FMIS

Lease Accounting

IFRS 16, FRS 102 & ASC 842 compliance



FMIS Lease Accounting

Specialist Lease Accounting Software

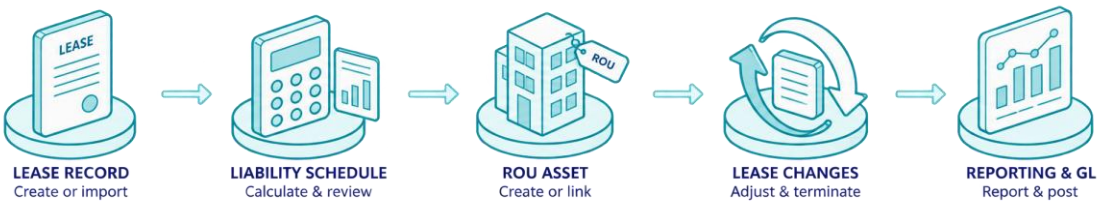


Structured lessee accounting for IFRS 16, FRS 102 and ASC 842 compliance.

Lease accounting built around financial control

Lease accounting is now an ongoing financial reporting process, with lease liabilities, right-of-use assets, reporting and auditability all needing consistent treatment.

FMIS Lease Accounting is designed specifically for lessee accounting and supports IFRS 16, FRS 102 and ASC 842, giving finance teams a controlled way to calculate, maintain and report on leases.



Why spreadsheets become difficult

Lease accounting is often spread across spreadsheets, ERP functionality and manual calculations. As portfolios grow, this can mean:

- Inconsistent lease data
- Limited audit trail
- Difficulties reconciling liabilities and ROU assets
- Manual recalculations, journals and extra month-end effort

Where FMIS fits best

FMIS is most often used where lease accounting has moved beyond simple spreadsheet calculations.

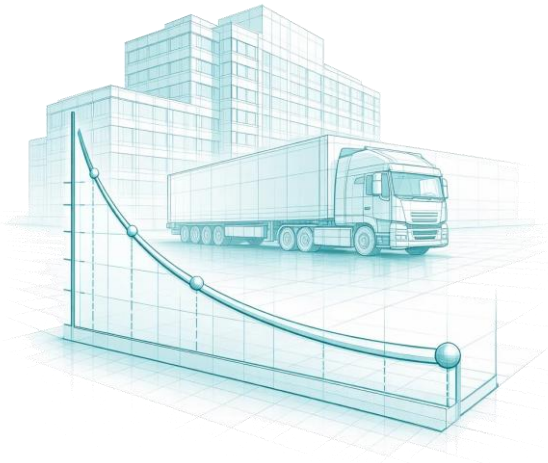
- Multiple entities or reporting structures
- IFRS 16, FRS 102 or ASC 842 requirements
- Large or frequently changing lease portfolios
- ROU asset integration with fixed asset accounting
- Increasing audit and reporting scrutiny



From spreadsheet-based calculations to controlled lease accounting

Moving to FMIS introduces a more structured and auditable approach to lease accounting.

- **From disconnected spreadsheets to a central lease register**
  Keep lease records, payment schedules and calculations together.
- **From manual calculations to defined schedules**
  Calculate lease liabilities and interest using configured rules.
- **From separate lease and ROU records to connected accounting**
  Create or link ROU assets in FMIS Fixed Assets.
- **From ad-hoc changes to controlled period-end processing**
  Record lease changes with version history and generate configured GL outputs.



Designed for financial control

FMIS applies defined processes to keep lease accounting, reporting and related asset accounting consistent.

- **Structured lease records:** Consistent data across entities and reporting structures
- **Controlled calculations:** Lease liabilities and schedules calculated using defined rules
- **Right-of-use asset integration:** Connect Lease Accounting directly with FMIS Fixed Assets
- **Ongoing lease accounting:** Handle adjustments, recalculations and terminations within the system
- **Reporting aligned to finance:** Outputs for reporting, audit and period-end processes

Key Capabilities

- **Standards-based accounting**
  Support for IFRS 16/FRS 102 or ASC 842, including finance and operating lease treatment under ASC 842.
- **Lease liability calculations**
  Present value calculations using configured interest rates and payment schedules.
- **Flexible payment schedules**
  Monthly, bimonthly, quarterly, biannual or annual schedules, in advance or arrears.
- **Lease changes and terminations**
  Adjustments, partial and full terminations, with version history retained.
- **Multi-company support**
  Manage leases across multiple companies with company-specific setup.
- **Reporting and GL postings**
  Lease schedules, liability reporting, reconciliation and configured journals.

Right-of-use assets and Fixed Assets integration

IFRS 16, FRS 102 and ASC 842 bring right-of-use assets into lessee accounting, subject to the applicable treatment and exemptions.
FMIS can link Lease Accounting directly with FMIS Fixed Assets so lease liabilities and associated ROU assets can be maintained together.



Linking lease accounting and asset accounting

- **Create or link ROU assets**
  Create ROU assets automatically from lease records, or link leases to existing assets during setup.
- **Depreciation and amortisation treatment**
  Apply the appropriate treatment through the connected FMIS Lease Accounting and Fixed Assets structure.
- **Keep changes connected**
  Pass relevant lease adjustments and terminations through to associated asset records.
- **Reporting and reconciliation**
  Review lease liabilities and related asset values within a consistent finance process.

Managing lease changes over time

Lease terms, payments, discount rates and scope can all change during the life of an agreement. FMIS processes these changes against the existing lease while retaining the calculation and version history.

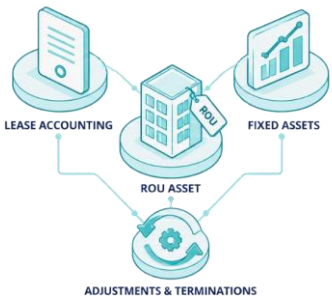
- **Lease adjustments**
  Change payment schedules, interest rates, coding and other lease details from the appropriate effective date.
- **Partial and full terminations**
  Record full or partial terminations, with associated ROU asset changes passed to Fixed Assets where linked.
- **Backdated adjustments**
  Recalculate from an earlier date and roll resulting changes forward to the effective period.
- **Inter-company transfers**
  Transfer leases and linked ROU assets between companies where the setup permits.
- **Version history**
  Keep earlier lease versions available for review after adjustments.
- **Audit trail and period control**
  Audit logs record changes to lease and user data, while closed periods prevent changes from affecting previously processed lease values.



Reporting and financial outputs

FMIS includes standard reports for period-end, reconciliation and disclosure support, with Excel or PDF output available where relevant.

- **Lease schedules**
  Review month-by-month liability, interest, payment and ROU asset values.
- **Current and non-current liabilities**
  Report liability due within the next 12 months and across later periods.
- **Future payments**
  Separate payments made to date from future lease and non-lease payments.
- **Reconciliation reporting**
  Track movements in lease liabilities and ROU asset values over a selected period.
- **Audit and Excel outputs**
  Download audit logs and detailed reporting data for review or further analysis.
- **GL postings**
  Configured GL rules can generate postings for new leases, interest, payments, adjustments and terminations. Liability can be split between short- and long-term accounts, with related fixed asset postings included where required.



One connected accounting process

FMIS connects lease accounting with ROU asset management, reducing duplicate maintenance and supporting consistent reporting and audit.
The system works alongside existing finance software, with Excel imports for new leases, adjustments and terminations. Configurable analysis codes and GL rules support existing finance structures, while exports allow data to be used in wider reporting and posting processes.

How it works in practice

1. **Create or import leases:** Enter leases individually or use Excel templates for bulk loading.
2. **Calculate and review:** Generate schedules for liability, interest, payments and ROU asset values.
3. **Create or link ROU assets:** Pass new leases into Fixed Assets or link existing assets during setup.
4. **Process changes:** Record adjustments, terminations and transfers while retaining version history.
5. **Report and post:** Run period reports and generate configured GL outputs.

"Easy-to-use system with all the necessary requirements I need for IFRS16 accounting"

Haydn W, Financial Accountant

"The system is very intuitive and user-friendly, covering all of our requirements. It also provides us with lease accounting for US and UK GAAP"

Richard P, Financial Controller

"Excellent summary and detailed reports with a user-friendly system and excellent customer support"

Rachel C, Accountant

"The system is intuitive and easy to use, with training that was clear, straightforward, and easy to follow."

Ann-Marie F, Finance Director



FMIS

A complete approach to asset management

FMIS delivers a range of solutions to support asset management across finance and operational teams, with a focus on structure, accuracy, and control.

More FMIS Solutions:

- Asset Tracking
- Fixed Asset Accounting
- Equipment Maintenance (CMMS)
- Stock & Inventory Management
- Order Processing

Speak to FMIS

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