

MINUTES



MEMORANDUM

To: Board Members
From: Consolidation project team
(Moffat x 376)
Subject: Minutes of Board Meeting
Date: September 5, 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. 22, “Redeliberations, Private Company Accounting Alternative—Scope Clarification”

Length of Discussion: 10:00 a.m. to 10:10 a.m. (EDT)

Attendance:

Board members present: Golden, Kroeker, Botosan, Buesser, and Schroeder

Board members absent: Hunt

Staff in charge of topic: Roberge

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

Outside participants: None

Type of Document and Timing Based on the Technical Plan:

The Board met to discuss an issue related 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 fourth quarter of 2018.

Tentative Board Decisions:

The Board discussed a scope clarification to the private company accounting alternative, which will be included as part of the forthcoming final Accounting Standards Update, *Consolidation (Topic 810): Targeted Improvements to Related Party Guidance for Variable Interest Entities*.

The Board decided that a private company reporting entity cannot apply the private company accounting alternative to a legal entity in which it has a direct or indirect controlling financial interest when considering the General Subsections of Topic 810 (and not the Variable Interest Entities Subsections of Topic 810).
(Vote 6-0; 1 Board member voted by proxy)

Next Steps

The Board directed the staff to continue drafting a final Accounting Standards Update for vote by written ballot.
(Vote 6-0; 1 Board member voted by proxy)