

App 2 B.

Billy

From: Amy Walker <walkera@gmcgca.com>
Sent: 13 August 2024 15:16
To: Billy
Subject: RE: CHA Leases

Hi Billy,

Nigel has sent me some more detailed wording in relation to the lease changes, just for you to note in your file, see below:

Under the proposed amendments to FRS 102 a lease commitment should be recognised as a liability equating to the present value of the future lease payments. In this case, the present value of future lease payments is negligible so can be regarded as being £nil.

The Right of Use Asset is initially measured as the amount of lease liability plus any direct costs. Again, this is going to be a trivial amount.

As such, based on the terms of the example lease we received, the proposed changes to FRS 102 will not have any material impact on the accounts of CHA.

Kind regards,
Amy

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