

ACCOUNTING FOR LEASES

Contributed By: John M. Swirsding, CPA, CFGI

FEBRUARY 24, 2017

Accounting standards previously allowed for “off balance sheet transactions,” which provided companies an ability to hide debt, expenses, and net losses.

DO YOU HAVE LEASE AGREEMENTS?

Whether classified as operating or capital leases, all leases must now be recorded “on balance sheet.”

DID YOU KNOW: Last year the Financial Accounting Standards Board issued an improvement to lease accounting which requires companies to recognize and measure leases on the balance sheet. Another, in a long line of accounting standard setting changes aimed to provide increased financial statement transparency.

DID YOU KNOW: The best time to prepare for and implement these changes is in 2017 considering beginning of year classification requirements around the January 1, 2019 adoption date.

DID YOU KNOW: Implementation costs will be significant. Implementation of this standard likely requires the purchase of lease accounting software and the time of employees to effect the accounting change in the books and records of all companies.

CFGI has Big 4 experts to help corporate finance teams implement the new standard and CFGI has aligned with efficient lease accounting software companies.

About CFGI:

CFGI is a unique and highly specialized financial consulting firm that is strategically positioned to help companies through a range of routine and complex business scenarios. As an extension of your corporate finance team, CFGI works alongside your internal staff, serving in a variety of roles - from

follow us:    

“Building Successful Relationships” is our Mission.

The foregoing information was furnished to us by sources which we deem to be reliable, but no warranty or representation is made as to the accuracy thereof. Subject to correction of errors, omissions, change of price, prior sale or withdrawal from market without notice. This article is for informational purposes only. © 2016 WCRE All Rights Reserved

technical accounting advisor to M&A support to Controller or CFO - and delivering seamless support services. Our key areas of expertise include:

- ▶ Private Equity Services
- ▶ CFO Services
- ▶ Consulting
- ▶ Interim Management
- ▶ Valuation
- ▶ Corporate Tax

FOR MORE INFORMATION, CONTACT:



John M. Swirsding, CPA
Philadelphia Office Managing Director
CFG
1500 Market Street
12th Floor - East Tower
Philadelphia, PA 19102
215-380-0607
jswirsding@cfgi.com
www.cfgi.com



“Building Successful Relationships” is our Mission.

The foregoing information was furnished to us by sources which we deem to be reliable, but no warranty or representation is made as to the accuracy thereof. Subject to correction of errors, omissions, change of price, prior sale or withdrawal from market without notice. This article is for informational purposes only. © 2016 WCRE All Rights Reserved