

MINUTES



MEMORANDUM

To: Board Members

From: Accounting for Identifiable Intangible Assets in a Business Combination for Public Business Entities and Not-For-Profit Entities

Subject: Minutes of the November 5, 2014, Agenda Decision-Making Board Meeting **Date:** February 18, 2015

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: Accounting for Identifiable Intangible Assets in a Business Combination for Public Business Entities and Not-For-Profit Entities

Basis for Discussion: Board Memo No. 4

Length of Discussion: 10:15 a.m. to 10:40 a.m. EST

Attendance:

Board members present: Golden, Kroeker, Buck, Linsmeier, Siegel, and Smith

Board members absent: Schroeder

Staff in charge of topic: Hillenmeyer

Other staff at Board table: Cospers, Walsh, McMillen, Mechanick, Gagnon, A. Smith, Cheng, Tipton, and Jensen

Outside participants: None

Type of Document and Timing Based on the Technical Plan:

The Board discussed issues relating to the development of an Exposure Draft addressing accounting for identifiable intangible assets in a business combination.

The Board has not yet determined the timing of the release date of that Exposure Draft.

Tentative Board Decisions:

The Board decided to add a separate project to its agenda for public business entities and not-for-profit entities on the accounting for identifiable intangible assets in a business combination. This project will evaluate whether certain intangible assets should be subsumed into goodwill, with a focus on customer relationships and noncompete agreements. (Vote: 4 to 2)

The Board asked the staff to consider the implications of potentially subsuming intangible assets into goodwill (goodwill is part of a separate but related project that was also discussed at the November 5, 2014, Board meeting) in conjunction with its additional research and to consider IASB activities on goodwill and intangible assets in response to its Post-Implementation Review (PIR) of IFRS 3, *Business Combinations*.

General Announcements:

None.