

Ind AS 116 MasterClass

**1 Day Online
Training**

**8 December, 2024
Sunday**

Get the most comprehensive learning and insight on the current lease accounting standard in this 1 Day MasterClass.

See inside for more information.

INTRODUCTION

Ind AS 116 – *Leases* is the most significant change to lease accounting in over 30 years. One of the main reasons of introducing Ind AS 116 was to avoid "Off Balance Sheet Financing" which its predecessor Ind AS 17 was unable to block. Ind AS 116 takes a totally new approach to accounting for leases, called the 'right-of-use' model. This means that if a company has control over, or right to use, an asset they are renting, it is classified as a lease for accounting purposes and, under the new rules, must be recognised on the company's balance sheet.

This no longer allows for significant financial liabilities to be held off-balance sheet, as permitted for certain types of leases (operating leases) under the previous rules.

The objective is to ensure that companies report information for all of their leased assets in a standardised way and bring transparency on companies' leased assets and liabilities.

Since its introduction, this standard has affected most companies reporting under Ind AS and will have a major impact on the financial statements of lessees of property and high-value equipment. Virtually every company uses rentals or leasing as a means to obtain access to assets and will therefore be influenced by Ind AS 116. As with other changes to accounting standards, companies will also need to produce a set of comparative accounts for the prior year. This will increase comparability, but may also affect covenants, credit ratings, borrowing costs and your stakeholders' perception of you.

OVERVIEW

This in-depth full day **Ind AS 116 MasterClass** will give you the comprehensive training, knowledge and skills necessary in today's global business environment. The course will cover all the key requirements of the Standard from the scope, accounting treatments, and disclosures and will look at the specific issues that arise on transition and implementation. It also aims to provide a robust guidance on identification, recognition, measurement, presentation and reporting needs of lease accounting. This live session addresses both the lessee and lessor accounting models, assisted by real-life examples and helpful illustrations to **ensure a complete understanding of Ind AS 116**.

PROGRAMME HIGHLIGHTS

- 1 Full-Day Live Online Training Session held in the weekend for professionals
- 2 Detailed and thorough deliberation covering all lease related aspects
- 3 Illustration of technical accounting concepts through use of 'real-life' case studies and numerical examples to help highlight key points and practical implications
- 4 Journal entries, paragraph references and effect on financial statements will be demonstrated specifically
- 5 Clarification of queries and consultation is offered via digital communication
- 6 Soft copy of training materials will be sent which includes session presentations, worked examples and case laws
- 7 Get accounting guidance on the latest amendment relating to lease liability in a sale and leaseback transactions
- 8 Cost-effective and convenient for working accounting and finance executives

LEARNING OBJECTIVES



Identify the nature, economic substance, and advantages of lease transactions



Determine whether an arrangement is (or contains) a lease



Recognition and measurement of a lease liability and right-of-use asset



Calculate present value of lease payments, implicit rate of interest in the lease



How to determine short-term and low value leases



Distinguish and classify leases as either operating or finance leases



Knowing when to re-measure the lease liability and which discount rate to apply



Identify and separate lease & non-lease components of a contract



Recognise lease modifications, sublease and the related accounting treatment



Compute variable lease payments, guaranteed and unguaranteed residual value



Conduct sale and leaseback transactions accounting including latest amendment



Illustration of presentation and disclosure requirements



Understand from both lessor and lessee accounting perspective



Gain thorough knowledge and learn how to apply Ind AS 116 in practice

PROGRAMME STRUCTURE

Session	Time	Particulars
1	10 a.m. – 11.30 a.m.	Economics of a lease
		Objective and types of leases
		Combination of contracts
		Separating components of a contract and recognition exemptions
		Identifying a lease and identified asset
		Substantive substitution rights
		Portion of assets
		Right to obtain economic benefits from use
		Right to direct the use of the identified asset
2	11.30 a.m. – 1.00 p.m.	How and for what purpose the asset is used
		Protective rights
		Assessment of whether a contract, is or contains, a lease
		Separating components of a contract for a lessee
		Separating components of a contract for a lessor
		Lease term
		Lessee: Recognition and measurement
Lease liability and Right-of-use asset		
	1.00 pm – 2.00 p.m.	Lunch Break
3	2.00 p.m. – 3.30 p.m.	Treatment of variable lease payments
		Subsequent measurement of the lease liability
		Reassessment of the lease liability
		Accounting for lease modification
		Effective date of lease modification
		Lessor: Lease classification
		Finance lease: Recognition and Measurement
		Net investment in the lease
4	3.30 p.m. – 5.00 p.m.	Manufacturer or dealer lessors
		Subsequent measurement
		Accounting for lease modifications by a lessor
		Operating leases
		Sublease classification
		Sale and leaseback transactions covering latest amendment
		Transfer of the asset is a sale
Transfer of the asset is not a sale		
5	5.00 p.m – 6.00 p.m.	Work through numerical examples and case studies
		Q&A session over tea/coffee break

FACULTY



AMITABHA MUKHERJEE,
Founder of IndASedu.com

Dr. Mukherjee is an Ind AS / IFRS trainer, international consultant and an author of eminent respect. He has been into full-time research for the last 14 years before he founded IndASedu.com which is an online Ind AS education platform. He has trained numerous financial professionals and assisted listed companies in their Ind AS / IFRS transition both in India and abroad. He is also the first author in India to write a book on Ind AS converged with IFRS. Before this, he was an academician and an author for 3 decades.

COURSE INFORMATION

Field of study:	Accounting
Programme level:	Intermediate
Duration:	7 hours
Format:	Online Course

PREREQUISITE

- ✓ Knowledge of basic accounting and financial reporting
- ✓ Understanding of Ind AS 17 is a plus but not a prerequisite
- ✓ Access to a computer with a reliable internet connection

TEACHING METHOD

- Group live instruction by leading faculty
- Detailed explanation of all Ind AS 116 topics in clear and simple language
- Use of case studies and real-world examples to illustrate practical application of the standard
- Interactive participation is encouraged
- All participants receive a comprehensive binder containing copies of the presentation slides, handouts and other course materials

REGISTRATION

- 1 Registration is strictly on a **first come first serve basis**. Numbers are **restricted to 15** to encourage discussion and case study participation.
- 2 You can either **SMS/Whatsapp on +91 99033 90576** or send an **email on info@indasedu.com** with your 'Full Name', 'Course Name', 'Designation', 'Location' and 'Contact Details'.
- 3 Payment can be made by **online "wire" transfer**. We also accept cash/cheque/DD.
- 4 After registration, we will provide you with our banking details and training schedule. Once the payment is completed, you will receive your **learner ID, course materials and other relevant information within 48 hours**.

SCHEDULE

Date: 8th December, 2024

Day: Sunday

Time: 10 a.m. – 6 p.m.

FEES

INR 1,500 (all inclusive)

This includes training fees, study materials and applicable taxes

CUSTOM PROGRAMMES

Corporates can customise this **Ind AS MasterClass Series** to suit their specific requirements and interests by combining any of the standards in an effective and time saving manner. We will develop a tailored training programme that incorporates topics ranging from basic standards to more advanced and industry-specific standards covering aspects most relevant to your business.

For more information, please **contact us on +91 99033 90576** or **email us on info@indasedu.com**