands)*

	<i>Class A Common Stock</i>	<i>Paid-in Capital</i>	<i>Retained Earnings</i>	<i>Accumulated Other Comprehensive Income</i>	<i>Treasury Stock</i>	<i>Total</i>
<b>Balance, January 1, 20X0</b>	\$51	\$17,559	\$ 7,878	\$1,459	\$(279)	\$26,668
Net Income			2,720			2,720
Other comprehensive income				42		42
<b>Balance, December 31, 20X0</b>	51	17,559	10,598	1,501	(279)	29,430
Net Income			1,369			1,369
Other comprehensive income				797		797
<b>Balance, December 31, 20X1</b>	<u>\$51</u>	<u>\$17,559</u>	<u>\$11,967</u>	<u>\$2,298</u>	<u>\$(279)</u>	<u>\$31,596</u>

The accompanying notes are an integral part of the consolidated financial statements.

.08

**ABC COMPANY AND SUBSIDIARIES****Notes to Consolidated Financial Statements****Note 1: Summary of Significant Accounting Policies**

*Nature of Operations.* ABC Company is engaged in the manufacture, fabrication, and distribution of rail, construction, and tubular products.

The Company's rail business provides a full line of new and used rail, trackwork, and accessories to railroads, mines, and industry. The Company also designs and produces bonded rail joints, power rail, track fasteners, catenary systems, coverboards, and special accessories for mass transit and other rail systems.

The Company's construction business sells and rents steel sheet piling and H-bearing pile for foundation and earth retention requirements and pile driving equipment and accessories for driving piling. In addition, the Company sells bridge decking, expansion joints, sign structures, and other products for highway construction and repair.

The Company's tubular business supplies pipe and pipe coatings for pipelines and utilities. Additionally, the Company manufactures spiralweld pipe for water transmission lines, foundation piling, slurry lines, and many other applications. The Company also produces pipe-related products for special markets, including water wells and irrigation.

The Company markets its products directly in all major industrial areas of the United States through a national sales force.

*Basis of Financial Statement Presentation.* The consolidated financial statements include the accounts of the Company and its subsidiaries. Intercompany transactions and accounts have been eliminated.

*Cash Equivalents.* Holdings of highly liquid investments with maturities of three months or less when purchased are considered to be cash equivalents.

*Marketable Securities.* Management classifies all investments as available-for-sale. Available-for-sale securities are carried at fair value with the unrealized gains or losses, net of tax, included as a component of accumulated other comprehensive income (loss) in stockholders' equity. See Note 16 for information relating to the determination of fair value. Realized gains and losses on available-for-sale securities are included in interest and other income (expense), net, and declines in value judged to be other than temporary are included in impairment loss on investments. The cost of securities matured or sold is based on the specific identification method.

In determining whether a decline in value of nonmarketable equity investments in private companies is other than temporary, the assessment is made by considering available evidence including the general market conditions in the investee's industry, the investee's product development status, the investee's ability to meet business milestones and the financial condition and near-term prospects of the individual investee, including the rate at which the investee is using its cash, the investee's need for possible additional funding at a lower valuation and bona fide offers to purchase the investee from a prospective acquirer. When a decline in value is deemed to be other than temporary, the Company recognizes an impairment loss in the current period's operating results to the extent of the decline.

*Inventories.* Inventories are valued at the lower of the last-in, first-out (LIFO) cost or market except for other inventories which are valued at average cost or market, whichever is lower. Other inventories represented 11 percent of total inventory in 20X1 and 20X0.

*Property, Plant, and Equipment.* Property, plant, and equipment are recorded at cost less depreciation and amortization. Depreciation and amortization are primarily accounted for on the straightline method based on estimated useful lives. The amortization of leasehold improvements is based on the shorter of the lease term or the life of the improvement. Betterments and large renewals which extend the life of the asset are capitalized whereas maintenance and repairs and small renewals are expensed as incurred.

*Environmental Remediation.* The Company accrues environmental remediation costs if it is probable that an asset has been impaired or a liability incurred at the financial statement date and the amount can be reasonably estimated. Environmental compliance costs are expensed as incurred. Certain environmental costs are capitalized based on estimates and depreciated over their useful lives.

*Revenue Recognition.* Revenue is recognized in the financial statements (and the customer billed) either when materials are shipped from stock or when the vendor bills the Company for the order. Net sales are arrived at by deducting discounts, freight, and sales taxes from gross sales.

*Income Taxes.* The Company uses the asset and liability method as identified in Financial Accounting Standards Board (FASB) Statement No. 109, *Accounting for Income Taxes*.

*Estimates.* The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Note 2: Related-Party Transactions**

The Company has an agreement with DEF Company whereby DEF will provide certain management services to the Company through 20X5 in return for an annual fee plus agreed-upon allocated and out-of-pocket expenses. The Company's chairman and CEO is also the chairman and principal shareholder of DEF. The services provided include consultation and direct management assistance with respect to operations, strategic planning, and other aspects of the business of the Company. Fees and expenses paid to DEF for these services under the agreement amounted to \$146,000 and \$169,000 for the years ended December 31, 20X1 and 20X0, respectively.

During the years ended December 31, 20X1 and 20X0, the Company paid approximately \$84,000 and \$76,000, respectively, in fees to charter an aircraft owned by a company in which the chairman and CEO is the principal shareholder.

A member of the Company's Board of Directors served as a consultant to the Company on various strategic and business issues. Fees paid for such services by the Company during the years ended December 31, 20X1 and 20X0 were \$43,000 and \$56,000, respectively.

**Note 3: Marketable Debt and Equity Securities**

Investments in marketable debt and equity securities at December 31, 20X1 and 20X0, are as follows:

	<i>Cost</i>	<i>Gross Unrealized Gain</i>	<i>Gross Unrealized Losses</i>	<i>Estimated Fair Value</i>
<b>December 31, 20X1:</b>				
Available for sale:				
U. S. Treasury notes	\$4,163	\$—	\$—	\$4,163
Corporate debt securities	961	253	58	1,156
Equity securities	302	729	67	964
Total	<u>\$5,426</u>	<u>\$982</u>	<u>\$125</u>	<u>\$6,283</u>
<b>December 31, 20X0:</b>				
Available for sale:				
U.S. Treasury notes	\$2,767	\$—	\$—	\$2,767
Corporate debt securities	1,219	64	57	1,226
Equity securities	831	117	309	639
Total	<u>\$4,817</u>	<u>\$181</u>	<u>\$366</u>	<u>\$4,632</u>

U.S. Treasury notes, and the corporate debt securities, mature in 20X2. The change in net unrealized holding gains on securities available for sale in the amount of \$1,042,000 and \$52,000 have been charged to other comprehensive income for the years ended December 31, 20X1 and 20X0, respectively.

The following table shows the fair values and gross unrealized losses of the Company's investments aggregated by investment category, for individual securities that have been in a continuous unrealized loss position for the length of time specified, as of December 31, 20X1 and December 31, 20X0:

		<i>December 31, 20X1</i>					
		<u>Less Than 12 Months</u>		<u>12 Months or Greater</u>		<u>Total</u>	
		<i>Gross Unrealized</i>		<i>Gross Unrealized</i>		<i>Gross Unrealized</i>	
(In thousands)		<u>Fair Value</u>	<u>Losses</u>	<u>Fair Value</u>	<u>Losses</u>	<u>Fair Value</u>	<u>Losses</u>
Corporate debt securities		800	(1)	100	(57)	900	(58)
Equity securities		760	(60)	90	(7)	850	(67)
		<u>\$1,560</u>	<u>\$ (61)</u>	<u>190</u>	<u>\$(64)</u>	<u>\$1,750</u>	<u>(125)</u>
		<i>December 31, 20X0</i>					
		<u>Less Than 12 Months</u>		<u>12 Months or Greater</u>		<u>Total</u>	
		<i>Gross Unrealized</i>		<i>Gross Unrealized</i>		<i>Gross Unrealized</i>	
(In thousands)		<u>Fair Value</u>	<u>Losses</u>	<u>Fair Value</u>	<u>Losses</u>	<u>Fair Value</u>	<u>Losses</u>
Corporate debt securities		623	(57)	—	—	623	(57)
Equity securities		443	(82)	94	(227)	537	(309)
		<u>\$1,066</u>	<u>\$ (139)</u>	<u>94</u>	<u>\$(227)</u>	<u>\$1,160</u>	<u>(366)</u>

The gross unrealized losses on these investments were primarily due to adverse conditions in the global credit markets during the past three years. The Company reviewed the investment portfolio and determined that the gross unrealized losses on these investments as of December 31, 20X1, and December 31, 20X0, were temporary in nature. The aggregate of individual unrealized losses that had been outstanding for 12 months or more was not significant as of December 31, 20X1, and December 31, 20X0. The Company neither intends to sell these investments nor concludes that it is more-likely-than-not that it will have to sell them until recovery of their carrying values. The Company also believes that it will be able to collect both principal and interest amounts due to the Company at maturity, given the high credit quality of these investments and any related underlying collateral.

Proceeds from the sale of available for sale securities during 20X1 and 20X0 were \$\_\_\_ and \$\_\_\_, respectively. Gross gains of \$\_\_\_ and \$\_\_\_, and gross losses of \$\_\_\_ and \$\_\_\_ were realized on sales of available for sale securities during 20X1 and 20X0, respectively.

Total gains for securities with net gains in accumulated other comprehensive income were \$\_\_\_ and \$\_\_\_ during 20X1 and 20X0, respectively. Total losses for securities with net losses in accumulated other comprehensive income were \$\_\_\_ and \$\_\_\_ during 20X1 and 20X0, respectively.

The amortized cost and estimated fair value of marketable debt securities (corporate bonds and U.S. government and agency securities) as of December 31, 20X1, by contractual maturity, are shown in the following table. Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations without call or prepayment penalties.

(In thousands)	<i>Amortized Cost</i>	<i>Estimated Fair Value</i>
Due in one year or less	\$ 663	\$ 688
Due after one year through five years	440	457
Due after five years through ten years	2,067	2,146
Due after ten years	<u>1,954</u>	<u>2,028</u>
	<u>5,124</u>	<u>5,319</u>

**Note 4: Accounts Receivable**

At 20X1 and 20X0, accounts receivable comprises the following:

<i>(In thousands)</i>	<u>20X1</u>	<u>20X0</u>
Trade receivables	\$24,983	\$23,936
Less: Allowance for doubtful accounts	900	808
Plus: other receivables	<u>55</u>	<u>83</u>
Total	<u>\$24,138</u>	<u>\$23,211</u>

Credit is extended to customers only after an evaluation of the customer's financial condition. Generally, collateral is not required.

**Note 5: Inventories**

At 20X1 and 20X0, inventories are comprised of the following:

<i>(In thousands)</i>	<u>20X1</u>	<u>20X0</u>
Finished goods	\$16,785	\$14,248
Work in process	3,343	7,121
Raw materials	<u>1,330</u>	<u>1,485</u>
Total current cost	<u>21,458</u>	<u>22,854</u>
Less: Reserve for decline to market value	300	300
Less: Reduction of costs to LIFO stated values	<u>1,006</u>	<u>729</u>
Total	<u>\$20,152</u>	<u>\$21,825</u>

**Note 6: Property, Plant, and Equipment**

At 20X1 and 20X0, property, plant, and equipment is comprised of the following:

<i>(In thousands)</i>	<u>20X1</u>	<u>20X0</u>
Land	\$ 3,350	\$ 3,350
Land improvements and leaseholds	1,934	2,546
Buildings	1,282	2,404
Machinery and equipment (including \$3,864 and \$2,057 of equipment under capitalized leases in 20X1 and 20X0, respectively)	11,931	15,712
Rental pile driving equipment	3,126	3,436
Construction in progress	<u>158</u>	<u>111</u>
Total	21,781	27,559
Less:		
Accumulated depreciation	9,647	15,317
Accumulated amortization	<u>832</u>	<u>559</u>
Net property, plant, and equipment	<u>\$11,302</u>	<u>\$11,683</u>

Property, plant, and equipment include certain capitalized leases. The following is a schedule, by year, of the future minimum payments under these leases, together with the present value of the net minimum payments as of December 31, 20X1:

<i>(In thousands)</i>	<u>Amount</u>
Year ending December 31,	
20X2	\$ 859
20X3	832
20X4	783
20X5	588
20X6 and thereafter	<u>747</u>
Total minimum lease payments	3,809
Less amount representing interest	<u>659</u>
Total present value of minimum payments	3,150
Less current portion of such obligations	<u>633</u>
Long term obligations with interest rates ranging from 6.92% to 11.42%	<u><u>\$2,517</u></u>

#### **Note 7: Other Assets**

At December 31, 20X1 and 20X0, other assets include notes receivable and accrued interest totaling \$948,000 and \$786,500, respectively, from investors in a private corporation. The notes, which are recorded at face value, are due if there is a change in ownership of the private corporation or March 31, 20X5, whichever occurs earlier. Additionally, the Company owns stock in the private corporation which is recorded at historical cost of \$96,500.

#### **Note 8: Short Term Borrowings**

Effective November 1, 20X1, the Company renegotiated its \$22,500,000 revolving credit agreement. The interest rate is, at the Company's option, based on the prime rate, the domestic certificate of deposit rate (CD rate) or the Euro-bank rate. The interest rates are adjusted quarterly based on the fixed charge coverage ratio defined in the agreement. The ranges are prime to prime plus 0.25 percent, the CD rate plus 0.45 percent to the CD rate plus 1.125 percent, and the Euro-bank rate plus 0.45 percent to the Euro-bank rate plus 1.125 percent. Borrowings under the agreement, which expires July 1, 20X7, are secured by accounts receivable and inventory.

This agreement includes financial covenants requiring a minimum net worth, a fixed charge coverage ratio, a leverage ratio and a current ratio. The agreement also places restrictions on dividends, investments, capital expenditures, indebtedness, and sales of certain assets. As of December 31, 20X1, the Company was in compliance with all of the agreement's covenants. At December 31, 20X1, the Company had borrowed \$14,875,000 under the agreement of which \$10,000,000 was classified as long term (see Note 9). Under the agreement, the Company had approximately \$7,061,000 in unused borrowing commitment at December 31, 20X1. At December 31, 20X1, \$12,485,000 was available for future dividend payments.

**Note 9: Long Term Debt and Related Matters**

Long term debt at December 31, 20X1 and 20X0, consists of the following:

<i>(In thousands)</i>	<u>20X1</u>	<u>20X0</u>
Revolving Credit Agreement with weighted average interest rate of 6.57% at December 31, 20X1, and 7.33% at December 31, 20X0, expiring July 1, 20X7	\$10,000	\$10,000
Lease obligations payable in installments through 20Y0 with a weighted average interest rate of 8.0% at December 31, 20X1, and 9.45% at December 31, 20X0	<u>3,150</u>	<u>1,588</u>
Subtotal	<u>13,150</u>	<u>11,588</u>
Less current maturities	<u>633</u>	<u>399</u>
Total	<u><u>\$12,517</u></u>	<u><u>\$11,189</u></u>

The \$10,000,000 revolving credit borrowings included in long term debt were obtained under the revolving loan agreement discussed in Note 8 and are subject to the same terms and conditions. This portion of the borrowings is classified as long term because the Company does not anticipate reducing the borrowings below \$10,000,000 during 20—.

The maturities of long term debt for each of the succeeding 5 years subsequent to December 31, 20X1, are as follows: 20X2—\$633,000; 20X3—\$656,000; 20X4—\$661,000; 20X5—\$10,515,000; and 20X6 and beyond—\$685,000.

**Note 10: Stockholders' Equity**

At December 31, 20X1 and 20X0, the number of authorized and issued Class A and Class B shares and the related par value and dividends paid are as follows:

<i>(In thousands, except share data)</i>	<u>20X1</u>	<u>20X0</u>
Class A common stock, authorized	10,000	10,000
Class B common stock, authorized	696	696
Class A common stock, issued	5,094	5,089
Class B common stock, issued	—	—
Class A common stock, outstanding	4,966	4,961
Class B common stock, outstanding	—	—
Class A common stock, per share par value	\$ 0.01	\$ 0.01
Class B common stock, per share par value	\$ 0.01	\$ 0.01
Cash dividends paid on common stock	—	—

The Class A and B stock are identical except the Class B stock does not have stockholder voting rights and such stockholders are entitled to one vote per share on issues such as consolidation or merger of the Company. Class B is convertible on demand into Class A stock on a share-for-share basis.

**Note 11: Earnings Per Common Share**

Earnings per common share are computed by dividing net income by the average number of Class A Common shares outstanding during the year. The weighted average number of Class A Common shares outstanding during the year ended December 31, 20X1, were approximately — and approximately — during the year ended 20X0.

**Note 12: Income Taxes**

At December 31, 20X1, the Company has available net operating loss carryforwards of approximately \$3,900,000 for federal income tax purposes that expire 20X9. The federal carryforwards resulted from losses generated in 20XX. The tax benefit of net operating loss carryforwards available for state income tax purposes was approximately \$400,000 as of December 31, 20X1. The Company also has *alternative* minimum federal tax credit carryforwards at December 31, 20X1, of approximately \$500,000. For finan-

cial purposes, a valuation allowance of \$100,000 has been recognized to offset the deferred tax assets related to the state income carryforwards. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax liabilities and assets as of December 31, 20X1 and 20X0, are as follows:

<i>(In thousands)</i>	<u>20X1</u>	<u>20X0</u>
Deferred tax liabilities:		
Depreciation	\$ 614	\$ 301
Other—net	(31)	34
Deferred tax liabilities	<u>583</u>	<u>335</u>
Deferred tax assets:		
Net operating loss carryforwards	1,709	2,248
Tax credit carryforwards	486	443
Other—net	—	157
Total gross deferred tax assets	<u>2,195</u>	<u>2,848</u>
Less: Valuation allowance	100	1,350
Deferred tax assets, net	<u>2,095</u>	<u>1,498</u>
Net deferred tax assets	<u><u>\$1,512</u></u>	<u><u>\$1,163</u></u>

The valuation allowance for deferred tax assets was reduced by \$1,249,550 and \$1,187,000 during 20X1 and 20X0, respectively.

Significant components of the provision for income taxes are as follows:

<i>(In thousands)</i>	<u>20X1</u>	<u>20X0</u>
Current:		
Federal	\$ 51	\$ 41
State	63	49
Total current	<u>114</u>	<u>90</u>
Deferred:		
Federal	(170)	(591)
State	(180)	(23)
Total deferred	<u>(350)</u>	<u>(614)</u>
Total income tax benefit	<u><u>\$(236)</u></u>	<u><u>\$(524)</u></u>

The reconciliation of the federal statutory income tax rate to the effective tax rate is as follows:

	<u>20X1</u>	<u>20X0</u>
Statutory federal income tax rate	34.0%	34.0%
State income taxes, net of federal tax benefit	(3.0)	0.7
Nondeductible expenses	3.0	3.1
Net operating loss	(22.9)	(28.6)
Change in valuation reserve	(30.2)	(25.5)
Prior period tax	—	(11.5)
Other	(1.7)	3.9
	<u><u>(20.8)%</u></u>	<u><u>(23.9)%</u></u>

#### Note 13: Rental and Lease Information

The Company leases certain plant facilities, office facilities, and equipment. Rental expense for the years ended December 31, 20X1 and 20X0, amounted to \$933,500 and \$846,500, respectively.

At December 31, 20X1, the Company is committed to total minimal rental payments under all noncancelable operating leases of \$708,500. Generally, these leases include escalation clauses.

The minimum future rental commitments are payable as follows: 20X2—\$431,500; 20X3— \$188,500; 20X4—\$43,500; 20X5—\$35,000; and 20X6—\$10,000.

#### Note 14: Commitments and Contingent Liabilities

The Company is subject to laws and regulations relating to the protection of the environment. Though it is not possible to quantify with certainty the potential impact of actions regarding environmental matters, particularly any future remediation and other compliance efforts, in the opinion of management, compliance with the present environmental protection laws will not have a material adverse effect on the financial condition, competitive position or capital expenditures of the Company. However, the Company's efforts to comply with increasingly stringent environmental regulations may have an adverse effect on the Company's future earnings.

The Company is subject to legal proceedings and claims which arise in the ordinary course of its business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position of the Company.

At December 31, 20X1, the Company had outstanding letters of credit of approximately \$564,000. These commitments are not reflected as liabilities on the Company's consolidated balance sheet.

#### Note 15: Risks and Uncertainties

The Company's future operating results may be affected by a number of factors. The Company is dependent upon a number of major suppliers. If a critical supplier had operational problems or ceased making material available to the Company, operations could be adversely affected. In particular, approximately 70 percent of the materials sold by the construction products segment are purchased from one supplier. The Company's operations are in part dependent on governmental funding of infrastructure projects. Significant changes in the level of government funding of these projects could have a favorable or unfavorable impact on the operating results of the Company. The Company's operations results may also be affected by the weather.

#### Note 16: Fair Values of Financial Instruments

FASB *Accounting Standards Codification* (ASC) 820, *Fair Value Measurement*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
Level 2	Inputs to the valuation methodology include <ul style="list-style-type: none"> <li>● quoted prices for similar assets or liabilities in active markets;</li> <li>● quoted prices for identical or similar assets or liabilities in inactive markets;</li> <li>● inputs other than quoted prices that are observable for the asset or liability;</li> <li>● inputs that are derived principally from or corroborated by observable market data by correlation or other means.</li> </ul>

	If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 20X1 and 20X0.

*Cash and Cash Equivalents.* The carrying amount reported in the balance sheet for cash and cash equivalents approximates its fair value.

*Accounts Receivable and Accounts Payable.* The carrying amount of accounts receivable and accounts payable in the balance sheet approximates fair value.

*Short Term and Long Term Debt.* The carrying amount of the revolving credit facility approximates fair value.

*Common Stocks, Corporate Bonds and U.S. Government Securities.* Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table present our assets and liabilities measured at fair value on a recurring basis. Included in the tables are investment securities held of high-quality, middle-market companies in a variety of industries. Such securities are mainly investment grade.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>December 31, 20X1:</b>				
Available for sale:				
U. S. Treasury notes	\$—	\$4,163	\$—	\$4,163
Corporate debt securities	—	1,156	—	1,156
Equity securities	<u>964</u>	<u>—</u>	<u>—</u>	<u>964</u>
Total	<u>\$964</u>	<u>\$5,319</u>	<u>\$—</u>	<u>\$6,283</u>
<b>December 31, 20X0:</b>				
Available for sale:				
U.S. Treasury notes	\$—	\$2,767	\$—	\$2,767
Corporate debt securities	—	1,226	—	1,226
Equity securities	639	—	—	639
Total	<u>\$639</u>	<u>\$3,993</u>	<u>\$—</u>	<u>\$4,632</u>

**Note 17: Subsequent Events**

The company has evaluated subsequent events through XXXXX,<sup>1</sup> the date the financial statements were issued (available to be issued). The Company notes that there were no material subsequent events.

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<sup>1</sup> Financial Accounting Standards Board *Accounting Standards Codification* 855-10-50-1 requires that if an entity is not an SEC filer, then the entity shall disclose both the date through which subsequent events have been evaluated and whether the date is either the date the financial statements were issued or the date the financial statements were available to be issued.



# Appendix

## *Mapping and Summarization of Changes—Clarified Auditing Standards*

This appendix maps the extant<sup>1</sup> AU sections to the clarified AU-C sections that have been referenced in part 2, “Auditors’ Reports Checklist,” of this checklist. Part 2 of this checklist fully incorporates the clarified standards. These standards are effective December 15, 2012.

Although the Clarity Project was not intended to create additional requirements, some revisions have resulted in changes that may require auditors to make adjustments in their practices. To assist auditors in the transition process, these changes have been organized into the following types:

- Substantive changes
- Primarily clarifying changes
- Primarily formatting changes

This appendix identifies those AU-C sections associated with these types of changes.

### **Substantive Changes**

Substantive changes are considered likely to affect the firms’ audit methodology and engagements because they contain *substantive* or *other changes*, defined as having one or both of the following characteristics:

- A change or changes to an audit methodology that may require effort to implement
- A number of small changes that, although not individually significant, may affect audit engagements

### **Primarily Clarifying Changes**

Primarily clarifying changes are intended to explicitly state what may have been implicit in the extant standards, which, over time, resulted in diversity in practice.

### **Primarily Formatting Changes**

Primarily formatting changes from the extant standards do not contain changes that expand the extant sections in any significant way and may not require adjustments to current practice.

The notice to readers of this checklist and the Financial Reporting Center at [www.aicpa.org/frc](http://www.aicpa.org/frc) provide more information about the Clarity Project. You can also visit [www.aicpa.org/sasclarity](http://www.aicpa.org/sasclarity).

<sup>1</sup> The term *extant* is used throughout this appendix in reference to the standards that are superseded by the clarified standards.

## Extant AU Sections Mapped to the Clarified AU-C Sections

Extant AU Section		AU Section Superseded	New AU-C Section		Type of Change
110	Responsibilities and Functions of the Independent Auditor	All	200	Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance With Generally Accepted Auditing Standards [1]	Primarily formatting changes
120	Defining Professional Requirements in Statements on Auditing Standards	All			
150	Generally Accepted Auditing Standards	All			
161	The Relationship of Generally Accepted Auditing Standards to Quality Control Standards	All	220	Quality Control for an Engagement Conducted in Accordance With Generally Accepted Auditing Standards	Primarily clarifying changes
201	Nature of the General Standards	All	200	Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance With Generally Accepted Auditing Standards [1]	Primarily formatting changes
210	Training and Proficiency of the Independent Auditor	All			
220	Independence	All			
230	Due Professional Care in the Performance of Work	All			
311	Planning and Supervision	All except paragraphs .08-.10	300	Planning an Audit	Primarily formatting changes
		Paragraphs .08-.10	210	Terms of Engagement	Primarily clarifying changes
312	Audit Risk and Materiality in Conducting an Audit	All	320	Materiality in Planning and Performing an Audit	Primarily formatting changes

Extant AU Section		AU Section Superseded	New AU-C Section		Type of Change
			450	Evaluation of Misstatements Identified During the Audit	Primarily formatting changes
314	Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement	All	315	Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement	Primarily formatting changes
315	Communications Between Predecessor and Successor Auditors	All except paragraphs .03–.10 and .14	510	Opening Balances—Initial Audit Engagements, Including Reaudit Engagements	Primarily clarifying changes
		.03–.10 and .14	210	Terms of Engagement	Primarily clarifying changes
316	Consideration of Fraud in a Financial Statement Audit	All	240	Consideration of Fraud in a Financial Statement Audit	Primarily formatting changes
317	Illegal Acts by Clients	All	250	Consideration of Laws and Regulations in an Audit of Financial Statements	Substantive changes
318	Performing Audit Procedures in Response to Assessed Risks and Evaluating the Audit Evidence Obtained	All	330	Performing Audit Procedures in Response to Assessed Risks and Evaluating the Audit Evidence Obtained	Primarily formatting changes
322	The Auditor's Consideration of the Internal Audit Function in an Audit of Financial Statements	All	Planned to be issued as AU-C section 610	The Auditor's Consideration of the Internal Audit Function in an Audit of Financial Statements	Standards not yet issued in the Clarity Project
324	Service Organizations	All	402	Audit Considerations Relating to an Entity Using a Service Organization	Primarily clarifying changes
325	Communicating Internal Control Related Matters Identified in an Audit	All	265	Communicating Internal Control Related Matters Identified in an Audit	Substantive changes
326	Audit Evidence	All	500	Audit Evidence	Primarily formatting changes

(continued)

Extant AU Section		AU Section Superseded	New AU-C Section		Type of Change
328	Auditing Fair Value Measurements and Disclosures	All	540	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures [2]	Primarily formatting changes
329	Analytical Procedures	All	520	Analytical Procedures	Primarily formatting changes
330	The Confirmation Process	All	505	External Confirmations	Primarily clarifying changes
331	Inventories	All	501	Audit Evidence—Specific Considerations for Selected Items [3]	Primarily clarifying changes
332	Auditing Derivative Instruments, Hedging Activities, and Investments in Securities	All	501	Audit Evidence—Specific Considerations for Selected Items [3]	Primarily clarifying changes
333	Management Representations	All	580	Written Representations	Primarily formatting changes
334	Related Parties	All	550	Related Parties	Substantive changes
336	Using the Work of a Specialist	All	620	Using the Work of an Auditor's Specialist	Primarily Clarifying Changes
337	Inquiry of a Client's Lawyer Concerning Litigation, Claims, and Assessments	All	501	Audit Evidence—Specific Considerations for Selected Items [3]	Primarily clarifying changes
339	Audit Documentation	All	230	Audit Documentation	Primarily formatting changes
341	The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern	All	570	The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern	Primarily formatting changes
342	Auditing Accounting Estimates	All	540	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures [2]	Primarily formatting changes

Extant AU Section		AU Section Superseded	New AU-C Section		Type of Change
350	Audit Sampling	All	530	Audit Sampling	Primarily formatting changes
380	The Auditor's Communication With Those Charged With Governance	All	260	The Auditor's Communication With Those Charged With Governance	Primarily formatting changes
390	Consideration of Omitted Procedures After the Report Date	All	585	Consideration of Omitted Procedures After the Report Release Date	Primarily formatting changes
410	Adherence to Generally Accepted Accounting Principles	All	700	Forming an Opinion and Reporting on Financial Statements [4]	Substantive changes
420	Consistency of Application of Generally Accepted Accounting Principles	All	708	Consistency of Financial Statements	Primarily clarifying changes
431	Adequacy of Disclosure in Financial Statements	All	705	Modifications to the Opinion in the Independent Auditor's Report [5]	Primarily formatting changes
504	Association With Financial Statements	All	N/A	Withdrawn	
508	Reports on Audited Financial Statements	Paragraphs .01-.11, .14-.15, .19-.32, .35-.52, .58-.70, and .74-.76	700	Forming an Opinion and Reporting on Financial Statements [4]	Substantive changes
			705	Modifications to the Opinion in the Independent Auditor's Report [5]	Primarily formatting changes
			706	Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report [6]	Substantive changes

(continued)

Extant AU Section		AU Section Superseded	New AU-C Section		Type of Change
		Paragraphs .12-.13	600	Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors)	Substantive changes
		Paragraphs .16-.18 and .53-.57	708	Consistency of Financial Statements	Primarily clarifying changes
		Paragraphs .33-.34	805	Special Considerations—Audits of Single Financial Statements and Specific Elements, Accounts, or Items of a Financial Statement	Primarily clarifying changes
		Paragraphs .71-.73	560	Subsequent Events and Subsequently Discovered Facts [7]	Primarily formatting changes
530	Dating of the Independent Auditor's Report	Paragraphs .01-.02	700	Forming an Opinion and Reporting on Financial Statements [4]	Substantive changes
		Paragraphs .03-.08	560	Subsequent Events and Subsequently Discovered Facts [7]	Primarily formatting changes
532	Restricting the Use of an Auditor's Report	All	905	Alert That Restricts the Use of the Auditor's Written Communication	Primarily clarifying changes
534	Reporting on Financial Statements Prepared for Use in Other Countries	All	910	Financial Statements Prepared in Accordance With a Financial Reporting Framework Generally Accepted in Another Country	Primarily clarifying changes
543	Part of Audit Performed by Other Independent Auditors	All	600	Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors)	Substantive changes

Extant AU Section		AU Section Superseded	New AU-C Section		Type of Change
544	Lack of Conformity With Generally Accepted Accounting Principles	All	800	Special Considerations—Audits of Financial Statements Prepared in Accordance With Special Purpose Frameworks [8]	Primarily clarifying changes
550	Other Information in Documents Containing Audited Financial Statements	All	720	Other Information in Documents Containing Audited Financial Statements	Primarily formatting changes
551	Supplementary Information in Relation to the Financial Statements as a Whole	All	725	Supplementary Information in Relation to the Financial Statements as a Whole	Primarily formatting changes
552	Reporting on Condensed Financial Statements and Selected Financial Data	All	810	Engagements to Report on Summary Financial Statements	Primarily clarifying changes
558	Required Supplementary Information	All	730	Required Supplementary Information	Primarily formatting changes
560	Subsequent Events	All	560	Subsequent Events and Subsequently Discovered Facts [7]	Primarily formatting changes
561	Subsequent Discovery of Facts Existing at the Date of the Auditor's Report	All			

(continued)

Extant AU Section		AU Section Superseded	New AU-C Section		Type of Change
623	Special Reports	Paragraphs .19-.21	806	Reporting on Compliance With Aspects of Contractual Agreements or Regulatory Requirements in Connection With Audited Financial Statements	Primarily formatting changes
		Paragraphs .01-.10 and .22-.34	800	Special Considerations — Audits of Financial Statements Prepared in Accordance With Special Purpose Frameworks [8]	Primarily clarifying changes
		Paragraphs .11-.18	805	Special Considerations — Audits of Single Financial Statements and Specific Elements, Accounts, or Items of a Financial Statement	Primarily clarifying changes
625	Reports on the Application of Accounting Principles	All	915	Reports on Application of Requirements of an Applicable Financial Reporting Framework	Primarily formatting changes
634	Letters for Underwriters and Certain Other Requesting Parties	All	920	Letters for Underwriters and Certain Other Requesting Parties	Primarily formatting changes
711	Filings Under Federal Securities Statutes	All	925	Filings With the U.S. Securities and Exchange Commission Under the Securities Act of 1933	Primarily formatting changes
722	Interim Financial Information	All	930	Interim Financial Information	Primarily formatting changes
801	Compliance Audits	All	935	Compliance Audits	Primarily formatting changes

Extant AU Section		AU Section Superseded	New AU-C Section		Type of Change
901	Public Warehouses— Controls and Auditing Procedures for Goods Held	All	501	Audit Evidence—Specific Considerations for Selected Items [3]	Primarily clarifying changes
<b>Legend:</b>					
[n] Bracketed number indicates a clarity standard that supersedes more than one extant AU section.					

The AICPA has developed an Audit Risk Alert to assist auditors and members in practice prepare for the transition to the clarified standards. It has been organized to give you the background information on the development of the clarified standards and to identify the new requirements and changes from the extant standards. Check out the Audit Risk Alert *Understanding the Clarified Auditing Standards* (product no. ARA-CLA12P [paperback]; ARACLA12O [online]; and ARACLA12E [eBook]), which is available in the AICPA store on [www.cpa2biz.com](http://www.cpa2biz.com).



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