

MINUTES



MEMORANDUM

To: Board Members

From: Accounting for Goodwill Project Team (McMillen x376)

Subject: Revised Minutes of the November 5, 2014, Non-Decision-Making Board Meeting

Date: February 18, 2015

cc: 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: Accounting for Goodwill for Public Business Entities and Not for Profits

Basis for Discussion: Board Memo No. 3B

Length of Discussion: 10:00 a.m. to 10:40 a.m. EST

Attendance:

Board members present: Golden, Kroeker, Buck, Linsmeier, Siegel, and Smith

Board members absent: Schroeder

Staff in charge of topic: Hillenmeyer

Other staff at Board table: Cospers, Walsh, McMillen, Mechanick, Gagnon, A. Smith, Cheng, Tipton, and Jensen

Outside participants: None

Type of Document and Timing Based on the Technical Plan:

The Board met to discuss issues relating to the development of an Exposure Draft addressing accounting for goodwill for public entities and not-for-profit entities.

The Board has not yet determined the timing of the release of that Exposure Draft.

Tentative Board Decisions:

The Board discussed additional outreach and research performed by the staff on the subsequent measurement of goodwill, including the results of the IASB's Post-Implementation Review (PIR) of IFRS 3, *Business Combinations*, and the results of a study on the use of the qualitative assessment introduced in FASB Accounting Standards Update No. 2011-08, *Intangibles—Goodwill and Other (Topic 350): Testing Goodwill for Impairment*.

The Board also directed the staff to perform additional research on the amortization of goodwill, with a focus on identifying the most appropriate useful life if goodwill were amortized, and on simplifying the impairment test.

The Board asked the staff to consider the implications of potentially subsuming intangible assets into goodwill (the accounting for intangible assets is part of a separate but related project that was added to the Board's agenda on November 5, 2014) in conjunction with its additional research and to consider IASB activities on goodwill and intangible assets in response to its PIR on IFRS 3.

General Announcements:

None.