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**International  
Accounting Standards  
Board**

*This document is provided as a convenience to observers at IASB meetings, to assist them in following the Board's discussion. It does not represent an official position of the IASB. Board positions are set out in Standards.*

*These notes are based on the staff papers prepared for the IASB. Paragraph numbers correspond to paragraph numbers used in the IASB papers. However, because these notes are less detailed, some paragraph numbers are not used.*

### **INFORMATION FOR OBSERVERS**

**Board Meeting:** 22 January 2009, London

**Project:** LEASE ACCOUNTING

**Subject:** Summary of January IASB Leases Meeting (Agenda Paper 13D)

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### **Introduction**

1. This memo summarises the proposals made by the IASB on 19 January 2008 regarding the scope and timing of the leases project. These proposals will be discussed at a joint meeting of the boards on 22 January 2008.

### **IASB proposals**

2. The IASB noted that the FASB have requested that the leases discussion paper (DP) incorporate some discussion of lessor accounting issues.
3. The IASB understand the FASB's concerns regarding lessor accounting. However, the IASB is concerned that any attempt to address lessor accounting at this stage will delay publication of the discussion paper and ultimately the final standard.
4. Consequently, the IASB propose the following:
  - the IASB publish the proposed DP. The DP would include the preliminary views of the IASB only. However, arguments for and against any FASB alternative views would be included in the document. Publication of the DP is tentatively scheduled for the end of February.
  - the FASB undertake work to develop a lessor accounting model.

- once developed, the IASB would discuss and publish the FASB's work on lessor accounting.
  - the lessee only discussion paper published by the IASB would note that the FASB is undertaking work on lessor accounting.
  - following publication of the FASB's work on lessor accounting and analysis of the comments received, the IASB will decide whether to incorporate lessor accounting issues into any exposure draft on lease accounting.
5. If we move ahead in this basis, the FASB will need to decide when and in what form to publish information about lease accounting. For example, the FASB could decide to (1) publish the lessee only DP with a 'wrap-around', (2) incorporate their lessee accounting preliminary views into a joint lessee and lessor accounting DP, (3) move directly to an Exposure Draft that contains guidance on both lessee and lessor accounting, or (4) some other approach.

## **Scope**

6. The IASB also discussed whether the scope of the project should be changed to exclude contracts that are 'in-substance purchases' from the requirements of any new standard. Consistent with the FASB's decision last week, the IASB tentatively decided not to change the scope of the project.