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# Highlights from FASB's March 7 meeting

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On March 7, the FASB met to discuss stakeholders' comments on **two** proposed ASUs featuring targeted improvements to the new leasing guidance and amendments to the disclosure requirements for fair value measurement. These discussions are summarized below.

*All decisions reached at Board meetings are tentative and may be changed at future meetings.*

### Targeted improvements to ASC 842

The Board discussed feedback received on the optional transition method included in the proposed ASU, Leases (Topic 842): Targeted Improvements, and tentatively decided to affirm this proposal. If an entity elects to apply this new transition method, the Board clarified, it should include the disclosures required under ASC 840, Leases, including the operating lease obligations disclosure in ASC 840-20-50-2, in the financial statements for comparative periods.

The Board will discuss comments received on the proposed practical expedient related to the separation and allocation requirements for lessors, also included in the proposed ASU, at a future meeting.

### Disclosure requirements for fair value measurements

The Board continued its discussion of the amendments in the proposed ASU, Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement, and confirmed certain amendments in the proposal, including previous tentative decisions. It also tentatively decided to require prospective transition for the narrative description of disclosure uncertainty.

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The effective date of the amendments upon issuance in an ASU for all entities would be for fiscal years beginning after December 15, 2019 and for interim periods within those fiscal years. Early adoption would be permitted.

The Board directed the staff to draft an ASU for vote by written ballot.

Source:

Grant Thornton, On the Horizon, March 15, 2018.

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