

interpretive responses to those questions which deal with the reporting implications of the Windfall Profits Tax and the 1985 natural gas price decontrol and disclosure of reserve information are deleted as no longer being relevant.

c. Topic 12 A.3.a is deleted. The required disclosures of the standardized measure of discounted future net cash flows is provided by Statement 69 and the guidance is no longer necessary.

d. Topic 12.A.3.c is revised to update the references to the required disclosures of the standardized measure of discounted future net cash flows to the provisions of Statement 69.

e. Topic 12.A.3.d is revised to update the references to the required disclosures of the standardized measure of discounted future net cash flows to the provisions of Statement 69.

f. Topic 12.A.4, regarding filings by Canadian registrants, is deleted as no longer being relevant.

g. Topic 12.B regarding supplemental disclosures on the basis of reserve recognition accounting is deleted as no longer being relevant.

h. Topic 12.C.2 is revised to update the references currently included in Regulation S-X.

i. Topic 12.D.1 is revised to update the references currently included in Regulation S-X.

j. Topic 12.D.2 is revised to update the references to the required disclosures of the standardized measure of discounted future net cash flows to the provisions of Statement 69.

k. Topic 12.D.3.a is revised to update the references currently included in Regulation S-X.

l. Topic 12.D.3.b is redesignated as Topic 12.D.3.c and revised to provide updated guidance consistent with Statement 133.

m. Topic 12.D.3.b is rewritten to reflect the changes in the computation as a result of changes in the authoritative literature related to derivatives accounted for in accordance with Statement 133.

n. Topic 12.F is revised to substitute the reference to Rule 4-10(c)(3)(iii) of Regulation S-X for outdated Rule 4-10(i)(3)(iii) of Regulation S-X.

o. Topic 12.G is revised to update the references to the required disclosures of the standardized measure of discounted future net cash flows to the provisions of Statement 69 and to substitute the reference to Rule 4-10(c)(4) of Regulation S-X for Rule 4-10(k)(4) of Regulation S-X.

13. Topic 13: Revenue Recognition

a. Topic 13.A.3, the following changes are made:

i. The interpretive response to question 3 is modified to incorporate

the guidance on separate elements of an arrangement from EITF Issue 00-21. Additionally, footnote 24 is modified to remove the reference to Statement 53, *Financial Reporting by Producers and Distributors of Motion Picture Films*, which has been superseded and to add a reference to SOP 00-2, *Accounting by Producers or Distributors of Films*.

ii. The interpretive response to question 7 is modified to refer to Statement 140 which replaced Statement 125, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*.

b. Topic 13.B, footnote 6 is modified to refer to SAS 99 which superseded SAS 82.

Table of Contents

Topic 1: Financial Statements

- A. Target Companies
- B. Allocation of Expenses and Related Disclosure in Financial Statements of Subsidiaries, Divisions or Lesser Business Components of Another Entity
 - 1. *Costs reflected in historical financial statements*
 - 2. *Pro forma financial statements and earnings per share*
 - 3. *Other matters*
- C. Unaudited Financial Statements for a Full Fiscal Year
- D. Foreign Companies
 - 1. *Disclosures required of companies complying with Item 17 of Form 20-F*
 - 2. *"Free distributions" by Japanese companies*
- E. Requirements for Audited or Certified Financial Statements
 - 1. Deleted by SAB 103
 - 2. *Qualified auditors' opinions*
- F. Financial Statement Requirements In Filings Involving The Formation of a One-Bank Holding Company
- G. Deleted by FRR 55
- H. Deleted by FRR 55
- I. Financial Statements of Properties Securing Mortgage Loans
- J. Application of Rule 3-05 in Initial Public Offerings
- K. Financial Statements of Acquired Troubled Financial Institutions
- L. Deleted by SAB 103
- M. Materiality
 - 1. *Assessing materiality*
 - 2. *Immaterial misstatements that are intentional*

Topic 2: Business Combinations

- A. Purchase Method
 - 1. Deleted by SAB 103
 - 2. Deleted by SAB 103
 - 3. Deleted by SAB 103
 - 4. Deleted by SAB 103
 - 5. *Adjustments to allowances for loan losses in connection with business combinations*
 - 6. *Debt issue costs*
 - 7. *Loss contingencies assumed in a business combination*
 - 8. *Business combinations prior to an initial public offering*
 - 9. *Liabilities assumed in a business combination*

- B. Deleted by SAB 103
- C. Deleted by SAB 103
- D. Financial Statements of Oil and Gas Exchange Offers
- E. Deleted by SAB 103
- F. Deleted by SAB 103

Topic 3: Senior Securities

- A. Convertible Securities
- B. Deleted by ASR 307
- C. Redeemable Preferred Stock

Topic 4: Equity Accounts

- A. Subordinated Debt
- B. S Corporations
- C. Change in Capital Structure
- D. Earnings per Share Computations in an Initial Public Offering
- E. Receivables From Sale of Stock
- F. Limited Partnerships
- G. Notes and Other Receivables From Affiliates

Topic 5: Miscellaneous Accounting

- A. Expenses of Offering
- B. Gain or Loss From Disposition of Equipment
 - C.1. Deleted by SAB 103
 - C.2. Deleted by SAB 103
- D. Organization and Offering Expenses and Selling Commissions—Limited Partnerships Trading in Commodity Futures
- E. Accounting for Divestiture of a Subsidiary Or Other Business Operation
- F. Accounting Changes Not Retroactively Applied Due To Immateriality
- G. Transfers Of Nonmonetary Assets By Promoters Or Shareholders
- H. Accounting For Sales Of Stock By A Subsidiary
- I. Deleted by SAB 70
- J. Push Down Basis of Accounting Required in Certain Limited Circumstances
- K. Deleted by SAB 95
- L. LIFO Inventory Practices
- M. Other Than Temporary Impairment of Certain Investments in Debt and Equity Securities
- N. Discounting by Property-Casualty Insurance Companies
- O. Research and Development Arrangements
- P. Restructuring Charges
 - 1. Deleted by SAB 103
 - 2. Deleted by SAB 103
 - 3. *Income statement presentation of restructuring charges*
 - 4. *Disclosures*
- Q. Increasing Rate Preferred Stock
- R. Deleted by SAB 103
- S. Quasi-Reorganization
- T. Accounting for Expenses or Liabilities Paid by Principal Stockholder(s)
- U. Gain Recognition on the Sale of a Business or Operating Assets to A Highly Leveraged Entity
- V. Certain Transfers of Nonperforming Assets
- W. Contingency Disclosures Regarding Property-Casualty Insurance Reserves for Unpaid Claim Costs
- X. Deleted by SAB 103
- Y. Accounting and Disclosures Relating to Loss Contingencies
- Z. Accounting and Disclosure Regarding Discontinued Operations
 - 1. Deleted by SAB 103
 - 2. Deleted by SAB 103