GLOBAL LEASE ACCOUNTING PROJECT MILESTONE TIMELINE

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2006

Lease Project Added to IFRS Agenda (2006)
Initial discussions and consideration for a reformed accounting standard begin.

Discussion Paper (2009)
Publication of Discussion Paper (DP)

First Exposure Draft (2010)
Publication of the Initial Exposure Draft (ED) from IASB and FASB.

Criticism of ED (2010-12)
Over 780 letters from lessees, lessors, financial institution and accounting bodies globally complain about ED's complexity and lack of consistency.

Revisions to ED (2010-13)
Boards hold public meetings and forums to gather further feedback. In September 2012, the boards announce a revised exposure draft will be released in the following year.

Second Exposure Draft a.k.a. Revised Exposure Draft (2013)
Publication of the Revised Exposure Draft (RED) based on feedback to original ED.

RED Feedback (May-Sept 2013)
4 Month comment period for feedback to RED. IASB speaks to 270 global investors and analysts as well as holding public roundtables and outreach meetings.

Further Deliberation (2014)
Boards come together to discuss more complex and controversial aspects of RED.

Boards fail to fully Converge standards (2014)
Boards reach opposing decisions on treatment of small ticket leases and lease disclosure on balance sheet.

Final Stages (2014-15)
Boards meet to discuss final issues and implementation processes.

IASB Publish IFRS 16 (2016)
IFRS 16 is released 13 January 2016.

FASB Publish ASU 842 (2016)
FASB's lease accounting standard is released 25 February 2016.

Education and Preparation Phase (2016-17)
Organisations need to understand the standard and assign an implementation team.

Implementation of Lease Accounting Software (2016-17)
Auditors have highlighted the need for updated lease accounting technology to ease the transition and ensure compliance.

Lease Data Capture (2016-17)
Lessees must collect all leases from across the company and fill in data gaps. This will take time.

Financial Statement Impact Analysis (2016-17)
Lessees need to use their lease data to review how the standards will affect their financial statements. Once known, the relevant actions can be taken to reduce the impact and to assure investors, shareholders etc.

Retrospective Accounting (2017-18)
Entities need to provide comparative balance sheet and P&L reports for fiscal years before implementation.

FASB ASC 842 effective date
15 December 2018

2018

IFRS 16 effective date
1 January 2019

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