

May 13, 2015

FASB Amends Disclosures for Investments in Certain Entities that Calculate Net Asset Value Per Share

ERISA

BY LARA FULLER

The Financial Accounting Standards Board (FASB) has recently issued an amendment related to disclosures for investments that calculate net asset value per share. Under the current Fair Value Measurement, Topic 820, an entity may use, as a practical expedient, the net asset value per share of the investment to measure the fair value. Currently, these investments are categorized within the fair value hierarchy table based on when the investment is redeemable with the investee at that net asset value. These amendments remove the requirement to include investments that use net asset value per share as a practical expedient in the fair value hierarchy and also remove certain disclosures related to all investments that are eligible to be measured at fair value using the net asset value per share. These amendments are effective for public entities for fiscal years beginning after December 15, 2015 and for all other entities, for fiscal years beginning after December 31, 2016. The amendments should be applied retrospectively and early application is permitted.¹

Contact us with questions regarding the FASB amendment to the current Fair Value Measurement, Topic 820 and visit our [Employee Benefit Plans Industry Group](#) page to learn about our service offerings.

¹ FASB Website

You've heard our thoughts... We'd like to hear yours

The Schneider Downs Our Thoughts On blog exists to create a dialogue on issues that are important to organizations and individuals. While we enjoy sharing our ideas and insights, we're especially interested in what you may have to say. If you have a question or a comment about this article – or any article from the Our Thoughts On blog – we hope you'll share it with us. After all, a dialogue is an exchange of ideas, and we'd like to hear from you. Email us at contactSD@schneiderdowns.com.

Material discussed is meant for informational purposes only, and it is not to be construed as investment, tax, or legal advice. Please note that individual situations can vary. Therefore, this information should be relied upon when coordinated with individual professional advice.

© 2024 Schneider Downs. All rights-reserved. All content on this site is property of Schneider Downs unless otherwise noted and should not be used without [written permission](#).