

MINUTES



MEMORANDUM

To: Board Members

From: Consolidation Team
(Bowen x376)

Subject: Minutes of the June 21, 2017 Board Meeting on Consolidation

Date: June 26, 2017

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: Consolidation (Topic 810)

Basis for Discussion: FASB Memo No. 13, External Review Analysis and Recommendations, Cost-Benefit Analysis, and Permission to Ballot

Length of Discussion: 8:45 a.m. to 9:05 a.m. (EDT)

Attendance:

Board members present: Golden, Kroeker, Schroeder, Botosan, Siegel, Smith, and Monk

Board members absent: None

Staff in charge of topic: Roberge

Other staff at Board table: Cospers, Esposito, Drucker, McKeown, and Bowen

Outside participants: None

Type of Document and Timing Based on the Technical Plan:

The Board met to discuss issues relating to the development of a proposed Accounting Standards Update on reorganizing the consolidation guidance in Topic 810, Consolidation, and clarifying certain items within that Topic. The proposed reorganization would result in a new Topic 812 with separate Subsections for variable interest entities and voting interest entities.

The Board's technical plan calls for the proposed Update to be issued in the third quarter of 2017.

Tentative Board Decisions:

The Board discussed (1) comments from external reviewers on a draft of the proposed Accounting Standards Update on the reorganization of consolidation guidance and (2) remaining issues, including costs and benefits, and made the following decisions.

Transition Requirements

The Board affirmed its decision on transition requirements from the March 8, 2017 Board meeting.

(Vote: 7-0)

Cost-Benefit Analysis

The Board decided that the benefits of the amendments in the proposed Update would justify the related costs.

(Vote 7-0)

Comment Period

The Board decided that the comment period deadline for the proposed Update should be 75 days.

(Vote 7-0)

Next Steps

The Board directed the staff to draft a proposed Accounting Standards Update for vote by written ballot.

General Announcements:

None.