

MINUTES



MEMORANDUM

To: Board Members
From: Consolidation project team
(Moffat x 376)
Subject: Minutes of Board Meeting **Date:** 06/07/2018
cc: Dawn 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: Consolidation (Topic 810)

Basis for Discussion: FASB Memo No. 20, Redeliberations, Private Company Accounting Alternative – Effective Date and Transition

Length of Discussion: 11:35 a.m. to 11:45 a.m. (EDT)

Attendance:

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

Board members absent: None

Staff in charge of topic: Roberge

Other staff at Board table: Kuhaneck, Hoyer, and Moffat

Outside participants: Buesser (incoming July 2018 Board member)

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 addressing targeted improvements to related party guidance for Variable Interest Entities (VIEs).

The Board technical plan calls for the proposed Update to be issued in the third quarter of 2018.

Tentative Board Decisions:

The Board reconsidered its May 16, 2018 decisions regarding effective date and transition requirements for private companies in adopting the forthcoming final Accounting Standards Update, Consolidation (Topic 810): Targeted Improvements to Related Party Guidance for Variable Interest Entities.

The Board decided that:

1. For private companies, the amendments in the Update will be effective for fiscal years beginning after December 15, 2020.
(Vote 6-0)
2. Private companies may early adopt the amendments in the Update.
(Vote 6-0)
3. Private companies must apply the amendments in the retrospectively with a cumulative-effect adjustment to retained earnings at the beginning of the earliest period presented.
(Vote 6-0)

Next Steps

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