

Leasing software is no longer a 'nice-to-have'

End-to-end lease management and lease accounting software is no longer a 'nice-to-have' — it is a 'must have'. Spreadsheets will no longer suffice, and neither will just any lease management platform.

Under IFRS 16 you are required to forecast payments for the lifetime of your property, fleet and asset leases. You'll have to account for renewals, expected changes in rent, discounts, and variations.

Other challenges include complex transition options, practical expedients, new measurement criteria and frequent remeasurements. Getting it wrong will impact your company's financial statements and financial performance.

End-to-end software will reduce risk, give you confidence that you are meeting your obligations, and free up staff from manual, repetitive and time consuming tasks. If you choose the right solution you should see an almost immediate return on investment.

We've pulled together this software selection guide to help you select a provider that meets all of your lease management and lease accounting needs.

12 questions you can't afford not to ask

Is the software truly IFRS 16 compliant?
Make sure the claims stack up.

Does the software track and send critical date reminders?

Has the IFRS 16 module been tested against scenarios provided by global accounting firms?

Does the software meet your monthly reporting requirements?

Does the company employ chartered accountants who understand IFRS 16?

Can the software handle multiple currencies?

Is the software user friendly or does it look like a spreadsheet?

Can users be given different levels of access?

Does the system allow you to create custom fields and reports?

Does the software support all three IFRS 16 transition options?

Are there hidden costs? (Check the SLAs and if users/licenses are capped)

What onboarding services are offered?

Not just any lease software will do – here’s a list of features that should be included in your requirements list

	FEATURES	Y/N	NOTES
1.0	TRANSITION		
1.1	Is the lease accounting module fully compliant with IFRS 16?		
1.2	Does the software walk you through the transition requirements?		
1.3	Does it allow for transition and commencement discount rates?		
1.4	Can you compare financial impacts under all three transition approaches?		
1.5	Does it allow you to select the simplified or modified retrospective approach on a lease-by-lease basis?		
2.0	INITIAL MEASUREMENT OF LEASE LIABILITY AND RIGHT-OF-USE-ASSET		
2.1	Does the software automatically calculate PVFMLP based on events?		
2.2	Can you select the number of anticipated renewals?		
2.3	Can you include purchase options and residual value guarantees?		
2.4	Can you include direct costs?		
2.5	Can you make adjustments for make good provisions?		
2.6	Does it provide for short term and low value exemptions?		
2.7	Does it provide for valuation of peppercorn leases on commencement in accordance with AASB 1058 <i>Income of Not-for-Profit Entities</i>		

	FEATURES	Y/N	NOTES
3.0	SUBSEQUENT MEASUREMENT		
3.1	Does the software automatically revalue lease liability and the ROU asset when different events occur (eg, rent reviews or modifications)		
3.2	Does it support all subsequent ROU asset measurement options: <ul style="list-style-type: none"> • Cost less depreciation and impairment • Fair Value under IAS 40 Investment Property and IAS 16 Property, Plant & Equipment • Peppercorn Leases under AASB 1058 		
3.3	Does it allow for changes in original assumptions? (Eg, renewals, purchase option)		
3.4	Does the software provide for impairment (or reversal) of impairments?		
3.5	Does it prompt for revised discount rates where required by IFRS 16?		
4.0	REPORTING		
4.1	Does the software produce journal entries for upload to general ledgers?		
4.2	Does it meet your monthly or 4-4-5 reporting requirements?		
4.3	Can you report on the complete history of a lease including depreciation and interest expense?		
5.0	END-TO-END LEASE MANAGEMENT		
5.1	Does the software send critical date reminders ahead of rent reviews, renewals and other custom events?		
5.2	Are there custom templates and reports including tenancy schedules, forecasts, upcoming events?		
5.3	Can you save all legal documents, correspondence and plans in the repository?		
5.4	Does the software include automated document generation with clause selectors?		
5.5	Can each user view relevant information on a personalised dashboard?		

	FEATURES	Y/N	NOTES
6.0	SYSTEM		
6.1	Are the number of users/licenses unlimited?		
6.2	Is storage unlimited?		
6.3	Is it cloud software – can your data be accessed anytime, anywhere?		
6.4	Does the software meet all of your security requirements?		
6.5	Can you create unlimited custom data fields and custom reports		
7.0	SUPPORT		
7.1	Is support unlimited?		
7.2	Is training unlimited?		
8.0	ONBOARDING SERVICES		

Nomos One can transform the way you manage your lease portfolio and give you complete confidence in your IFRS 16 (AASB 16) compliance. Find out more by checking out Nomos One's features on our website, or better yet, schedule a personalised demo with one of our IFRS 16 experts.

