



Project	Leases
Topic	Cover Note

Background

1. The Leases discussion paper (DP) was published in March 2009. It presents the boards' preliminary views on lessee accounting. The comment period for the DP ended on July 17, 2009. By August 11, 2009, the boards had received 290 comment letters.

Purpose

2. At this meeting the staff will present two papers:
 - (a) Agenda Paper 6A/Memo 38: *Comment letter summary* – this paper summarizes the 290 responses received on the boards' Discussion Paper *Leases: Preliminary Views*.
 - (b) Agenda Paper 6B/Memo 39: *Plan for deliberations* - this paper provides the boards with an overview of the staff's plans for the Leases project over the next few months.

Next steps

3. During the October joint meeting the staff intend to:

IASB/FASB Staff paper

- (a) present the boards with additional analysis on both lessor accounting models (the derecognition approach and the performance obligation approach).
- (b) ask the boards to reconfirm their support for the basic right-of-use model for lessees.
- (c) ask the boards to reach a preliminary view on the timing of initial recognition.
- (d) ask the boards to reach a preliminary view on the treatment of in-substance purchases.