

MINUTES



**To:** Board Members

**From:** Leases Team (Martin, ext. 354)

**Subject:** Minutes of the January 22, 2009, Joint IASB/FASB Videoconference Meeting: Content and Timing of the Proposed Leases Discussion Paper **Date:** January 29, 2009

**cc:** FASB: Bielstein, Golden, Lott, Stoklosa, Proestakes, Posta, Chookaszian, Zeyher, Nickell, Homant, C. Smith, Brickman, Hood, Sutay, Glotzer, Mechanick, Gabriele, Allen, Klimek, FASB Intranet; IASB: Leisenring, Francis, Knubley, Peerless, Kim

*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 a final Statement, Interpretation, or FASB Staff Position.*

Topic: Content and Timing of the Proposed Leases Discussion Paper

Basis for Discussion: Memorandum #29 (IASB Agenda Paper 13C)  
Memorandum #30 (IASB Agenda Paper 13D)  
Board Meeting Handout, Leases, January 22, 2009

Length of Discussion: 11:15 a.m. to 11:35 a.m.

Attendance:

FASB members present: Herz, Seidman, Siegel, and Smith

FASB members absent: Linsmeier

IASB members present: Sir David Tweedie, Barth, Bruns, Cooper, Danjou, Engström, Garnett, Gélard, Jones, Leisenring, McGregor, Smith, Wei-Guo, and Yamada

Staff in charge of topic: Zeyher

Other staff at Board table: FASB: Golden, Stoklosa, Nickell, Homant, and Martin

IASB: Knuble, Peerless, and Kim

### Summary of Decisions Reached

The FASB and the IASB held a joint videoconference meeting to discuss the content and timing of the proposed Discussion Paper on lease accounting. The Boards decided to include in the proposed Discussion Paper a high-level discussion of lessor accounting issues. The Boards plan to issue the proposed Discussion Paper in March 2009.

### Objective of the Meeting:

The objective of the meeting was for the Boards to discuss the content and timing of the proposed Discussion Paper on lease accounting. The objective of the meeting was met.

### Matters Discussed and Decisions Reached:

#### **Content and Timing of the Proposed Discussion Paper**

1. **Staff Recommendation:** The staff presented for the Boards' consideration two alternative ways to move forward on the proposed Discussion Paper: (a) issue a proposed Discussion Paper that contains preliminary views on lessee accounting only or (b) issue a proposed Discussion Paper that contains both preliminary views on lessee accounting and a high-level discussion of lessor issues. The discussion of lessor issues under alternative (b) would be similar to the discussion in IASB Agenda Paper 13A/FASB Memo 27, which was issued on January 7, 2009, and would not constitute the Boards' preliminary views on lessor accounting. The expected time of issuance of the proposed Discussion Paper under both alternatives is March 2009.

2. **Board Vote:** The Boards unanimously voted to select alternative (b) to include a high-level discussion of lessor issues in the proposed Discussion Paper.
3. **Board Comments:** Mr. Herz noted that including a discussion of lessor accounting in the proposed Discussion Paper would only result in a five-day delay compared to issuing the proposed Discussion Paper without the discussion of lessor issues.
4. Mr. Leisenring and Mr. McGregor expressed their support for alternative (b), but did not want any more analysis than what was included in IASB Agenda Paper 13A/FASB Memo 27. It was noted that there are many issues that would need to be considered if lessor accounting were to be included in the Exposure Draft.
5. Sir David stated that the purpose of the discussion of lessor accounting in the proposed Discussion Paper is to identify the lessor issues, but not to provide a detailed analysis of these issues.
6. Mr. McGregor noted that revenue recognition and implications of lessor accounting for IAS 40, *Investment Property*, should be among the issues discussed in the proposed Discussion Paper.
7. It also was agreed that there would be no preliminary views on the lessor accounting issues in the Discussion Paper.
8. The FASB staff agreed to perform further analysis of lessor issues during the comment period. Subsequent to this analysis, the Boards will make a decision as to whether the lessor accounting will be included in the scope of the project.

Follow-up Items:

None.

General Announcements:

None.