

Aufgabe QR-7.25 Leasing and Realization Account

(Leasing und Abgang von Sachanlagen)

PINELANDS Ltd has a business car in use since July 20X2. It's cost of acquisition were 52,500.00 EUR net amount. Depreciation is along straight line method over its useful life of 5 years. The depreciable amount is 47,500.00 EUR On 25.06.20X4 the car gets involved in a crash and its carrying amount is 7,000.00 EUR then. The car gets sold for a cash price of only 5,500.00 EUR (net of VAT) to a car dealer the next day. Consider VAT. On 30.06.20X4 PINELANDS agrees in a lease for a new car. Its monthly lease rates are 1,450.00 EUR over a time of 36 months. (No VAT to be considered)

Required: Make all bookkeeping records in relevant accounts. Display the reconciliation statement for the car in 20X4 with comparative information about 20X3. Consider disposal and profit/loss on disposal in the reconciliation statement as at 26.06.20X4. How much are expenses for 20X2 to 20X5? Provide a schedule with expense figures sorted by categories like depreciation, impairment loss, etc.

PINELANDS Ltd setzt ein Geschäftswagen seit Juli 20X2 ein. Die Anschaffungskosten betrugen 52.500,00 EUR (netto). Die Abschreibung erfolgt nach linearer Abschreibungsmethode über eine Nutzungsdauer von 5 Jahren. Der abschreibungsfähige Betrag ist 47.500,00 EUR. Am 25.06.20X4 wird das Auto in einen Unfall verwickelt und sein Buchwert ist anschließend 7.000,00 EUR. Das Auto wird für einen Barpreis von 5.500,00 EUR (netto) an einen Autohändler verkauft. Berücksichtigen Sie die Umsatzsteuer. Am 30.06.20X4 willigt PINELANDS in einen Leasingvertrag für ein neues Auto ein. Seine monatlichen Leasingraten sind 1.450,00 EUR über eine Dauer von 36 Monaten. (keine Umsatzsteuer zu berücksichtigen)

Gefragt: Buchen Sie alle Einträge in den relevanten Konten. Zeigen Sie die Überleitungsrechnung für das Auto in 20X4 mit den Vergleichsinformationen für 20X3. Berücksichtigen Sie den Gewinn/Verlust beim Verkauf in der Überleitungsrechnung zum 26.06.20X4. Wie hoch sind die Kosten für 20X2 bis 20X5? Erstellen Sie einen Plan, der die Aufwendungen nach Kategorien wie Abschreibung, außerplanmäßige Abschreibung etc. strukturiert.

Consider disposal and profit/loss on disposal in the reconciliation statement as at 26.06.20X4. How much are expenses for 20X2 to 20X5? Provide a schedule with expense figures sorted by categories like depreciation, impairment loss, etc.

Solution (Lösung):

The car was acquired in 20X2 is to be recognized as a non-current asset. See accounts below for accounting for that car.

(1) Acquisition of the car $52,500.00 \text{ EUR} \cdot 120 \% = 63,000.00 \text{ EUR}$.

| | |
|-------------------------|----------------------|
| DR P, P, E | 52,500.00 EUR |
| DR VAT | 10,500.00 EUR |
| CR Bank | 63,000.00 EUR |

(2) Depreciation is along the depreciable amount, which is 47,500.00 EUR. Annual depreciation charge is $47,500/5 = 9,500.00 \text{ EUR}$. In the first year (20X2) depreciation is only for half a year: $9,500/2 = 4,750.00 \text{ EUR}$.

| | |
|----------------------------|---------------------|
| DR Depr | 4,750.00 EUR |
| CR Acc. Depr. | 4,750.00 EUR |

(3) In the next year PINELANDS receives a refund from taxation authorities:

| | |
|----------------------|----------------------|
| DR Bank | 10,500.00 EUR |
| CR VAT | 10,500.00 EUR |

(4) Depreciation in 20X3 is for a full year then.

| | |
|---------------------------|---------------------|
| DR Depr | 9,500.00 EUR |
| CR Acc. Depr | 9,500.00 EUR |

(5) Depreciation in 20X4 is half a year. $9,500/2 = 4,750.00 \text{ EUR}$.

| | |
|---------------------------|---------------------|
| DR Depr | 4,750.00 EUR |
| CR Acc. Depr | 4,750.00 EUR |

(6) The impairment loss amounts to $(52,500 - 19,000) - 7,000 = 26,500.00 \text{ EUR}$.

| | |
|---------------------------------|----------------------|
| DR Impairment loss | 26,500.00 EUR |
| CR Acc. IL | 26,500.00 EUR |

(7) When selling the damaged car PINELANDS uses a realization account.

| | |
|-------------------------------|--------------------------|
| DR Bank | 6,600.00 EUR |
| CR VAT | 1,100.00 EUR |
| CR Realization | 5,500.00 EUR |
| DR Acc. Depr | 19,000.00 EUR |
| CR Realization | 19,000.00 EUR |

DR Acc. IL 26,500.00 EUR

CR Realization 26,500.00 EUR

DR Realization 52,500.00 EUR

CR P, P, E 52,500.00 EUR

(8) Leasing is an expense because it is operating lease. $6 \cdot 1,450 = 8,700.00$ EUR.

DR Lease 8,700.00 EUR

CR Bank 8,700.00 EUR

(9) In the next year PINELANDS pays output VAT

DR VAT 1,100.00 EUR

CR Bank 1,100.00 EUR

(10) PINELANDS pays 12 monthly leasing rates $12 \cdot 1,450 = 17,400.00$ EUR.

DR Lease 17,400.00 EUR

CR Bank 17,400.00 EUR

See accounts for details:

| PPE | | | | VAT | | | | Bank | | | |
|-----|-----------|--------|-----------|-----|-----------|-----|-----------|------|-----------|------|-----------|
| D | | C | | D | | C | | D | | C | |
| (1) | 52.500,00 | c/d | 52.500,00 | (1) | 10.500,00 | c/d | 10.500,00 | c/d | 63.000,00 | (1) | 63.000,00 |
| b/d | 52.500,00 | (7''') | 52.500,00 | b/d | 10.500,00 | (3) | 10.500,00 | (3) | 10.500,00 | b/d | 63.000,00 |
| | | | | c/d | 1.100,00 | (7) | 1.100,00 | c/d | 52.500,00 | | |
| | | | | | 11.600,00 | | 11.600,00 | | 63.000,00 | | 63.000,00 |
| | | | | (9) | 1.100,00 | b/d | 1.100,00 | (7) | 6.600,00 | b/d | 52.500,00 |
| | | | | | | | | c/d | 54.600,00 | (8) | 8.700,00 |
| | | | | | | | | | 61.200,00 | | 61.200,00 |
| | | | | | | | | | 54.600,00 | b/d | 54.600,00 |
| | | | | | | | | | | (9) | 1.100,00 |
| | | | | | | | | c/d | 73.100,00 | (10) | 17.400,00 |
| | | | | | | | | | 73.100,00 | | 73.100,00 |
| | | | | | | | | | | b/d | 73.100,00 |

| Depr 20X2 | | | | Acc Depr | | | | Depr 20X3 | | | |
|-----------|----------|-----|----------|----------|-----------|-----|-----------|-----------|----------|-----|----------|
| D | | C | | D | | C | | D | | C | |
| (2) | 4.750,00 | c/d | 4.750,00 | c/d | 4.750,00 | (2) | 4.750,00 | (4) | 9.500,00 | c/d | 9.500,00 |
| b/d | 4.750,00 | P&L | 4.750,00 | | | b/d | 4.750,00 | b/d | 9.500,00 | P&L | 9.500,00 |
| | | | | c/d | 14.250,00 | (4) | 9.500,00 | | | | |
| | | | | | 14.250,00 | | 14.250,00 | | | | |
| | | | | | | b/d | 14.250,00 | | | | |
| | | | | c/d | 19.000,00 | (5) | 4.750,00 | | | | |
| | | | | | 19.000,00 | | 19.000,00 | | | | |
| | | | | (7') | 19.000,00 | b/d | 19.000,00 | | | | |

| Depr 20X4 | | | | IL | | | | Acc IL | | | |
|-----------|----------|-----|----------|-----|-----------|-----|-----------|--------|-----------|-----|-----------|
| D | | C | | D | | C | | D | | C | |
| (5) | 4.750,00 | c/d | 4.750,00 | (6) | 26.500,00 | c/d | 26.500,00 | (7'') | 26.500,00 | (6) | 26.500,00 |
| b/d | 4.750,00 | P&L | 4.750,00 | b/d | 26.500,00 | P&L | 26.500,00 | | | | |

| Realization | | | | Leasing 20X4 | | | | Leasing 20X5 | | | |
|-------------|-----------|-------|-----------|--------------|----------|-----|----------|--------------|-----------|-----|-----------|
| D | | C | | D | | C | | D | | C | |
| (7''') | 52.500,00 | (7) | 5.500,00 | (8) | 8.700,00 | c/d | 8.700,00 | (10) | 17.400,00 | c/d | 17.400,00 |
| | | (7') | 19.000,00 | b/d | 8.700,00 | P&L | 8.700,00 | b/d | 17.400,00 | P&L | 17.400,00 |
| | | (7'') | 26.500,00 | | | | | | | | |
| | | c/d | 1.500,00 | | | | | | | | |
| | 52.500,00 | | 52.500,00 | | | | | | | | |
| b/d | 1.500,00 | P&L | 1.500,00 | | | | | | | | |

Exhibit 1: Accounts

RECONCILIATION OF CARRYING AMOUNTS

| | 20X4 | 20X3 |
|-----------------------------------|-------------|------------|
| | [EUR] | [EUR] |
| Carrying Amount beginning of year | 38.250,00 | 47.750,00 |
| Revaluation | | 0,00 |
| Impairment loss | (26.500,00) | 0,00 |
| Depreciation | (4.750,00) | (9.500,00) |
| Disposal (26.06.20X4) | (5.500,00) | |
| Loss on disposal | (1.500,00) | |
| Carrying Amount as at 31.12. | 0,00 | 38.250,00 |

Exhibit 2: Reconciliation

The car expenses for the periods 20X2 until 20X5 are as follows:

| Pinelands Ltd's EXPENSES OVERVIEW for the BUSINESS CAR | | | | |
|---|-------------------|-------------------|--------------------|--------------------|
| Expenses | 20X2 | 20X3 | 20X4 | 20X5 |
| Depreciation | (4.750,00) | (9.500,00) | (4.750,00) | |
| Impairment loss | | | (26.500,00) | |
| Profit/loss on disposal | | | (1.500,00) | |
| Lease rate | | | (8.700,00) | (17.400,00) |
| Total | <u>(4.750,00)</u> | <u>(9.500,00)</u> | <u>(41.450,00)</u> | <u>(17.400,00)</u> |

Exhibit 3: Expense schedule for the business car