

GLOBAL LEASE ACCOUNTING SURVEY OVERVIEW

KPMG's latest survey* reveals that challenges continue to exist for companies implementing the new leases standard.

THE SITUATION



83%

of companies had not yet completed the data gathering and validation step



45%

had selected their lease accounting software



13%

had designed their own software solution

3%

of companies had **fully completed** their lease accounting projects



67%

indicated that they were **not on track** due to the challenges they were facing

TOP 4 CHALLENGES

Companies identify key challenges that are obstructing their progress



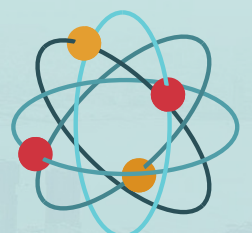
Identifying embedded leases



Establishing an appropriate incremental borrowing rate (IBR)



Abstracting and entering leases into a leasing system



Integrating a lease accounting system into the existing system environment

HOW TO TACKLE THEM?

How is your company dealing with the challenges with implementing the new leases standards?

29%

Hired an external advisor

14%

Hired multiple vendors

22%

Hired additional resources internally

25%

Requested additional budget for their lease implementation project

7%

Leveraged cognitive technologies to abstract lease terms into a system

WHAT IS THE PROGRESS OF YOUR IFRS 16 PROJECT?

Manage your transition with Soft4Lessee lease accounting software:

GET STARTED FOR FREE

Source: KPMG, 2019. Global Lease Accounting Survey. Lease accounting is here: Are you ready? [https://assets.kpmg/content/dam/kpmg/xx/pdf/2019/01/global-lease-accounting-survey.pdf]

Compiled by Soft4Lessee
www.Soft4Lessee.com



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WHAT ABOUT THE COST?



62%

Companies say that their expected **total cost of implementing the leases standards had increased** over the past 12 months



23%

Companies expected to spend \$500,000 or more

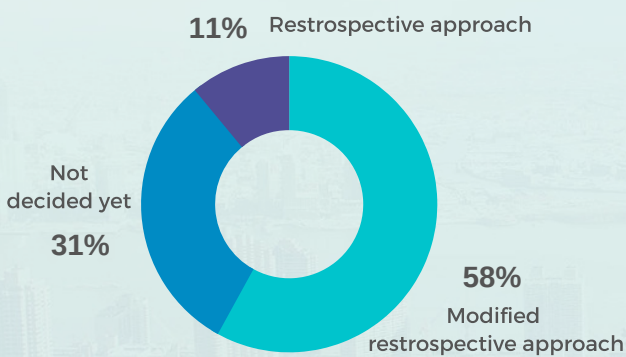


18%

Still didn't know what cost to expect

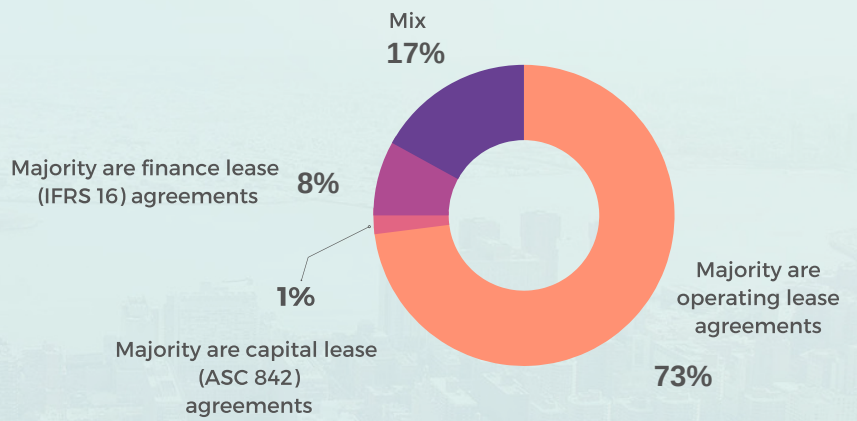
TRANSITION METHODS

Which transition method will you apply?

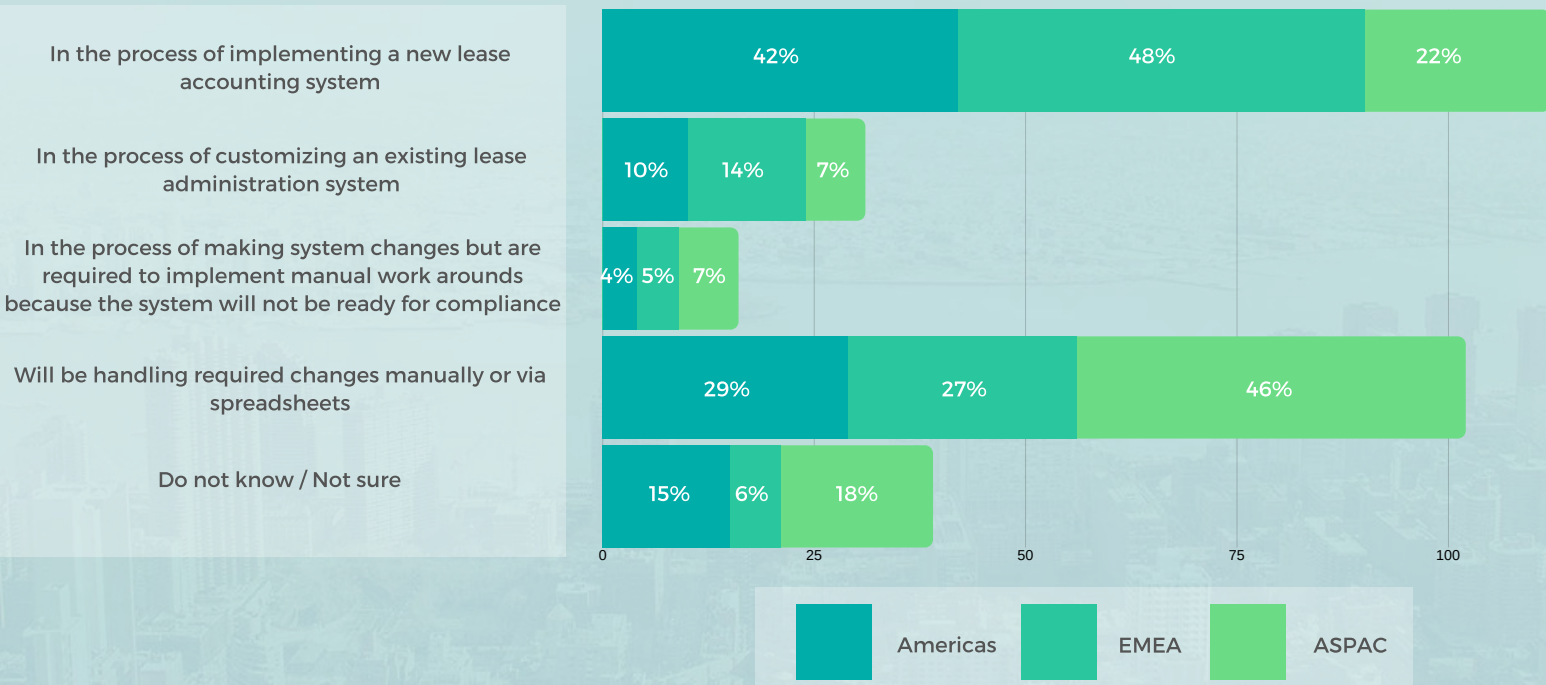


LEASE CONTRACTS

How would you describe your lease contracts?

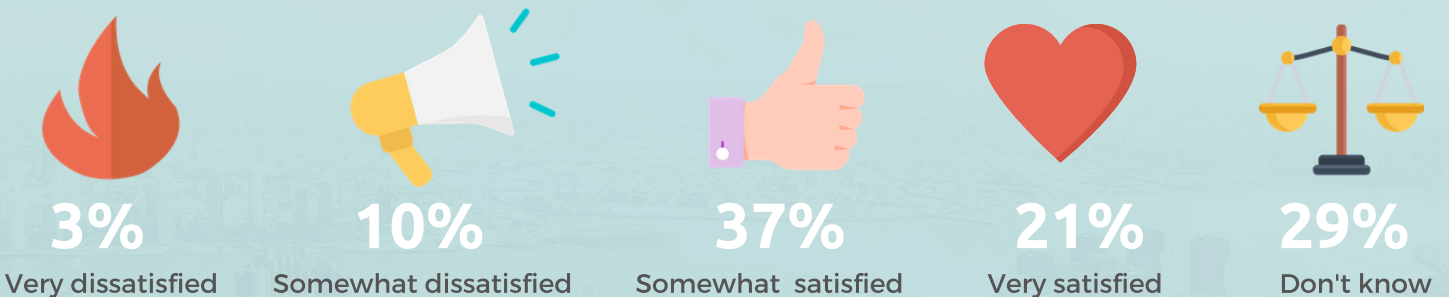


GETTING THE SYSTEM READY



MAKING THE RIGHT CHOICE

How satisfied are you with the lease accounting solution that you selected?



SELECT TRUSTWORTHY EXPERTS TO MANAGE YOUR TRANSITION

Let's navigate the complexity of IFRS 16 standard together!

GET FREE TRIAL

Source: KPMG, 2019. Global Lease Accounting Survey. Lease accounting is here: Are you ready?
[\[https://assets.kpmg/content/dam/kpmg/xx/pdf/2019/01/global-lease-accounting-survey.pdf\]](https://assets.kpmg/content/dam/kpmg/xx/pdf/2019/01/global-lease-accounting-survey.pdf)

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