

MINUTES



Financial Accounting
Standards Board

To: FASB Board Members

From: Discontinued Operations Team
(Davis, x447)

Subject: Minutes of the February 3, 2009, Joint Board Meeting: Discontinued Operations—
Scope **Date:** February 24, 2010

cc: Golden, Bielstein, Leisenring, Lott, Proestakes, Stoklosa, C. Smith,
Mechanick, Glotzer, Hood, Petrone, Kawanishi, Posta,

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.

<u>Topic:</u>	Scope of Discontinued Operations
<u>Basis for Discussion:</u>	FASB Memo 11
<u>Length of Discussion:</u>	9:15–9:45 a.m. (EST)
<u>Attendance:</u>	
Board members present:	Herz, Siegel, Seidman, Linsmeier, and Smith
Board members participating by phone:	None
Board members absent:	None
Staff in charge of topic:	Hood

Other staff at Board table:

Golden, Proestakes, Hood, Yang, Davis

Outside participants:

Leisenring (IASB)

Objectives of Meeting

The objectives of the meeting were for the Board to decide whether to (1) eliminate the scope exceptions in Subtopic 205-20 and converge the scope with IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*, and (2) determine the length of the comment period for the proposed Update. The objectives of the meeting were met.

Summary of Decisions Reached

Reporting discontinued operations

The Board discussed the scope of a proposed Accounting Standards Update on *FASB Accounting Standards Codification*TM Subtopic 205-20, Presentation of Financial Statements—Discontinued Operations. The Board decided to eliminate the existing exceptions to the scope of Subtopic 205-20. The Board believes that change will have little practical effect on most reporting entities, except for requiring an entity to consider whether the disposal of an equity method investment should be reported and disclosed as a discontinued operation. The Board noted that eliminating those scope exceptions will simplify U.S. GAAP requirements while promoting convergence of those requirements and IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*. (unanimous vote)

Comment Period

The Board decided on a 60-day comment period for the proposed Accounting Standards Update. The Board directed the staff to draft the proposed Update for vote by written ballot. (unanimous vote)

Follow-up Items

None.

General Announcements

None.