ASC 842 IMPLEMENTATION SERVICES

The lease accounting standard ("ASC 842") will have a significant impact on how businesses manage, account for and report substantially all leases, including equipment and real estate. Because of the meaningful accounting changes involved, it is important businesses begin preparing now to comply with the new standards.

WHAT IS ASC 842?
ASC 842 will require organizations who lease assets—referred to as “lessees”—to recognize, on their balance sheet, the assets and liabilities for the rights and obligations created by those leases with terms greater than one year.

Specifically, ASC 842 will impact:

- New processes
- Training
- Upgrading technology
- More detailed reporting requirements
- Technical accounting assessments
ASC 82 IMPLEMENTATION SERVICES

WHEN DOES ASC 842 TAKE EFFECT?
ASC 842 will require public companies to include all leases with terms greater than one year on their balance sheet for annual and interim reporting periods beginning after December 15, 2018 (Effective Date). The private company Effective Date provides a one-year deferral, December 15, 2019, for annual reporting periods and interim periods the following year. Early adoption is also permitted for all entities.

HOW OPPORTUNE CAN HELP
Opportune can offer technical accounting guidance and lead technology implementation projects by leveraging our ASC 842 experience and lessons learned such as the importance of a clearly documented approach to adoption, proving completeness of the lease population and locating unidentified leases. Opportune also facilitates roundtables with industry peers to discuss common issues and call upon our experience to act as a client-advocate in situations where audit firms are reaching inconsistent answers with industry peers.

Opportune’s Complex Financial Reporting Practice includes members who have served lead roles on Fortune 250 ASC 842 cross-functional teams. Opportune’s Process and Technology staff have coordinated, led and assisted large-scale lease accounting software implementation projects, as well as built customizable small-scale solutions for clients with fewer leases.

In addition, Opportune has an energy sector focus with deep upstream experience and technical accounting experts to interpret ASC 842 guidance. We can address both the technical reporting requirements and the technology aspects of any lease solution selected. Opportune’s experienced team of professionals can provide synergies and cost savings as it relates to the new lease accounting standard.

HOW TO GET STARTED
Contact one of our Complex Financial Reporting team members below or email us at Leasing842@opportune.com and we will initiate the introduction to our team to assess your requirements.

Opportune LLP is a leading global energy business advisory firm specializing in adding value to clients across the energy industry, including upstream, midstream, downstream, power and gas, commodities trading and oilfield services. Opportune’s service lines include: complex financial reporting, dispute resolution, enterprise risk, investment banking, outsourcing, process and technology, reserve engineering and geosciences, restructuring, strategy and organizational design, tax, transactional due diligence and valuation.

Reid Brooks
Director
Tulsa & Denver
918.748.3886
rbrooks@opportune.com

Kristin Floyd Newton
Director
Dallas & Houston
214.453.1080
kfloyd@opportune.com