

Leases Workshop

Blowing Up the Balance Sheet

AGENDA

Imagine your balance sheet “blowing up” by billions of dollars. Well, that’s what happened to public companies when ASC 842 / IFRS 16 Leases required them to record nearly all leases on their balance sheets. And now it is time for private companies in the U.S. to implement the new standard. Whether you report under U.S. GAAP or IFRS, this 1-day workshop walks you through everything you need to know from the initial recognition and measurement, to the subsequent accounting, and everything in between.

INTRODUCTION

Overview of the New Standard

- Key impacts and “big ticket” changes
- Lease definition and scope exceptions
- Effective dates

The Time to Act is Now!

According to a survey by LeaseAccelerator, 55% of private companies are finding ASC 842 implementation to be more complex than anticipated.

KEY TERMS AND ACCOUNTING

Key Concepts

- Lease and non-lease components
- Lease commencement date
- Lease term and purchase options
- Lease payments
- Discount rate
- Lease classification criteria

Lessee Accounting Explained

- Overview and FASB’s “dual-model” approach
- Initial recognition and measurement
- Subsequent measurement: Finance leases
- Subsequent measurement: Operating leases
- Comprehensive case study / example

Overview of Lessor Accounting

OTHER CONSIDERATIONS

Changes After the Commencement Date

- Reassessing key estimates and judgments
- Remeasurement events
- Accounting for lease modifications
- Terminations

Presentation and Disclosures

Workshop: It’s All About You!

- Consider the impacts on your organization
- Evaluate transition methodology and practical expedients and transition
- Develop an implementation roadmap

Key Takeaways and Action Items

