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Project      **Leases**  
Topic        **Cover Memo**

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## Introduction

1. This paper provides a brief overview of the leases project and a summary of the outreach performed and explains the objectives of the working group meeting. This paper also describes the form and content of the papers distributed to working group members.

## Project Overview

2. In August 2010, the IASB and the FASB (Boards) issued an Exposure Draft, *Leases*, (ED) with a comment letter deadline of December 15, 2010.
3. The staff plans to provide the Boards with an analysis of outreach activities performed with constituents and the feedback received, including a preliminary summary of comment letters in January 2011. Additionally, the staff expect to present a project plan and redeliberation schedule to the Boards in January 2011.

## Outreach

4. The staff has engaged in extensive outreach before and during the comment letter period. The following is a non-exhaustive list of the various outreach activities:
  - (a) Webcasts and podcasts

- (b) Meetings with various preparers, auditors, users, investors, and analysts
- (c) Speeches and conferences with various professional organizations and industry groups
- (d) Meetings with various advisory groups (e.g., FASAC, NAC, ITAC, SBAC, and PCFRC)
- (e) Preparer workshops (Toronto, Sao Paulo, London, Norwalk, Seoul, Tokyo, and Melbourne)
- (f) Public roundtables (London, Hong Kong, Chicago, and Norwalk).

**Objectives**

- 5. The objectives of this working group meeting are to do the following:
  - (a) Discuss tentative decisions made by the Boards in the ED
  - (b) Obtain the views and suggestions of the working group on certain key areas of the leases project
  - (c) Discuss feedback received through outreach activities and comment letters.

**Meeting Information**

- 6. The details of the working group meeting are as follows:

<b>Date</b>	Friday, January 7, 2011
<b>Time</b>	9:00 a.m. – 4:00 p.m. EST
<b>Location</b>	Financial Accounting Standards Board 401 Merritt 7 Norwalk, CT 06856 Tel: (203) 847 – 0700

## Summary of Papers

7. The following agenda papers provide a high-level summary of the issues to be discussed:
  - (a) Agenda paper 2 – Agenda
  - (b) Agenda paper 3 – Differentiating between a service contract and a lease
  - (c) Agenda paper 4 – Lessor accounting
  - (d) Agenda paper 5 – Accounting for options to extend or terminate a lease
  - (e) Agenda paper 6 – Accounting for variable lease payments
  - (f) Agenda paper 7 – Lessee accounting: subsequent measurement
  - (g) Agenda paper 8 – Transition.