



# ARCHIBUS Extension for Lease Accounting

Automate to achieve accurate and timely compliance with new FASB and IASB guidelines for lease accounting, and evaluate impact.

- ➔ **Classify leases accurately with questionnaire in Lease Classification Wizard**
- ➔ **Generate key calculations and reports to achieve compliance**
- ➔ **Evaluate how transition impacts your organization to inform strategy**

## Automate Compliance with Lease Classification Wizard

The ARCHIBUS lease classification wizard is an automated decision-tree that runs through all of your leases, classifying leases to comply with the new FASB standards.

### Key calculations:

- *Right-of-use asset*
- *Amortization*
- *Lease liability*
- *Interest accretion*

## Generate Key Reports

Produce reports needed to achieve compliance, integrate with your financial system.

### Key reports:

- *Amortization Schedules*
- *Quantitative Disclosures*
- *Sub-ledger reporting*
- *Transition accounting*

## Evaluate Impact on Strategy

Understand how FASB's new standards impact your organization to make informed real estate decisions. Educate partners in the C-Suite, finance, accounting, and legal.

## Support Decision-Making

Evaluate how time sensitive lease variables like economic life, fair market value, and ROU Asset Adjustments impact cost strategy over time, and flag leases that pose a risk to your budget.

## Integrate with Cost Administration and Lease Administration

Integrate the entire classification process with ARCHIBUS Cost Administration and ARCHIBUS Lease Administration.

## Automate with Precision

### What are the New FASB Guidelines?

*On February 25, 2016, FASB released Topic 842, which defines the new standard that requires all leases be recorded on the balance sheet as a "right-of-use" asset and lease liability. This new standard is effective for the first accounting period after December 15, 2018.*

### Risk of Late Compliance

- FASB compliance signifies that an organization is fiscally sound and transparent
- With significant lease liability now being recognized on the balance sheet, companies must reassure shareholders when there is a sudden shift in their ratio of debt to equity.
- Accurate lease accounting avoids discrepancies which may invite time-consuming audits

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## **Automate with the Lease Classification Wizard**

Automatically classify leases to comply with the new FASB standards, based on your answers to a questionnaire in the lease classification wizard.

The wizard classifies leases with granular precision, calculates key values, and generates all necessary reporting. The wizard also has the functionality to re-evaluate a lease when the parameters change. Key decisions pass through an approval workflow, where each decision is documented.



## **Generate Accurate Reporting**

After data collection and classification occurs in the Wizard, generate key reports to streamline the compliance process from end to end, and support real estate decision making. Reporting includes:

### **Lease Expense Recognition**

View total costs for Finance and Operating leases, or filter leases individually to view: lease type, net present value, lease expense, present value of net rent, ROU asset amortization expense, and more.

### **Amortization Schedule**

Generate an accounting schedule automatically based on all information collected in the classification wizard.

### **Sub Ledger Entries**

Generate accurate sub ledger entries for easy integration with the general ledger in your organization's financial system.

### **Quantitative Disclosure Report**

Generate quantitative disclosure reports on your leases. View centralized summary of leases by year.

**To learn more contact [info@ARCHIBUS.com](mailto:info@ARCHIBUS.com).**

