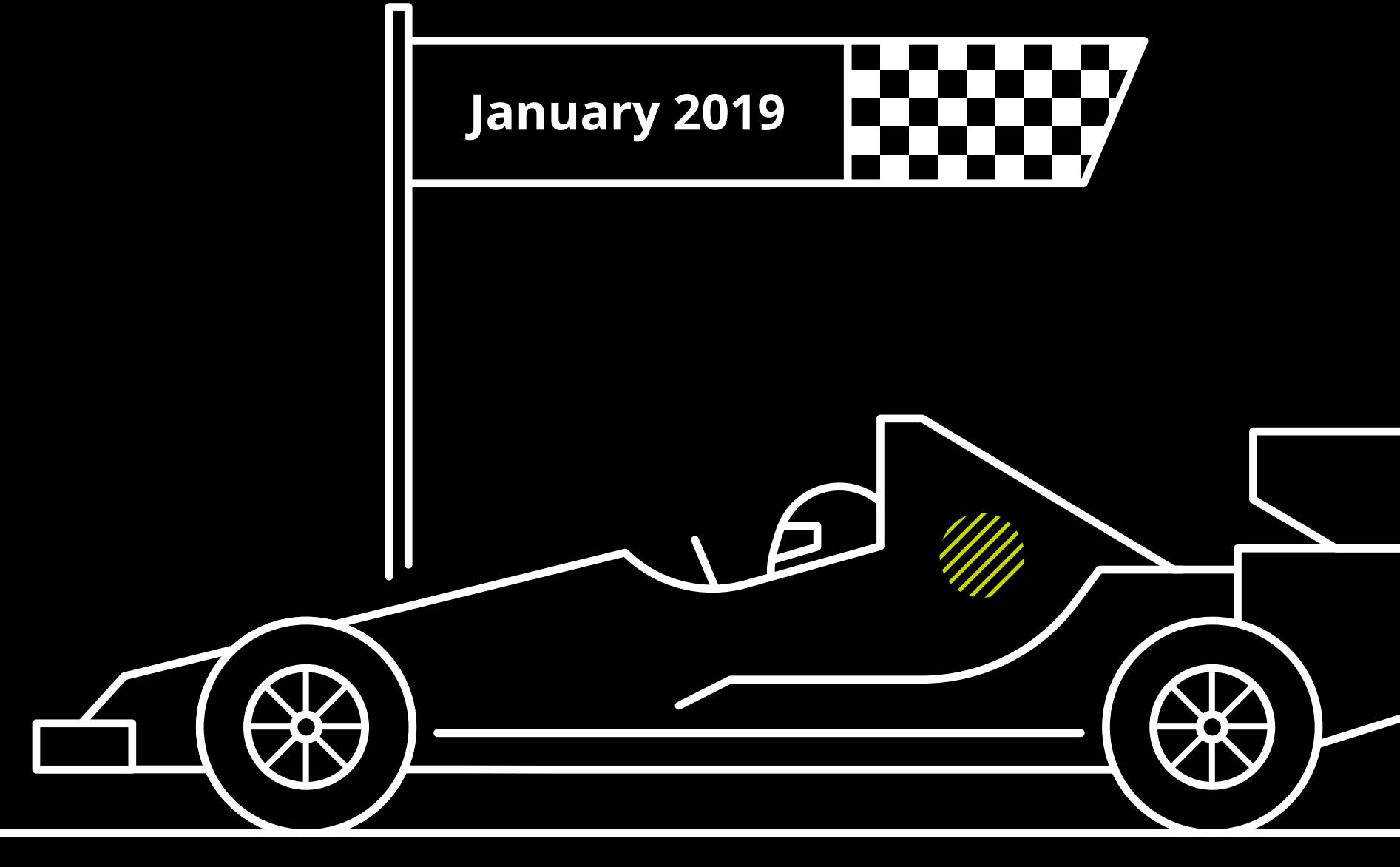


The race to compliance

Meeting new lease accounting standards

Is your organization on track to comply with the new lease accounting standards? Follow these steps to find out.

Some organizations are farther along the road than others. But here are a few milestones you'll need to pass on your compliance journey.



ASC 842 and IFRS 16¹ will affect all industries with new guidelines for managing and reporting leases. These standards will require lessees to report all operating leases on their balance sheets by 2019. This includes a new set of requirements for quantitative and qualitative disclosures.

1 Get off to the right start

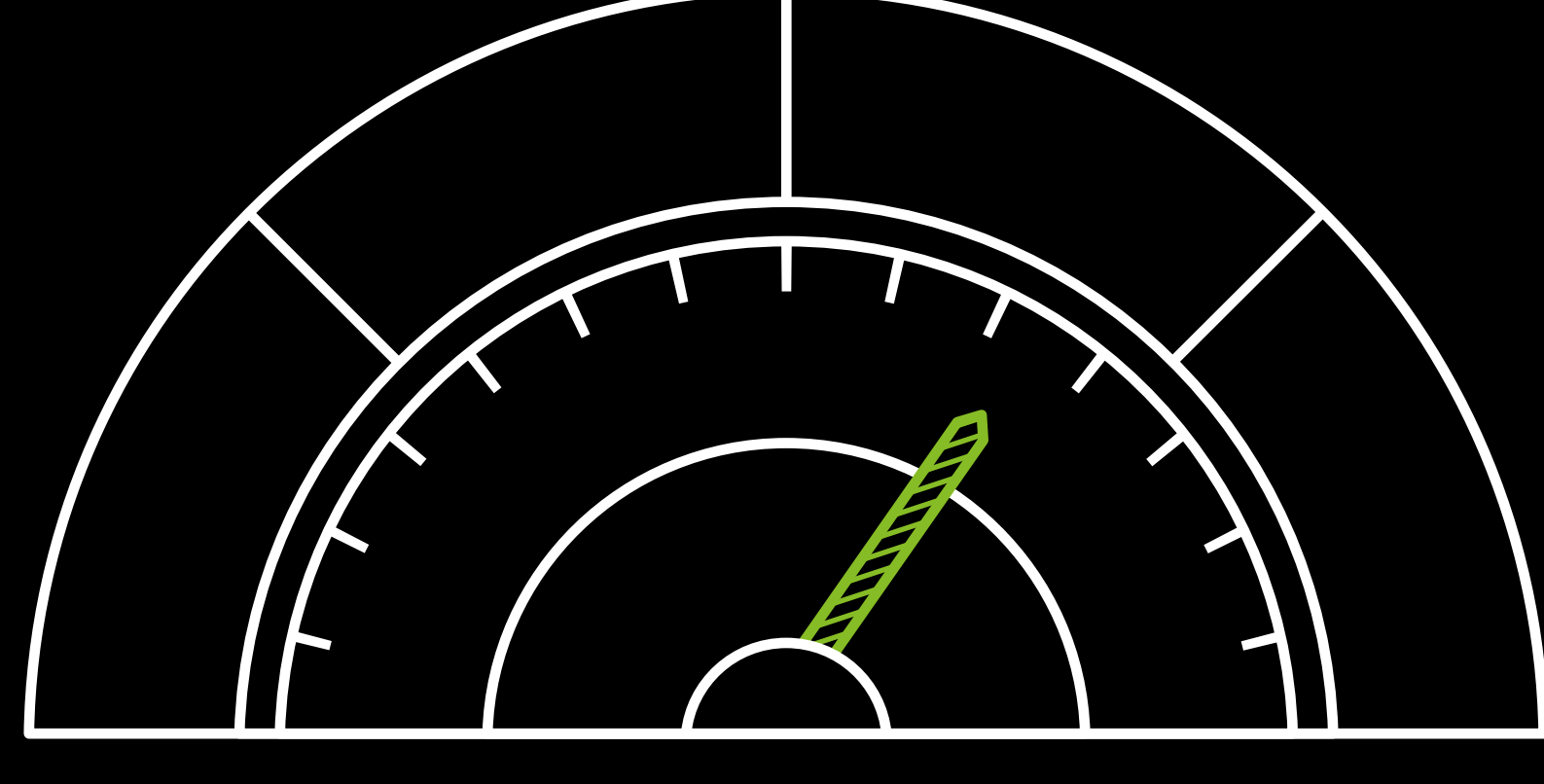
Ask the following questions:

- ✓ What impact will the new lease requirements have on your organization and its systems and processes?
- ✓ What impact will they have on individual departments?
- ✓ Are there unique industry requirements?
- ✓ Are there gaps in data and data quality?
- ✓ What are the risks to your organization?
- ✓ What's the possible tax and financial impact?



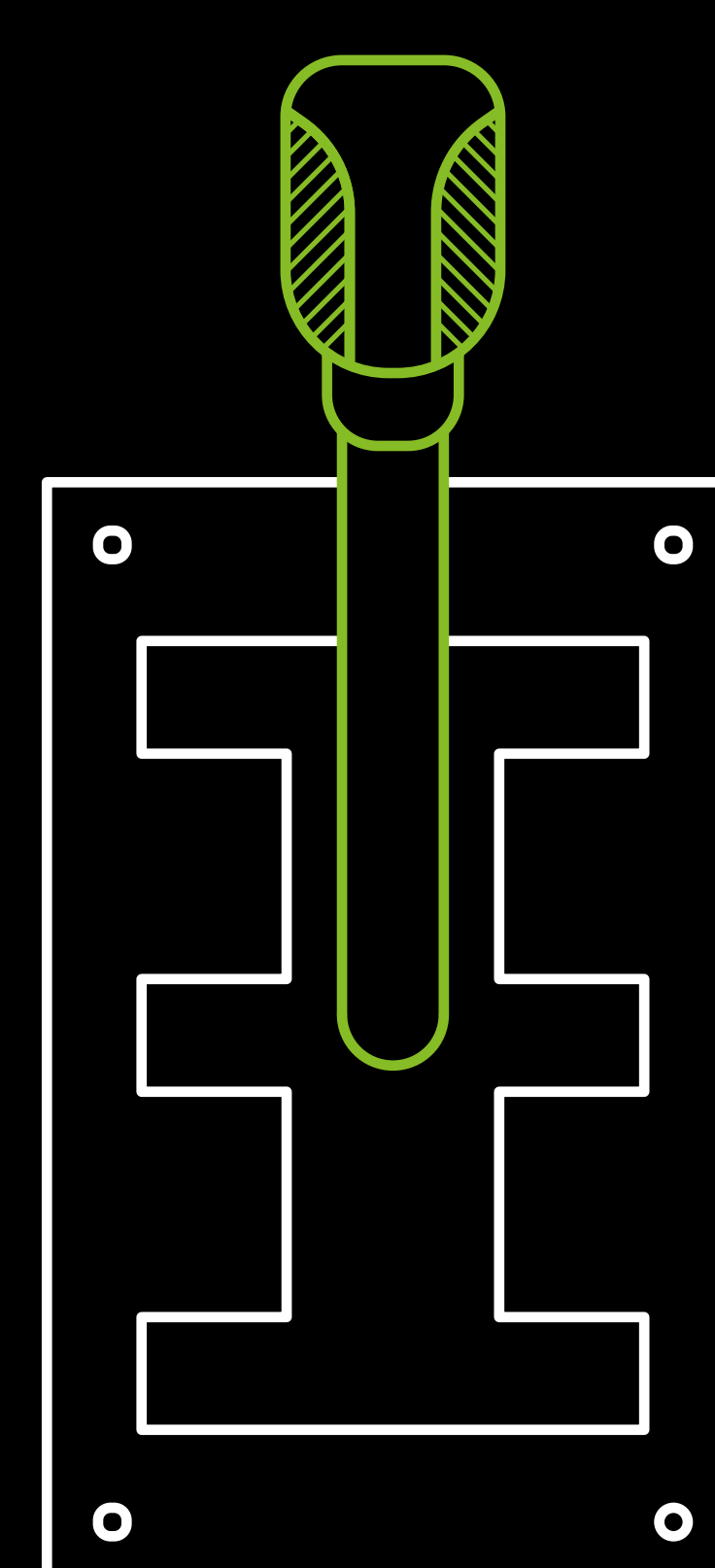
2 Check your progress

- Get the big picture of your organization's leases.
- Coordinate your data and abstraction plan.
- Perform an analysis to determine the impact to your organization.
- Incorporate needed enhancements to the initial data capture process.
- Migrate data from existing systems and sources.



3 Shift into gear

- Resources**
Who will manage the new reporting requirements? Accounting? Procurement?
- Processes**
How will your organization manage leases that are new, changing, or up for renewal? And how will the impact to financials be managed to ensure compliance—now and in the future?
- Tools**
What tools will your organization use to manage the new reporting requirements?



4 Cross the compliance finish line

☆☆☆☆☆
Keep the pedal to the metal.

- Review your governance model, including business-as-usual activities.
- Monitor and manage ongoing refinement of technology solutions, technical accounting policy documentation, and quality control.
- Cruise with confidence, knowing you're in compliance.

Will you cross the finish line in time?
We can help. Contact us to learn more.

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¹ASC 842 has been issued by the Financial Accounting Standards Board. IFRS 16 has been issued by the International Accounting Standards Board.

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