

ACCOUNTING AND FINANCIAL REPORTING FOR LEASES

UNDER FASB ASC TOPIC 842

Are you prepared to implement the new, complex lease accounting standards? Or have you already implemented but encountered unexpected challenges with compliance?

Sikich LLP has the tools and resources to help with transition not only on day one, but to maintain compliance on day two and beyond.

EFFECTIVE DATE

For all entities preparing financial statements in accordance with U.S. GAAP that have not already implemented the guidance in FASB ASC Topic 842, the guidance must be adopted for financial statements issued for fiscal years beginning after December 15, 2021 and interim periods within fiscal years beginning after December 15, 2022.

WHAT ENTITIES CAN DO NOW

One of the lessons learned following the public company implementation of the new lease standard was that more time and effort was needed for adoption than anticipated. Here are several steps entities can take prior to the effective date to prepare for successful adoption of the new guidance:



Identify internal resources and capacity.



Obtain education on the new guidance and make policy elections.



Identify contracts that are, or contain, leases.



Collect data.



Select an accounting compliance solution and execute calculations.

HOW SIKICH CAN HELP

Our team has the knowledge, tools and resources to support you in the implementation of the new lease standards. We can:

- Support management with formulating an implementation plan.
- Provide education on the new guidance and consultation on the various accounting policy elections.
- Supply resources for contract review and data collection.
- Assist with deployment of Sikich's proprietary, Excel-based ASC 842 compliance solution, **Lessee Ledger**, to prepare lease calculations, amortization schedules, monthly journal entries and quantitative financial statement note disclosure summaries.
- Help with evaluation of other lease accounting software solutions.

Contact our experts today to prepare for implementation of ASC 842 with Sikich's compliance solution, the **Lessee Ledger**.

For more information, visit sikich.com/accounting-tax-audit/new-lease-accounting-standards.

OUR EXPERTS



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