

Use of This Quarterly Update

U.S. GAAP Checklist —
Quarterly Update: Third Quarter

October 2025

The content of the U.S. GAAP Checklist has been revised to reflect updates to professional pronouncements from July 1, 2025, through September 30, 2025. This supplement describes the changes to the FASB Accounting Standards Codification (the “Codification”) issued as Accounting Standards Updates (ASUs) for the most recent quarter ended.

**UPDATING THE U.S. GAAP CHECKLIST**

Users of the U.S. GAAP Checklist who initiated a checklist prior to this update and determine that one or more of the ASUs issued affect the period under audit will need to do the following:

* Request the Deloitte engagement team to initiate a new checklist. This new checklist will supplement the previous checklist created.
* Using the list of updated guidance below, frame the checklist to include within its scope[[1]](#footnote-2) only the applicable updated guidance. To determine whether the guidance applies, users may view the updated guidance in the checklist by expanding the Codification tree to the Subsection level and clicking on the Subsection title (usually “General”). The updated guidance may not appear as “pending content” in the Codification due to maintenance within the GAAP Checklist tool. However, transition guidance would be linked to pending content paragraphs and is available in Section 65 of each respective ASC Topic. Section 15 of each respective ASC Topic within the Codification can be viewed to determine whether the guidance applies to the entity. The preparer may also consider Section 55 of each respective ASC Topic within the Codification for implementation guidance and illustrations.

Once the initiation and framing are complete, the new supplemental checklist will include only questions related to the updated guidance that was included within the scope of that checklist. For users of the U.S. GAAP Checklist that have yet to initiate a checklist prior to this update, the update to the Codification will be automatically incorporated into the newly initiated checklist.

See the [Quick Reference Guide](https://checklist.deloitte.com) for guidance on the Checklist offered through the Disclosure Analytics suite.

**ACCOUNTING GUIDANCE ISSUED DURING THE QUARTER**

When the FASB amends the Codification with an ASU, each paragraph that was amended by the ASU is left unchanged (for entities that have not adopted the ASU) but is followed by a paragraph containing “pending content.” Upon adoption of an ASU, entities need to complete the amended subtopic using the pending content for each paragraph that has been adopted. Pending content related to the ASUs issued this quarter, however, is not included in the checklist. When this is resolved, a message will be displayed on opening the GAAP Checklist application.

Three ASUs were issued by the FASB (the “Board”) during the three-month period ending September 30, 2025:

* [**2025-05 — Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets**](https://www.fasb.org/page/ShowPdf?path=ASU%202025-05.pdf&title=Accounting%20Standards%20Update%202025-05%E2%80%94Financial%20Instruments%E2%80%94Credit%20Losses%20(Topic%20326):%20Measurement%20of)

On July 30, 2025, the FASB issued **[ASU 2025-05](https://fasb.org/Page/Document?pdf=ASU%202025-05.pdf&title=Accounting%20Standards%20Update%202025-05%E2%80%94Financial%20Instruments%E2%80%94Credit%20Losses%20(Topic%20326):%20Measurement%20of%20Credit%20Losses%20for%20Accounts%20Receivable%20and%20Contract%20Assets%20for%20Private%20Companies%20and%20Certain%20Not-for-Profit%20Entities%20(PCC)" \t "_blank)**, which amends ASC 326-10[[2]](#footnote-3) and ASC 326-20[[3]](#footnote-4) to provide a practical expedient (for all entities) and an accounting policy election (for all entities, other than public business entities, that elect the practical expedient) related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606.[[4]](#footnote-5) The amendments in the ASU add the following:

1. Practical expedient. In developing reasonable and supportable forecasts as part of estimating expected credit losses, all entities may elect a practical expedient that assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset.
2. Accounting policy election. An entity other than a public business entity that elects the practical expedient is permitted to make an accounting policy election to consider collection activity after the balance sheet date when estimating expected credit losses.

See Deloitte’s July 31, 2025, [Heads Up](https://dart.deloitte.com/USDART/home/publications/deloitte/heads-up/2025/fasb-amends-guidance-on-the-measurement-of-credit-losses-for-accounts-receivable)for a summary of the amendments made by ASU 2025-05.

* [**2025-06 — Intangibles — Goodwill and Other — Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software**](https://www.fasb.org/page/ShowPdf?path=ASU%202025-06.pdf&title=Accounting%20Standards%20Update%202025-06%E2%80%94Intangibles%E2%80%94Goodwill%20and%20Other%E2%80%94Internal-Use%20Software%20(Subtopic%203)

On September 18, 2025, the FASB issued [**ASU 2025-06**](https://www.fasb.org/page/ShowPdf?path=ASU%202025-06.pdf&title=Accounting%20Standards%20Update%202025-06%E2%80%94Intangibles%E2%80%94Goodwill%20and%20Other%E2%80%94Internal-Use%20Software%20(Subtopic%203), which amends certain aspects of the accounting for and disclosure of software costs under ASC 350-40.[[5]](#footnote-6) The ASU makes targeted improvements to ASC 350-40 but does not fully align the framework for accounting for internally developed software costs that are subject to ASC 350-40 with the framework applied to software to be sold or marketed externally that is subject to ASC 985-20.[[6]](#footnote-7) The ASU also does not amend the guidance on costs of software licenses that are within the scope of ASC 985-20. The amendments supersede the guidance on Web site development costs in ASC 350-50[[7]](#footnote-8) and relocate that guidance, along with the recognition requirements for development costs specific to Web sites, to ASC 350-40.

See Deloitte’s September 18, 2025, [Heads Up](https://dart.deloitte.com/USDART/home/publications/deloitte/heads-up/2025/fasb-asu-amends-software-costs-guidance)for a summary of the amendments made by ASU 2025-06.

* **[2025-07 — Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606): Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract](https://www.fasb.org/page/ShowPdf?path=ASU%202025-07.pdf&title=Accounting%20Standards%20Update%202025-07%E2%80%94Derivatives%20and%20Hedging%20(Topic%20815)%20and%20Revenue%20from%20Contracts%20w)**

On September 29, 2025, the FASB issued [**ASU 2025-07**](https://www.fasb.org/page/ShowPdf?path=ASU%202025-07.pdf&title=Accounting%20Standards%20Update%202025-07%E2%80%94Derivatives%20and%20Hedging%20(Topic%20815)%20and%20Revenue%20from%20Contracts%20w), which (1) refines the scope of the guidance on derivatives in ASC 815[[8]](#footnote-9) (Issue 1) and (2) clarifies the guidance on share-based payments from a customer in ASC 606[[9]](#footnote-10) (Issue 2). The ASU is intended to address concerns about the application of derivative accounting to contracts that have features based on the operations or activities of one of the parties to the contract and to reduce diversity in the accounting for share-based payments in revenue contracts.

See Deloitte’s September 29, 2025, [Heads Up](https://dart.deloitte.com/USDART/home/publications/deloitte/heads-up/2025/fasb-derivatives-scope-refinements-share-based-payments#SL1002983799-848411)for a summary of the amendments made by ASU 2025-07.

**Changes Reflected in the U.S. GAAP Checklist and Codification**

When the FASB amends the Codification with an ASU, each paragraph that was amended by the ASU is left unchanged (for entities that have not adopted the ASU) but is followed by a paragraph containing “pending content.” Upon adoption of an ASU, entities need to complete the amended subtopic using the pending content for each paragraph that has been adopted.

* [**2025-05 — Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets**](https://www.fasb.org/page/ShowPdf?path=ASU%202025-05.pdf&title=Accounting%20Standards%20Update%202025-05%E2%80%94Financial%20Instruments%E2%80%94Credit%20Losses%20(Topic%20326):%20Measurement%20of)

The following sections have not been updated in the U.S. GAAP Checklist because there are no questions related to background, scope, glossary, implementation, or SEC Materials guidance, but the sections were amended in the Codification to reflect the clarifications made in the ASU as described above:

* [326-10-65](https://dart.deloitte.com/USDART/home/codification/assets/32x/asc326-10-65), *Financial Instruments — Credit Losses — Overall — Transition and Open Effective Date Information*
* [326-20-20](https://dart.deloitte.com/USDART/home/codification/assets/32x/asc326-20-20), *Financial Instruments — Credit Losses — Measured at Amortized Cost — Glossary*
* [326-20-55](https://dart.deloitte.com/USDART/home/codification/assets/32x/asc326-20-55), *Financial Instruments — Credit Losses — Measured at Amortized Cost — Implementation Guidance and Illustrations*

As a result of this ASU, the following sections have been updated in the U.S. GAAP Checklist:

* [326-20-30](https://dart.deloitte.com/USDART/home/codification/assets/32x/asc326-20-30), *Financial Instruments — Credit Losses — Measured at Amortized Cost — Initial Measurement*
* [326-20-50](https://dart.deloitte.com/USDART/home/codification/assets/32x/asc326-20-50), *Financial Instruments — Credit Losses — Measured at Amortized Cost — Disclosure*
* [**2025-06** *—* **Intangibles** *—* **Goodwill and Other** *—* **Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software**](https://www.fasb.org/page/ShowPdf?path=ASU%202025-06.pdf&title=Accounting%20Standards%20Update%202025-06%E2%80%94Intangibles%E2%80%94Goodwill%20and%20Other%E2%80%94Internal-Use%20Software%20(Subtopic%203)

The following sections have not been updated in the U.S. GAAP Checklist because there are no questions related to background, scope, glossary, implementation, or SEC Materials guidance, but the sections were amended in the Codification to reflect the clarifications made in the ASU as described above:

* [350-30-15](https://dart.deloitte.com/USDART/home/codification/assets/asc350-30-15)*, Intangibles — Goodwill and Other — General Intangibles Other Than Goodwill — Scope and Scope Exceptions*
* [350-40-05](https://dart.deloitte.com/USDART/home/codification/assets/asc350-40-05)*, Intangibles— Goodwill and Other — Internal-Use Software — Overview and Background*
* [350-40-15](https://dart.deloitte.com/USDART/home/codification/assets/asc350-40-15)*, Intangibles — Goodwill and Other — Internal-Use Software — Scope and Scope Exceptions*

* [350-40-20](https://dart.deloitte.com/USDART/home/codification/assets/asc350-40-20)*, Intangibles — Goodwill and Other — Internal-Use Software — Glossary*
* [350-40-55](https://dart.deloitte.com/USDART/home/codification/assets/asc350-40-55)*, Intangibles — Goodwill and Other — Internal-Use Software — Implementation Guidance and Illustrations*
* [350-40-65](https://dart.deloitte.com/USDART/home/codification/assets/asc350-40-65)*, Intangibles — Goodwill and Other — Internal-Use Software — Transition and Open Effective Date Information*
* [350-50-05](https://dart.deloitte.com/USDART/home/codification/assets/asc350-50-05)*, Intangibles — Goodwill and Other — Website Development Costs — Overview and Background*
* [350-50-15](https://dart.deloitte.com/USDART/home/codification/assets/asc350-50-15)*, Intangibles — Goodwill and Other — Website Development Costs — Scope and Scope Exceptions*
* [350-50-55](https://dart.deloitte.com/USDART/home/codification/assets/asc350-50-55), *Intangibles—Goodwill and Other— Website Development Costs — Implementation Guidance and Illustrations*
* [720-45-55](https://dart.deloitte.com/USDART/home/codification/expenses/asc720-45-55)*, Other Expenses — Business and Technology Reengineering — Implementation Guidance and Illustrations*
* [730-10-60](https://dart.deloitte.com/USDART/home/codification/expenses/asc730-10-60)*, Research and Development — Overall — Relationships*

As a result of this ASU, the following sections have been updated in the U.S. GAAP Checklist:

* [350-40-25](https://dart.deloitte.com/USDART/home/codification/assets/asc350-40-25)*, Intangibles — Goodwill and Other — Internal-Use Software — Recognition*
* [350-40-30](https://dart.deloitte.com/USDART/home/codification/assets/asc350-40-30)*, Intangibles — Goodwill and Other — Internal-Use Software — Initial Measurement*
* [350-40-35](https://dart.deloitte.com/USDART/home/codification/assets/asc350-40-35)*, Intangibles — Goodwill and Other — Internal-Use Software — Subsequent Measurement*
* [350-40-50](https://dart.deloitte.com/USDART/home/codification/assets/asc350-40-50), *Intangibles — Goodwill and Other — Internal-Use Software — Disclosure*
* [350-50-25](https://dart.deloitte.com/USDART/home/codification/assets/asc350-50-25)*, Intangibles — Goodwill and Other — Website Development Costs — Recognition*
* [730-10-25](https://dart.deloitte.com/USDART/home/codification/expenses/asc730-10-25)*, Research and Development — Overall — Recognition*
* [2025-07 — Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606): Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract](https://www.fasb.org/page/ShowPdf?path=ASU%202025-07.pdf&title=Accounting%20Standards%20Update%202025-07%E2%80%94Derivatives%20and%20Hedging%20(Topic%20815)%20and%20Revenue%20from%20Contracts%20w)

The following sections have not been updated in the U.S. GAAP Checklist because there are no questions related to background, scope, glossary, implementation, or SEC Materials guidance, but the sections were amended in the Codification to reflect the clarifications made in the ASU as described above:

* [321-10-15](https://dart.deloitte.com/USDART/home/codification/assets/32x/asc321-10-15)*, Investments — Equity Securities — Overall — Scope and Scope Exceptions*
* [606-10-15](https://dart.deloitte.com/USDART/home/codification/revenue/asc606-10-15)*, Revenue from Contracts with Customers — Overall — Scope and Scope Exceptions*
* [606-10-55](https://dart.deloitte.com/USDART/home/codification/revenue/asc606-10-55)*, Revenue from Contracts with Customers — Overall — Implementation Guidance and Illustrations*
* [606-10-65](https://dart.deloitte.com/USDART/home/codification/revenue/asc606-10-65)*, Revenue from Contracts with Customers — Overall — Transition and Open Effective Date Information*
* [610-20-15](https://dart.deloitte.com/USDART/home/codification/revenue/asc610-20-15)*, Other Income — Gains and Losses from the Derecognition of Nonfinancial Assets — Scope and Scope Exceptions*
* [815-10-15](https://dart.deloitte.com/USDART/home/codification/broad-transactions/asc815-10-15)*, Derivatives and Hedging — Overall — Scope and Scope Exceptions*
* [815-10-55](https://dart.deloitte.com/USDART/home/codification/broad-transactions/asc815-10-55)*, Derivatives and Hedging — Overall — Implementation Guidance and Illustrations*
* [815-10-65](https://dart.deloitte.com/USDART/home/codification/broad-transactions/asc815-10-65)*, Derivatives and Hedging — Overall — Transition and Open Effective Date Information*
* [815-20-55](https://dart.deloitte.com/USDART/home/codification/broad-transactions/asc815-20-55), *Derivatives and Hedging — Hedging — General — Implementation Guidance and Illustrations*

As a result of this ASU, the following sections have been updated in the U.S. GAAP Checklist:

* [815-10-25](https://dart.deloitte.com/USDART/home/codification/broad-transactions/asc815-10-25)*, Derivatives and Hedging — Overall — Recognition*
* [815-20-25](https://dart.deloitte.com/USDART/home/codification/broad-transactions/asc815-20-25)*, Derivatives and Hedging — Hedging — General — Recognition*



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1. Users complete framing questions within the Checklist in the Deloitte Disclosure Analytics suite to include within its scope, Topics and Subtopics into the checklist based on what is applicable for the entity. [↑](#footnote-ref-2)
2. FASB Accounting Standards Codification (ASC) Subtopic 326-20, *Financial Instruments — Credit Losses: Overall*. [↑](#footnote-ref-3)
3. FASB Accounting Standards Codification (ASC) Subtopic 326-20, *Financial Instruments — Credit Losses: Measured at Amortized Cost*. [↑](#footnote-ref-4)
4. FASB Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*. [↑](#footnote-ref-5)
5. FASB Accounting Standards Codification (ASC) Subtopic 350-40, *Intangibles — Goodwill and Other: Internal-Use Software.* [↑](#footnote-ref-6)
6. FASB Accounting Standards Codification (ASC) Subtopic 985-20, *Software: Costs of Software to Be Sold, Leased, or Marketed.* [↑](#footnote-ref-7)
7. FASB Accounting Standards Codification (ASC) Subtopic 350-50, *Intangibles — Goodwill and Other: Website Development Costs.* [↑](#footnote-ref-8)
8. FASB Accounting Standards Codification (ASC) Topic 815, *Derivatives and Hedging.* [↑](#footnote-ref-9)
9. FASB Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*. [↑](#footnote-ref-10)