

A yellow excavator is parked on a paved surface in a construction yard. The excavator has a large black bucket and a yellow boom with '400A' written on it. The background shows a blue sky with white clouds and some greenery. On the left side of the image, there are blue and grey geometric shapes that look like stylized beams or structural elements.

Bright Lights

Revision Notes on

AS 19 Leases

BY

CA Anand V Kabra

(B.Com, ACA)

Dear Reader, Greetings!

Lots of people appearing for CA IPCC or CA Finals, are handling multiple responsibility like job, studies & Family. They can not devote sufficient time for their studies. To overcome the time constraints & make the studies joyful & minimize your efforts – maximize the output, I came up with idea to convert my handwritten notes, which I have prepared and used for my CA Finals. My short Notes are well appreciated by lots of user, which inspired me to carry out all this chapter wise notes & thereby you can use this as a aid to your main study materials.

Every effort has been taken to avoid errors, Please feel free to tell if any such thing noted! I would like to clear that these notes are not a replacement to Main Study material in any way.

How to make Best Out of It?

1. Go through the notes to have an brief idea of main material
(print colored if going to use hard copy)
2. Now jump to main study materials;
3. You may simultaneously use notes again & note down any details if you want;

Use notes for repeated revision & this practice will help you cover the whole syllabus well within few minutes!

Wishing You a very Happy Reading & Study Time!

**with Best Regards,
CA Anand V Kabra**

• **Self Published E Book**

**Published by
VRK Prakashans
Aurangabad, MS**

Price: 20 /-

**Click / Touch Here
To Check Other Shor Notes
on my book store**

**Or
simply log on to**

www.instamojo.com/anandvkabra

**Click here to visit
My YouTube Channel
For Short Revision Videos**

Comparative Summary

Finance Lease

- Lease Period is substantially Equal to Economic useful life of the Asset
- There is Guaranteed Residual Value
- It is a Specialized Assets
- Risks & Rewards are transferred to Lessee

Operating Lease

- Shorter Operating / Contract Period
- Hire Purchase like arrangements
- Generalized Assets
- No Transfer of Risks at End of Contract

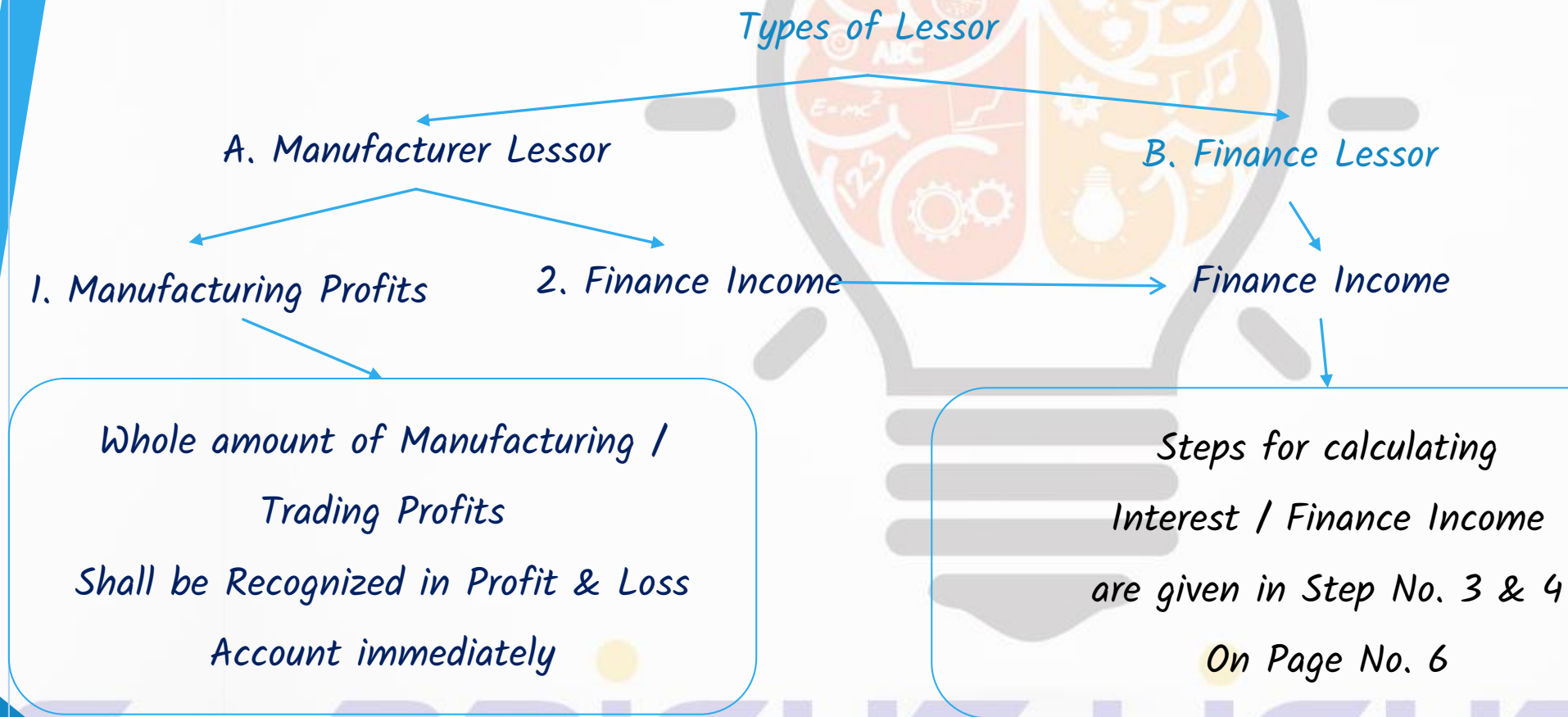
Accounting Entries for Operating Lease (very Simple Entries - we do it on regular basis)

<i>In the Books of Lessor (booking of Income)</i>		<i>In the Books of Lessee (booking of Expenses)</i>	
<i>Lessee A/c or Bank A/c</i>	<i>Dr.</i>	<i>Lease Rent Expenses A/c</i>	<i>Dr.</i>
<i>To Lease Rentals A/C</i>		<i>To Lessor A/C or Bank A/c</i>	
<i>(Being recognition / receipt of Lease Rental Income for the period -----)</i>		<i>(Being recognition / payment of Lease Rent Expenses for the period -----)</i>	

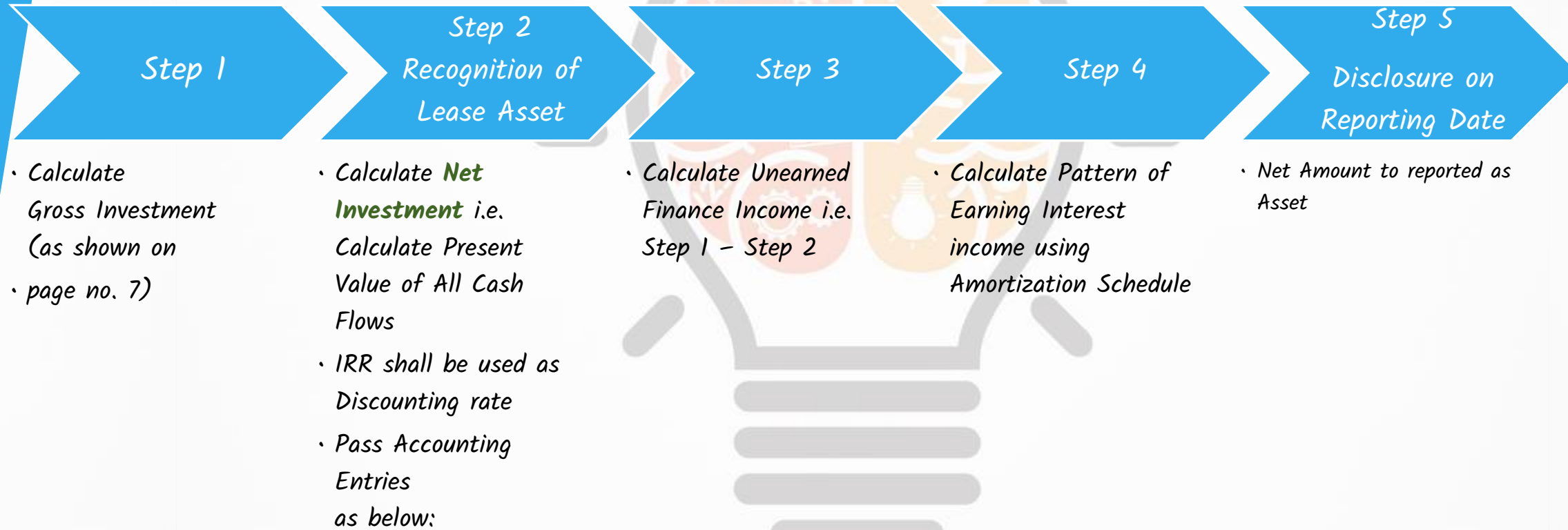
AS 19 has a major discussion on Finance lease, we are going to have our discussion on Finance Lease from the following page onwards.

BRIGHT LIGHTS

Before we get into discussion, let's check out types of Lessor, i.e. Manufacturer Lessor & Finance Lessor. There are Two types of Incomes to be recognized in case of Manufacturer Lessor as shown below.



Stages involved in Accounting of Finance Lease (Lessor view Point)



Concepts covered in Paid file:

- Gross Investment,
 - Steps for Lessee,
 - Practical Example for calculations
 - Sale & Lease Back Transactions with Examples
 - **Touch here to Download the file & Get 20% off**
- Or
- Visit: <https://www.instamojo.com/anandvkabra/as-19-leases-revision-notes-ca-anand-v-kabra/?discount=cci20>

Buy Notes at www.instamojo.com/anandvkabra



Subscribe to my You Tube channel **Anand V Kabra** for revision videos

CA Anand V Kabra's Bright Lights
9404272440 | anandvkabra@gmail.com

Earn for sharing link of my Notes hosted at Instamojo.com

How this works?

1. You need to open an account at instamojo.com, Using my referral code:

ANANDVKABRA1def

(on collection of your 1st payment, receive gift voucher of Rs. 500/-)

<https://imjo.in/NpWL6>

2. Provide basic Information Like PAN, Bank A/c No & IFSC
3. Become a Reseller
4. A link of my product will be generate for you, which is to be shared by you among your contacts.
5. On successful download from link you shared, you will receive a commission directly to your instamojo account.
6. This will be transferred to your bank account.

Earn for share,
Sharing is Caring!