

The Path to ASC 842 Compliance

Bloomberg
Tax

Avoid Common Mistakes

In the first half of 2018 Bloomberg Tax surveyed over 500 professionals responsible for tracking, accounting, or expensing leased assets. This was done to get an understanding of how far along organizations were in their planning and implementation process in preparation for ASC 842 compliance. This infographic illustrates what we found.

What's at Stake?

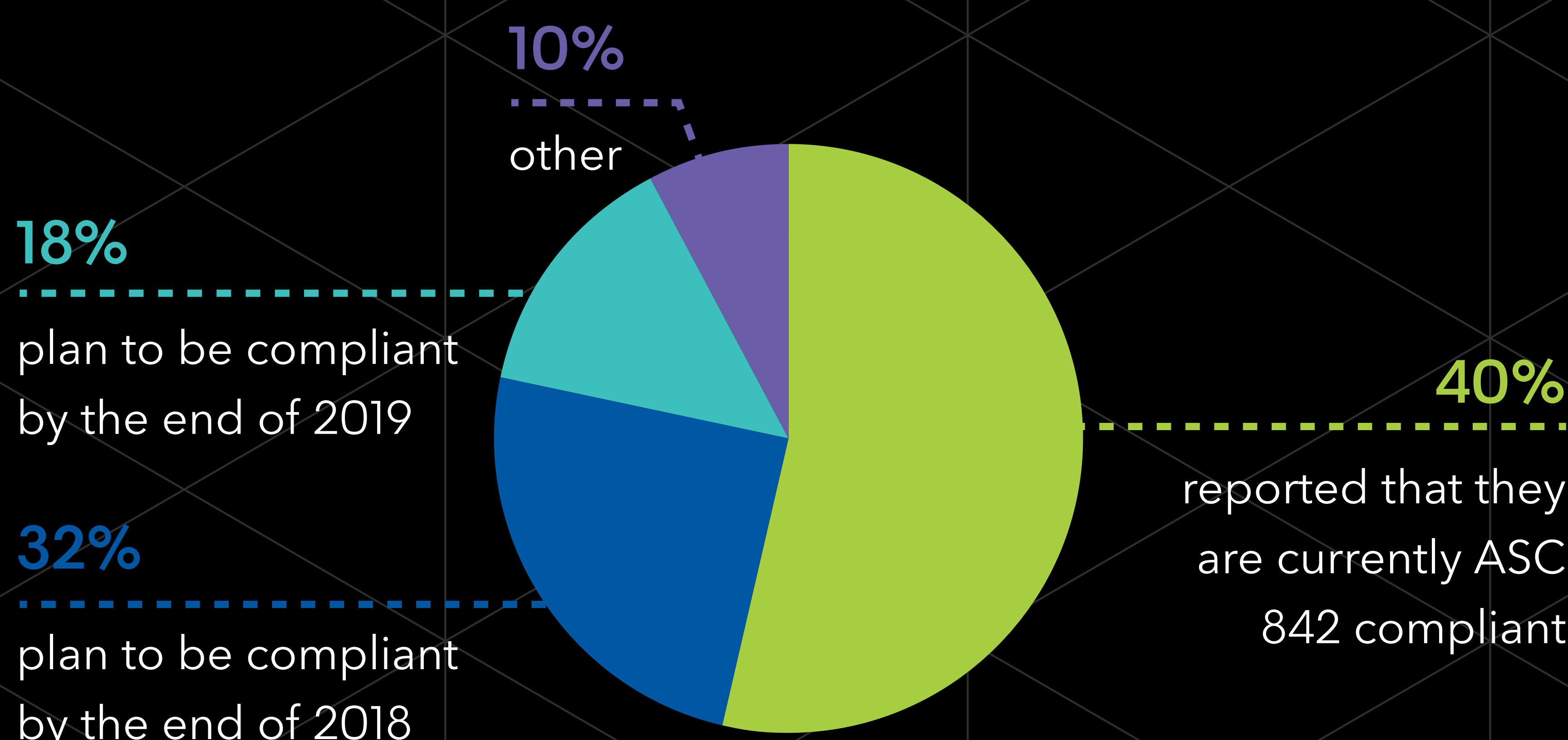
As companies scramble to meet sweeping lease accounting changes, key business metrics could potentially be impacted - from market capitalization and debt-to-equity ratios to financial reporting burdens.



over **80%**

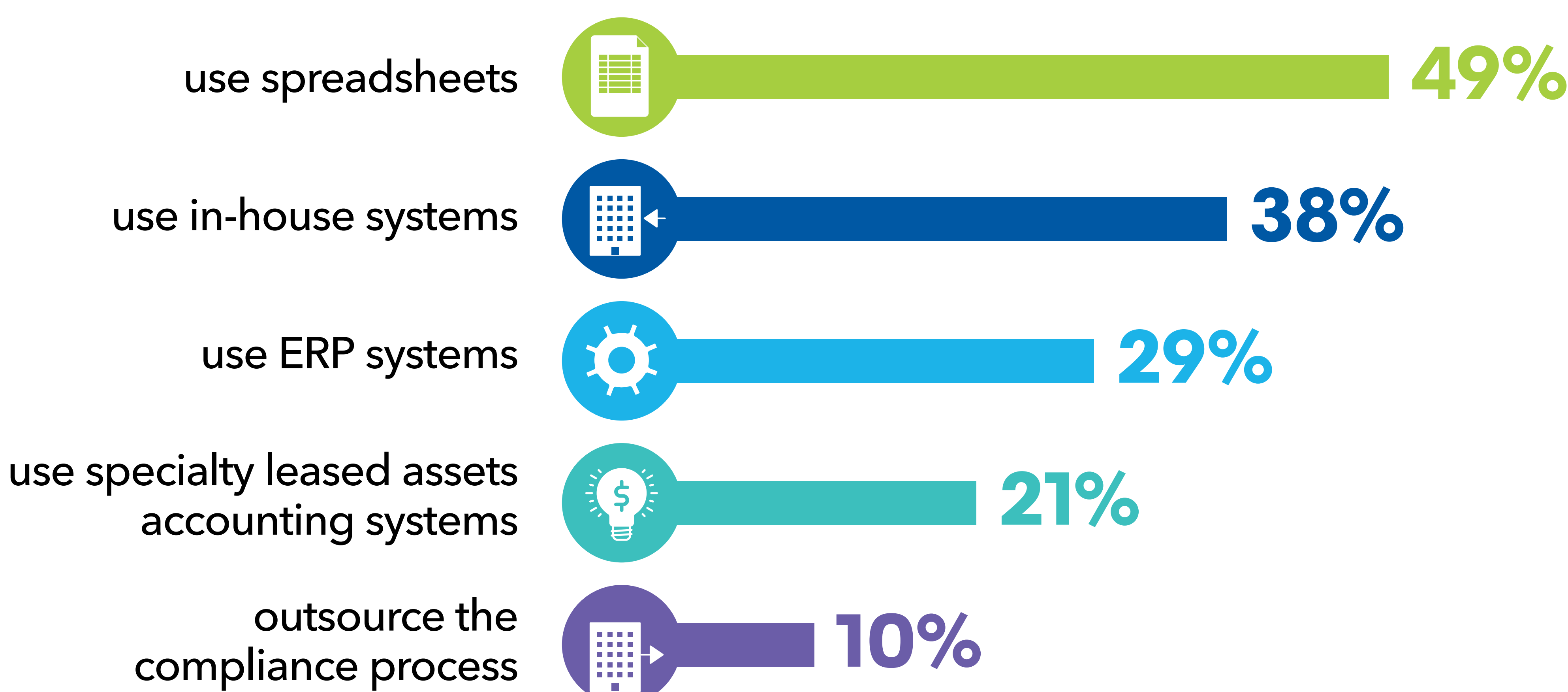
of all companies have leases that need to be accounted for under ASC 842 – most of which are material to financial reporting.

The Current Compliance Gap is Large



The Risky Way of Achieving Compliance

Despite significant risk of human error, the majority of companies* use spreadsheets to account for leases.



*Companies may use a combination of methods to account for leases.

Automation is Critical to ASC 842 Success

For many tax and accounting teams time wasted searching for documents and data stored in spreadsheets is still the norm. However, under the new ASC 842 standards automation is a must-have. Companies need real-time access to accurate leasing data in order to calculate lease liabilities and create the required disclosure reports.



Professionals spend **50%** of their time searching for information and take an average of **18** minutes to locate each document.

Source: M-Files

Companies Must Examine Their Processes and Systems to Ensure Compliance with ASC 842

Complying with ASC 842 offers the opportunity to reduce costs and add value to your company by streamlining processes and empowering better decision-making.

Learn how you can tackle the time-consuming calculations and reporting requirements needed to navigate the compliance roadmap for success now and in the future.

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