

## MINUTES



**To:** Board Members  
**From:** Project Team  
**Subject:** Minutes of the May 29, 2013, Board Meeting  
**Date:** July 10, 2013  
**cc:** **Sutay**

*The Board meeting minutes are provided for the information and convenience of constituents who want to follow the Board's deliberations. All of the conclusions reported are tentative and may be changed at future Board meetings. Decisions become final only after a formal written ballot to issue an Accounting Standards Update or a Statement of Financial Accounting Concepts.*

**Topic:** Clarifying the Definition of a Business (formerly Application of Asset- or Entity-based Guidance to Nonfinancial Assets in an Entity)

**Basis for Discussion:** Memo No.3A Supplement—Whether to Add a Standard-Setting Project to the Board's Agenda

**Length of Discussion:** 9:00 AM to 9:22 AM (EDT)

**Attendance:**

Board members present: Seidman, Buck, Golden, Linsmeier, Schroeder, Siegel, L. Smith

Board members absent: None

Staff in charge of topic: Goswami

Other staff at Board table: Cospers, Proestakes, Bauer, Crawford

Staff participating via telephone: None

Outside participants: None

**Type of Document and Timing Based on the Technical Plan:**

The Board met to discuss whether to add a standard-setting project to its agenda on Clarifying the Definition of a Business (formerly the research project on Application of Asset- or Entity-based Guidance to Nonfinancial Assets in an Entity). Please refer to the current technical plan for information about the expected release dates of exposure documents and final standards.

**Summary of Decisions Reached:**

The Board decided to add a standard-setting project to clarify the definition of a business with the objective of addressing whether transactions involving in-substance nonfinancial assets (held directly or in a subsidiary) should be accounted for as acquisitions (or disposals) of nonfinancial assets or as acquisitions (or disposals) of businesses. The project will include clarifying the guidance for partial sales or transfers and the corresponding acquisition of partial interests in a nonfinancial asset or assets. (Vote: 7 – 0)

**General Announcements:**

None.