

MINUTES



MEMORANDUM

To: Board Members

From: Clarifying the Definition of a Business (Phase 1) Team

Subject: Minutes of the November 9, 2016 Board Meeting **Date:** November 15, 2016

cc: Tosches

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 (Phase 1)

Basis for Discussion: FASB Memo No.32

Length of Discussion: 9:00 a.m. to 9:30 a.m.

Attendance:

Board members present: Golden, Kroeker, Buck, Botosan, Schroeder, Siegel, Smith

Board members absent: None

Staff in charge of topic: Yepes

Other staff at Board table: Cosper, Proestakes, Gilioli, Holle

Outside participants: None

Type of Document and Timing Based on the Technical Plan:

The Board met to discuss issues relating to the development of a final Accounting Standards Update, *Business Combinations (Topic 805): Clarifying the Definition of a Business*.

The Board's technical plan calls for that document to be issued in December 2016.

Tentative Board Decisions:

The Board decided that early application of the amendments would be allowed for transactions occurring before the issuance date of the forthcoming Accounting Standards Update, only when the interim or annual financial statements of the reporting period that contains the transaction have not been issued or made available for issuance.

(Vote 5 to 1; 1 abstain)

Analysis of Benefits and Costs and Permission to Ballot

The Board concluded that all relevant issues have been deliberated and that it has received sufficient information and analysis on the amendments to the guidance to make an informed decision on the issues presented. The Board also concluded that the expected benefits of the amendments justify the costs.

The Board directed the staff to draft a final Accounting Standards Update for vote by written ballot.

(Vote 6 to 0; 1 abstain)

General Announcements: None.