

MINUTES



Financial Accounting
Standards Board

To: Board Members

From: Maladtsova (x384) Brower (x468)

Subject: Effective Dates and Transition
Methods - Minutes of March 2, 2011,
Joint Videoconference Board Meeting **Date:** March 3, 2011

cc: FASB: Cospers, Bielstein, Proestakes, Stoklosa, Glotzer, Bement,
Zeyher, Weiner, Roberge, Donoghue, Couch, Switter, Cappiello, Sutay,
Klimek, Gabriele, FASB Intranet; IASB: Stewart, Lian

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 an Accounting Standards Update or a Statement of Financial Accounting Concepts.

Topic: Effective Dates and Transition Methods

Basis for Discussion: FASB Memo No. 1, Comment Letter and
Constituent Feedback Summary Cover Memo

FASB Memo No. 2, Comment Letter &
Constituent Feedback Summary

FASB Memo No. 3, Comment Letter Summary

FASB Memo No. 4, Tentative Staff Views

Length of Discussion: 10:40 to 11:40 a.m. EST

Attendance:

Board members present: FASB: Seidman, Golden, Linsmeier, Seigel,
Smith, Buck, Schroeder

IASB: Gomes, McConnell, Danjou, Cooper,
Wei-Guo

Board members
participating via phone: IASB: Scott, König, Smith, Pacter,
Kalavacherla

Board members
participating via video: IASB: Tweedie, Yamada, McGregor

Board members absent: IASB: Engström, Finnegan

Staff in charge of topic: FASB: Brower
IASB: Lian

Other staff at Board table: FASB: Cospers, Bielstein, Maladtsova

Outside participants: None

Type of Document and Timing Based on the Technical Plan:

The Board met to discuss issues relating to the Discussion Paper, *Effective Dates and Transition Methods*.

Summary of Decisions Reached:

In October 2010, the FASB and the IASB each published a document requesting views from stakeholders about the time and effort that will be involved in adopting several new standards and when those standards should be effective. At the March 2, 2011 meeting, the staff presented a summary of the feedback received. The staff highlighted the main similarities and differences between the views expressed by FASB and IASB stakeholders.

In view of the limited number of responses received from users and, for the FASB, private entities, the Boards directed the staff to undertake further outreach activities from these groups as well as other stakeholders such as third-party financial software developers and data aggregators that are a source of financial information for financial statement users. Additionally, the Boards directed the staff to analyze input received from investors and other users about what transitional disclosures might be needed to help users understand the effect of the new requirements and develop recommendations for consideration at a future meeting.

The Boards discussed possible effective dates for their joint projects on Leases, Revenue Recognition, and Insurance Contracts. The Boards also discussed how they would establish effective dates and transition methods for the various other projects under way. The Boards indicated that they would determine the

effective dates for the projects taking into account the significance of the accounting changes required and the methods of transition. In doing so, they will provide ample time for stakeholders to apply the new requirements.

The Boards tentatively decided to determine the effective dates and transition methods for their projects on Other Comprehensive Income, Fair Value Measurements, Financial Instruments with Characteristics of Equity, and Financial Statement Presentation on a standard-by-standard basis, as the projects reach a conclusion. The IASB decided it would determine effective dates and transition methods for its Financial Instruments project as each project phase is completed. The FASB has yet to decide on how it will determine the effective date for its Financial Instruments project.