

MINUTES



MEMORANDUM

**To:** Board Members  
**From:** FASB Staff  
**Subject:** Minutes of December 14, 2016,  
Board Meeting  
**Date:** December 14, 2016  
**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: Clarifying the Scope of Subtopic 610-20 and Accounting for Partial Sales of Nonfinancial Assets

Basis for Discussion: Board Memo No. 30

Length of Discussion: 9:00 a.m. to 9:10 a.m.

Attendance:

Board members present: Golden, Kroeker, Botosan, Buck, Schroeder, Siegel  
Board members absent: Smith (voted by proxy)  
Staff in charge of topic: Dhimmarr  
Other staff at Board table: Cosper, Engmann, Holle, Yepes  
Outside participants: Harold Monk (incoming January 2017 Board member)

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

The Board met to discuss issues relating to the development of the final Accounting Standards Update, *Other Income—Gains and Losses from the Derecognition of Nonfinancial Assets (Subtopic 610-20): Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets*.

The Board's technical plan calls for that document to be issued in the first quarter of 2017.

**Tentative Board Decisions:**

The Board discussed the following items:

1. Comments received from external reviewers on a staff draft of the forthcoming Accounting Standards Update on Other Income—Gains and Losses from the Derecognition of Nonfinancial Assets (Subtopic 610-20): Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets
2. Analysis of the costs and benefits of the Board's decisions
3. Permission to ballot.

*Transition for Previous Disposals of a Business*

The Board decided to amend the transition guidance for previous disposals of a business. The application of the revised definition of a business in the forthcoming Accounting Standards Update, *Business Combinations (Topic 805): Clarifying the Definition of a Business*, may result in a transaction that was previously considered the disposal of a business to be considered the disposal of an asset. An entity should not reinstate goodwill for previous disposals of a business when applying the forthcoming Update on asset derecognition. **(Vote: 7 to 0)**

*Analysis of the Costs and Benefits*

The Board concluded that it has received sufficient information and analysis to make an informed decision on the issues presented. The Board also concluded that the benefits of the amendments justify the related costs. **(Vote: 7 to 0)**

**General Announcements:** The Board directed the staff to draft a final Accounting Standards Update for vote by written ballot. **(Vote: 7 to 0)**