

MINUTES



MEMORANDUM

To: Board Members
From: FASB staff
Subject: Minutes of BSCDEBT January 28, 2015, Board Meeting
Date: February 3, 2015
cc: Stacey 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: Simplifying the Balance Sheet Classification of Debt

Basis for Discussion: Board Memorandum 2

Length of Discussion: 11:00 a.m to 11:45 a.m. EDT

Attendance:

Board members present: Golden, Buck, Kroeker, Linsmeier, Schroeder, Siegel, and Smith
Board members absent: N/A
Staff in charge of topic: Mazzella and Walsh
Other staff at Board table: Willette
Outside participants: None

Type of Document:

The Board began deliberations by discussing alternatives for classifying debt as current or noncurrent within a classified balance sheet.

Tentative Board Decisions:

The Board decided that an entity should classify a debt as noncurrent if one or both of the following criteria are met as of the balance sheet date:

1. The liability is contractually due to be settled more than 12 months (or operating cycle, if longer) after the balance sheet date
2. The entity has a contractual right to defer settlement of the liability for at least 12 months (or operating cycle, if longer) after the balance sheet date.

(Vote: 6 to 1)

The Board decided that decisions about the classification of debt should be made based on facts and circumstances that exist as of the reporting date (that is, as of the balance sheet date).

(Vote: unanimous)

The Board decided that the scope of the guidance should apply to all debt arrangements.

(Vote: unanimous)

Next Steps

The Board will continue deliberations at a future Board meeting, focusing on disclosures and transition.

General Announcements: None.