

PROBLEMS IN THE LEASING INDUSTRY IN MALAYSIA
AND ITS CURRENT PRACTICES

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INTRODUCTION

In Malaysia, the leasing industry is a young one. Its life having started some 11 years ago. ELAM, the Equipment Leasing Association of Malaysia, estimates that \$1.5 million worth of leases are written every year. For the last few years, there has been a rapid expansion in the volume of leasing transaction in Malaysia and leasing has turned out to be a major source of industry finance in Malaysia. Unfortunately, there has been a slow development in changes of accounting method which is necessary to give an adequate treatment to form of a new leasing and also to cope with the rapid development in the leasing industry. It was in the spirit of achieving the fullest and widest discussion of IAS 17, that this project paper had taken place.