

Ready for the

# CLIMB to the deadline?

The new lease accounting standard: Five steps companies must take as the ASC 842 deadline approaches

**DEADLINE** (for companies with 12/31 close dates)

Jan. 1, 2019 – Public companies | Jan. 1, 2020 – Private companies

## Select solution (if needed)

- What technology best meets your needs?
- Will the leasing package integrate with your enterprise resource planning solution?
- Does the technology benefit justify the cost?

## Weigh the impact

- Do you have an implementation plan?
- How will balance sheet and income statement change?
- How will key financial ratios and loan covenants be impacted?



The complexity of your lease portfolio will impact your time frame.



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## Implement, test and validate

- Have you modified your policies, built processes and controls?
- Is the output data complete and accurate?

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## Evaluate technology need

- Do you have a significant number of leases?
- Is it cumbersome to track them?
- Could automation simplify the process?

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## Collect data and assess lease portfolio

- What types of leases do you have?
- Where is the information located?
- Is the data complete?

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