

## STAFF PAPER

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## Accounting Standards Advisory Forum

Project	Leases
Paper topic	Project Update: Cover Paper
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**Introduction and objective of the meeting**

1. At the June 2014 meeting of the Accounting Standards Advisory Forum (ASAF), the IASB staff and board members provided ASAF members with an update on the Leases project. At that meeting and in subsequent email communications, ASAF members were informed that it was expected that, by September 2014, the IASB and the FASB (the boards) would be close to finalising their redeliberations of the proposals in the 2013 Exposure Draft *Leases* (2013 ED). Consequently, it was noted that if ASAF members have views regarding the project, other than those already known by the IASB, then they should prepare written proposals for discussion at the September 2014 meeting.
2. In response to specific requests from ASAF members to discuss the Leases project, Leases was added to the agenda of the September 2014 meeting.
3. Therefore, the objective of this meeting is twofold:
  - (a) to provide ASAF members with an update on the status of the Leases project; and
  - (b) to discuss any papers submitted by ASAF members on the project.

**Project Update**

4. Since the June 2014 ASAF meeting, the IASB and the FASB (the boards) have continued to redeliberate the proposals in the 2013 ED. In June 2014, the boards reached tentative decisions on subleases and presentation on a lessee's balance sheet and cash flow statement. In July 2014, the boards reached tentative decisions on sale and leaseback transactions and lessor disclosures.
5. In August 2014, the IASB staff published on the IASB website a *Project Update*. That document provides an update on the most important tentative decisions reached on the Leases project during the first half of 2014, and explains the IASB's reasons for reaching those decisions. It also explains the remaining work to be done in completing the project. That *Project Update*, which was circulated to ASAF members when posted on the website, is attached to this paper.
6. The main topics remaining to be discussed are lessee disclosures (to be discussed in September 2014) and transition requirements.