

## Round table for the chief accountants of leasing companies

### **Practical accounting matters and need to reform accounting standards applied to leasing activities**

#### Questions under discussion:

1. Discrepancies between the present MinFin Order No. 15, On Reflecting Leasing Contract Transactions in Accounting Records, with the current chart of accounts and its possible replacement with a new standard.
2. Problems arising through the change of the balance structure of leasing companies in connection with "one-way" re-evaluation of bank loans liabilities in foreign currency. "Paper" profits and losses.
3. Possible options for reflecting transactions involving lessors and lessees in accounting records in the framework of the existing normative documents. Possible application of accounts 97 (Deferred Expenses) and 98 (Deferred Income).
4. Calculation of net assets for the purposes of application of Art. 269 of the Tax Code on condition of usage of account 98.
4. Discussion of optimal accounting option for leasing transactions and necessary changes thereto in the present accounting standards. Convergence with IFRS principles. Tax implications.
5. Peculiarities of accounting methods depending on leasing contract terms. Possibility to record lessor's accounts receivable as assets in the Balance sheet proportionally to the value of the leased assets to be compensated by the lessee.
6. Discussion of the possibility of recognizing the exchange difference for the lessor's accounts payable based on "cash method".
7. Discussion on the proper approach to reforming leasing transaction accounting principles (unification of accounting principles or consideration of peculiarities of the leasing activities).