

## MINUTES



## MEMORANDUM

**To:** Board Members

**From:** Improving the Accounting for Asset Acquisitions and Business Combinations Team (Lapins)

**Subject:** Minutes of August 2, 2017 Board Meeting

**Date:** August 9, 2017

**cc:** Toches

*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: Improving the Accounting for Asset Acquisitions and Business Combinations

Basis for Discussion: Board Memo No. 2

Length of Discussion: 10:45 a.m. to 11:10 a.m.

Attendance:

Board members present: Golden, Kroeker, Botosan, Hunt, Monk, Schroeder, and Siegel

Board members absent: None

Staff in charge of topic: Ariana Yepes

Other staff at Board table: Posta, Cospers, C. Smith, and Lapins

Outside participants: None

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

The Board met to discuss the scope of Phase 3 of the definition of a business project on improving the accounting for asset acquisitions and business combinations.

**Tentative Board Decisions:**

1. The Board decided that the project should address differences in the accounting for acquisitions of assets and of businesses, rather than addressing differences in the accounting for sales or the derecognition of assets and of businesses.  
**(Vote: 7 to 0)**
2. The Board decided that the project would focus on certain areas within the acquisition models, specifically the accounting for transaction costs, in process research and development (IPR&D), and contingent consideration. The Board also directed the staff to consider whether certain exceptions in the accounting for business combinations should be extended to the accounting for acquisitions of assets, including the reassessment of certain contracts (such as leases) and the measurement exceptions associated with reacquired rights, indemnification assets, and leases.  
**(Vote: 6 to 1)**

**General Announcements:** None.