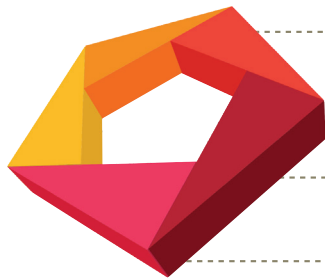


Accounting for leases: Revolution is coming

IFRS 16: the leases standard is changing. Are you ready?

What is new?



1 January 2019

☐ Operating leases disappear

☐ Any IFRS 16-type lease contracts will have to be recognized on balance sheets as financial liability and as right of use of asset

The changes are bound to hugely affect many business processes, IT systems, and lessees' internal controls, particularly:

- Lessees will need to collect much more data regarding their lease contracts for compliant financial reporting
- More comprehensive approach is required to implement this new standard, not limited to accounting and finance aspects
- Spreadsheets, which are widely used to manage lease contracts, may now become cost-ineffective and may not assure adequate data accuracy
- Implementation of dedicated IT solution will be required to satisfy both the data requirements as well as technical accounting aspects of the new leasing standard

Key challenges for successful IFRS16 implementation:

- Proper transition process organization
- Ensuring that leasing data is sufficient in detail and of the right quality
- Ensuring that Company's existing data and systems infrastructure is leveraged to the fullest possible extent
- Ensuring that the correct accounting decisions are made from Day 1

PwC can help you achieve an efficient and effective transition to IFRS 16.



Assess the impact and prepare a robust project plan tailored to your needs



Gather, validate and manage your lease data



Quantify the change, devise new processes and provide user friendly outputs which can be used to engage wider stakeholders



Select and implement a long term solution

Why partner with PwC

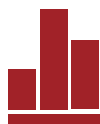
- Our combined accounting, data and business transformation capabilities deliver an effective transition
- Our IT solution, myLease tool, offers you easy transition using the power of digital
- Our approach is modular, you choose the right PwC solution for your requirements



myLease - a fast IT track to IFRS 16

PwC response to leasing revolution.

myLease application is an easy to use IT tool to support you in managing lease contracts in accordance with IFRS 16. It enables a quick collection of and reporting on all critical accounting information, for a full compliance with the new standard.



Comprehensive statements

Based on input data myLease Manager runs calculations and generates statements of right of use assets, liabilities, interest, and depreciation.



Fast modifications

In case of business events resulting in contract modifications, myLease Manager will enable their proper recording, and update of relevant values of liabilities and assets.

Core benefits:

- Easy contract recording
- User-friendly interface
- System validation
- Automatic calculation
- Comprehensive reporting
- International recognition

**myLease - IT solution developed by PwC Poland*

Discover and unlock your potential

PwC Ukraine seminar “**Transition to IFRS 16**” is aimed to help you with the new leasing standard implementation and performance to the highest quality.

Topics will include:

- Identification of lease contracts
- Determination of those lease contracts to which new requirements of IFRS 16 are to be applied. Special attention to extension option in the lease contracts!
- Estimation of future lease payments, incremental borrowing rate and other costs (direct costs, costs for dismantling and removing of underlying asset)
- Revisions of lease terms and their accounting treatment
- Practical approach to making lease calculations based on IFRS 16 requirements. Key data inputs required (analysis based on demo version of myLease)
- Approach to building the plan for transition to IFRS 16

A “Transition to IFRS 16” seminar will be conducted by the PwC Academy in Ukraine. Please, contact **Irina Blinova regarding the details.*

Contact us

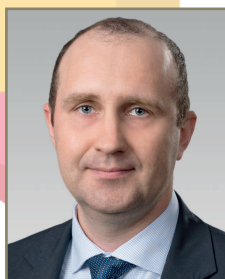


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