



## IBM TRIRIGA 10.5.3

# Lease Accounting Implementation Guide

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July 28, 2017

# IBM TRIRIGA Lease Accounting Implementation Guide

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## About This Guide

This document is intended to accompany the July 2017 release of IBM TRIRIGA, which introduces additional support for the new FASB-IASB standards, the FASB ASC 842 leasing standard and the IASB IFRS 16 leasing standard. The document is intended as a guide for IBM Business Partners implementing IBM TRIRIGA 10.5.3 for Lease Accounting.

This guide supplements the documentation available at the following locations:

- IBM Knowledge Center  
([https://www.ibm.com/support/knowledgecenter/SSFCZ3\\_10.5.3/com.ibm.tri.doc/product\\_landing.html](https://www.ibm.com/support/knowledgecenter/SSFCZ3_10.5.3/com.ibm.tri.doc/product_landing.html))
- IBM Developer Works wiki  
(<https://www.ibm.com/developerworks/community/wikis/home?lang=en#!/wiki/IBM%20TRIRIGA1/page/Lease%20Accounting>)

## Data Elements Required for IBM TRIRIGA Lease Accounting

In order for IBM TRIRIGA to produce lease accounting schedules, the data below is required. For customers upgrading from earlier versions of TRIRIGA, it is important to note that nearly all of these fields are included in the earlier releases, therefore those customers can start capturing the data prior to upgrading to TRIRIGA 10.5.3. The following data element is new to 10.5.3: Business unit organization. They are required prior to adopting the new leasing standards.

Data Element		Description
Lease	Lease ID	
	Lease Name	
	Lease Type	Expense Lease, Sublease
	Lease Category	Full Service Gross, Triple Net, etc.
	Commencement Date	
	Expiration Date	
	Payment Timing	In Advance / In Arrears
	Accounting Type	Accounts Payable (AP), Accounts Receivable (AR)
	Currency	USD, EUR,...
	Unit of Measure	Square Feet, Square Meters, etc...
	Contract Status	Active - Operational, Holdover, Terminated,...
	Address	
	City	
	State / Province	
	Country	
	Zip / Postal Code	
	Landlord	
	Tenant	
	Legal Entity	
	Primary Use	Office, Back Office,...
	Rentable Area	
	Initial Direct Costs	
	Rental Prepayment	
	Business Unit Organization	
	Residual Value Guarantee	
	Acquisition Date	

Data Element		Description
Accounting	Accounting Standard	GAAP (FASB) or IFRS (IASB)
	Accounting Start Date	for Accounting Term
	Accounting End Date	for Accounting Term
	Initial Direct Costs	
	Rental Prepayment	
	Incentive (Allowance)	
	Initial Liability Carryover	for when migrating data
	FASB Lease Type	Partial Building, Building and Land, Land Only
	Is Cost of Fair Value Determinable?	
	Is Lessor Implicit Interest Known?	
	Does Property Transfer Ownership at End of Lease?	GAAP/IFRS
	Does Lease have a Bargain Purchase Option?	GAAP/IFRS
	Does Lease begin in the last 25% of Building Life?	
	Fair Market Value of Building	
	Land Percentage (%)	
	No alternative use of specialized asset to lessor at end of lease	GAAP/IFRS
	Incremental Borrowing Rate	
	Economic Life of Asset	
	Change Type (for modifications only)	
	Modification Effective Period (for modifications only)	
	Are there any other conditions in which the risks and rewards of ownership are transferred to the lessee?	IFRS
	Is the land amount immaterial and can the land and buildings be treated as a single unit for lease classification?	IFRS
	Can the lessee cancel the lease (and be responsible for the lessor's losses associated with the cancellation)?	IFRS
	Do gains or losses from residual value fluctuation accrue to the lessee?	IFRS
	Does the lease substantially transfer all the risks and rewards incidental to ownership?	IFRS
	Does lessee have a renewal option that is substantially below market?	IFRS

Data Element		Description
Options	Option Type	Renewal, Break, Termination,/Cancellation, Purchase
	Effective Date	
	Renewal Term End Date	
	Renewal Rate	(associated payment schedule)
	Break/Term Date	
	Term	if renewal, duration
	Penalty	if termination, penalty
	Purchase Price	
	Status	Active, Exercised, Terminated
Clauses	Contingent Rent	
	Index	
	Anniversary Date	
	Minimum % Increase	
Payments		if Gross, identify % that is actually Rent
	Payment Type	at, Incentive, Operating Expense, Insurance, Taxes, Security Deposit,...
	Start Date	
	End Date	
	Frequency	Monthly, Quarterly, Annually, One-time...
	Amount	
	Check box "Include in Amortization Schedule"	
	Tax	

IBM recommends that customers take an incremental approach to adopting the new FASB and IASB leasing standards:

- Validate the data loaded
- Generate and validate the Straight-Line Rent Schedule
- Adopt the new leasing standard (using bulk review assumptions).
- Generate local reporting for leases of foreign properties.

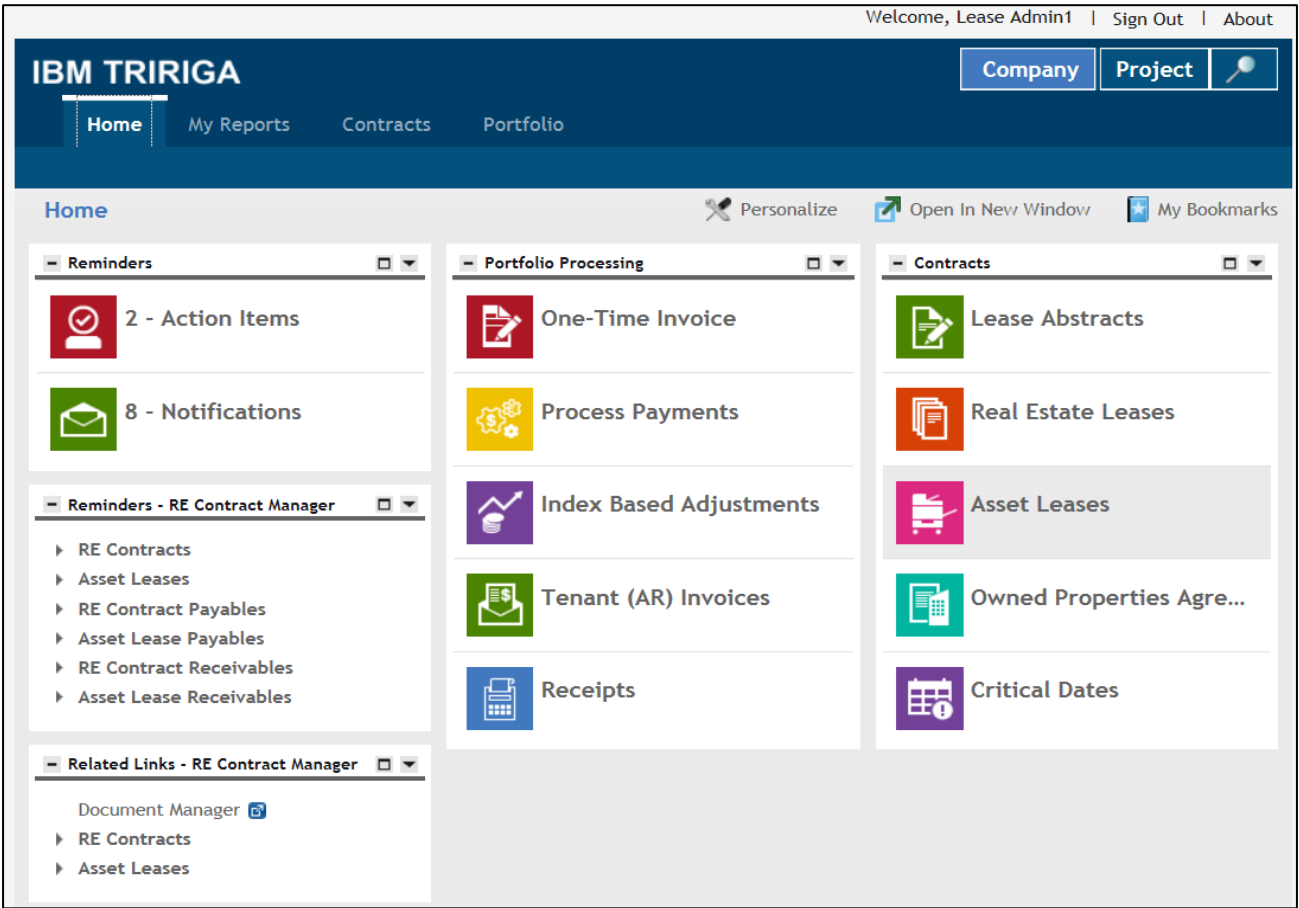
# Lease Role Separation

## [Lease Administrator](#)

Lease Administrator portal.

**ROLE:** With the 10.5.3 Release, Lease Administrator is a required contact to be assigned to every lease on the Contact tab. This role only has the ability to create leases and assign payments. Upon completion of these functions, the Lease Administrator will submit the lease for review by the Lease Accountant. The Lease Administrator has read-only access to the Accounting tab.

After the lease has been activated by the Lease Accountant, the Lease Administrator can perform amendments and renewals, and terminate the lease. However, these modifications to the lease will require submission to the Lease Accountant for their review and the possible remeasurement and reclassification of the lease.





## Lease Accountant

Lease Accountant portal.

**ROLE:** With the 10.5.3 Release, the Lease Accountant is a required contact to be assigned to every lease on the Contact tab. This role only has editable access to the lease's Accounting tab to make updates to the financial data prior to Activating the lease. The Lease Accountant has read only access to the other tabs (General, Contacts, Location, and Payments.) This access allows the Lease Accountant to perform reviews and analysis on a lease.

If the Lease Accountant doesn't agree with settings or fields assigned on the other tabs completed by the Lease Administrator, the lease may be Returned to the Lease Administrator for correction. Once the Lease Accountant completes their Accounting Review, they will Calculate the Lease Treatment, Generate Accounting Schedules, and Activate the lease.

Any changes made to the lease by the Lease Administrator will require review and approval by the Lease Accountant. The Lease Accountant can also make modifications to the lease if the "reasonable certainty" of an option changes, or there is a change in the Fair Market Value, Incremental Borrowing Rate, or the Residual Value Guarantee. More detail regarding these modification processes are presented later in this guide.

Welcome, Lease Accountant1 | Sign Out | About

IBM TRIRIGA

HomeMy ReportsContracts

HomePersonalizeOpen In New WindowMy Bookmarks

Reminders

1 - Action Items

17 - Notifications

Related Links - Lease Accounting Manager

Update Lease Assumptions

Review Lease Assumptions

Last Visited

Type	Name
Real Estate Lease	1000471-0-NPV Calculation Simple Arr_Quarterly
Real Estate Lease	1000369-0-Lease for Prozone Complex for 10 years RP Qtr 2
Real Estate Lease	1000209-1-Milwaukee museum
Asset Lease	1000070 - 1 - 222 Avenue Building
Asset Lease	1000076 - 0 - IDS Center - Asset Lease - 0427
Real Estate Lease	1000367-0-Lease3_Saylee
Real Estate Lease	1000359-0-Lease2_SecurityOMMove_Saylee

Lease Financial Summary

Run Summary ReportRun 10k Report

ID	Name	Lease Class	Commencement Date	Likely Term End Date
1000392	04/28/2017 - SK Test		01/01/2017	12/31/2019
1000230	0418 Demo REL New Lease Activation		04/01/2017	03/31/2019
1000096	122 Avenue Building_Test_FLI		03/01/2017	02/29/2020
1000307	2 yr Renewal, Annual 3% increase, Annually, Arrears Pmt, Operating	Full Service Gross	01/01/2017	12/31/2019
1000287	2 yr Renewal, Annual 3% increase, Quarterly, Arrears Pmt, Operating	Full Service Gross	01/01/2017	12/31/2019
1000070	222 Avenue Building		01/01/2017	12/31/2019
1000216	250 Vesey Street		01/01/2017	12/31/2019
1000178	28 Liberty Street		01/01/2017	12/31/2018
1000100	30 Hudson Yards_Asset_Additional Security changes_05092017		01/01/2017	12/31/2019
1000134	444 Park Avenue		01/01/2017	12/31/2019

# Lease Accountant Portal

## Balance Sheet Effect

This graph is showing your full portfolio of leased properties, showing the net equity impact on your balance sheet, starting with your look-back period for the new FASB Leasing Standard. You can filter down to smaller groupings of your portfolio and also view it on individual leases.

## Asset Value

This graph is also showing your full portfolio, the asset values and liability values of your leases, starting with your look-back period for the new FASB Leasing Standard.

**Local Reporting for Multinational Corporations** TRIRIGA Supports Dual Books; for a US Corporation following GAAP, international leased locations will also generate the IFRS Finance Schedule that local statutory reporting requires.

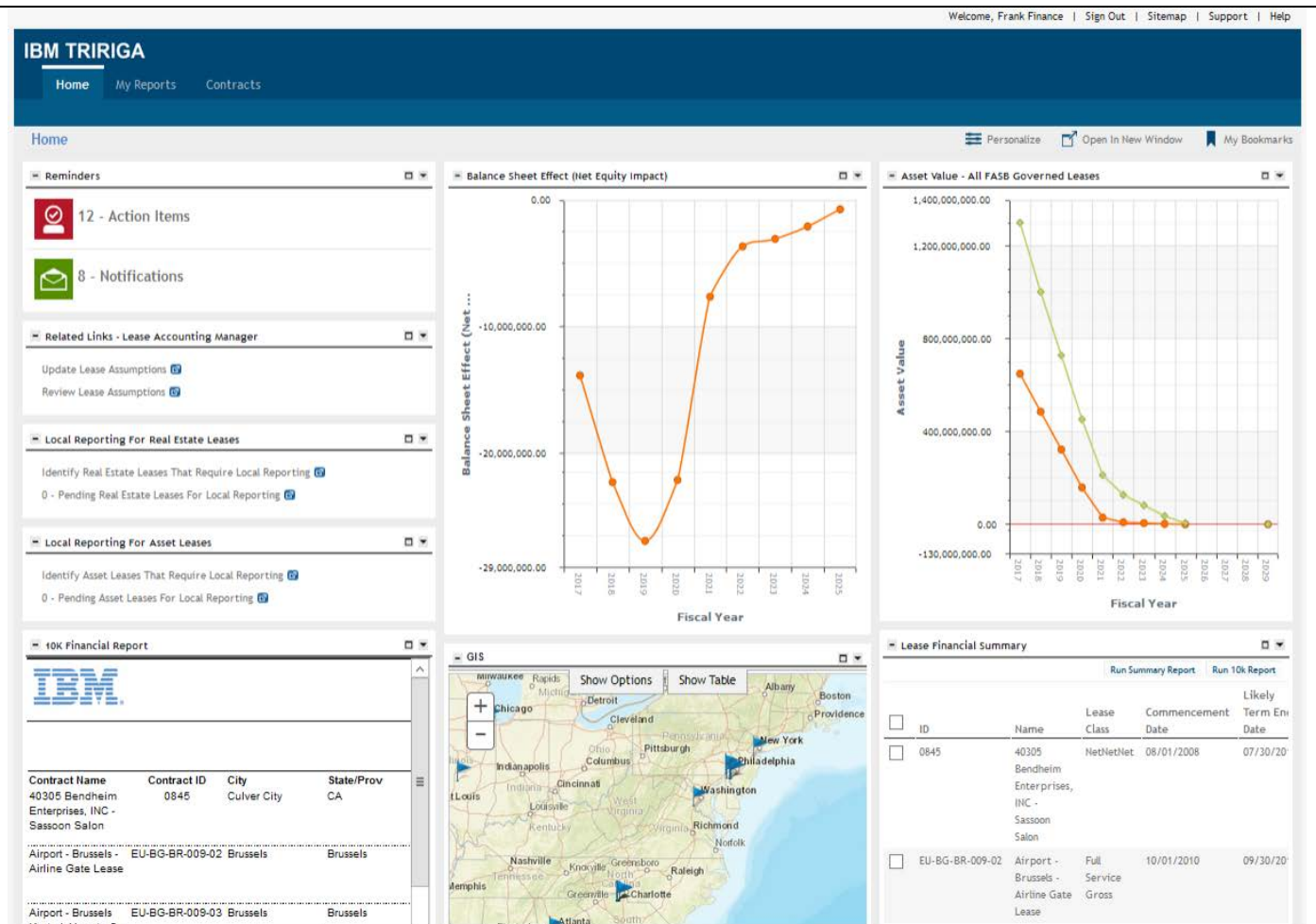
Select the leases that require local reporting from the portal and then generate the local reporting for each lease.

## 10K Financial Report

TRIRIGA produces a 10K report, showing your lease obligations each year for the next 5 years, and then a total of those commitments for 6 years and beyond.

## Lease Financial Summary

*Open up full screen view.* This report provides a financial summary of your portfolio, focusing on your commitments, Straight-Line Rent per Year, Rent Expense, Maintenance, Security, Taxes, etc. You can filter the report to get a narrower view and drill into any of the leases on the report.



## Global Application Settings

## Review Assumptions Defaults

Sets the default review period for performing lease assumption reviews. At this interval, the Lease Accountant will get notified that assumption reviews are due.

## Borrow Rate & % Growth Assumption Defaults

The Incremental Borrowing Rate field sets the default borrow rate to use. The value is defaulted when the lease is created. The default is 3%. Borrow rate is used in calculating the Net Present Value.

The Index Growth % field sets the defaults for Index Growth % to be used for index-based leases for the new accounting standard.

The FMRV Growth % field sets the fair market value % default to be used for leases that include the FMRV clause.

## Rent Component Assumption Defaults

The fields in this section set default percentages for maintenance, tax, insurance, other, and base rent to be used for Gross leases.

TRIRIGA uses this base rent percentage to determine the portion of the rent that should be included in the NPV calculation as defined by ASC 842 on adoption. If a policy is elected to not separate lease and non-lease components on Gross Leases, these percentage values should be 0. If changes to these percentages occur, the Lease Accountant may change using the 'Accounting Revise' feature.

## Amortization Defaults

In the Periods per Year field, set the default number of periods to be used for a year. The default is 12.

Select the Extend Rent Payments for Likely Term checkbox to extend the rent payments for the likely term option from the last payment schedule on the lease if no payment schedule is defined for the likely term option.

## Payment Schedule Settings

Set the time zone to be used when creating payment schedules. The default is System.

<b>IBM TRIRIGA</b>	<b>Company</b>	<b>Project</b>
Home	My Reports	Requests Projects Tasks Space Maintenance Sustainability Inventory Contracts Procurement Portfolio Tools
Application Setup Document Manager Approvals & Notifications Administration Builder Tools Data Utilities System Setup		
Home > Tools > System Setup > General > Application Settings		
Print Open In New Window Add to Bookmarks My Bookmarks		
General Environmental Settings Government Settings Lease Accounting Settings Service Management Settings Workplace Services Settings Save Save & Close		
(Optional): TRIRIGA Lease Accounting Settings are used for payment schedule, lease assumption, and amortization default values in TRIRIGA Real Estate Lease and Asset Lease functionality.		
<b>Review Assumptions Defaults</b>		
Assumptions Review Period 3 Months		
Borrow Rate & % Growth Assumption Defaults		
Incremental Borrowing Rate	3 percent	% Is Maintenance 0 percent
Index Growth %	0 percent	% Is Tax 0 percent
FMRV Growth %	0 percent	% Is Other 0 percent
		% Is Insurance 0 percent
		% Is Base Rent 100 percent
Amortization Defaults		
Periods per Year	12	Extend Rent Payments for Likely Term
Payment Schedule Settings		
Time Zone used to calculate contract payment schedule SYSTEM		
Set paid and active PLIs to zero on Void, Remove, or Terminate		
Accounting Standards		
Default Accounting Standard	GAAP (FASB)	Accounting Calendar Standard Calendar
Net Rent Basis	30 Day Basis	Straight Line Calculation Basis 30 Day Basis
Days to Consider for Accounting Period Close	0	Accounting Live?
Interest Method	Compound Interest	
New Standard Adoption		
Adoption Fiscal Period	2019 - 01	Look Back Fiscal Period 2017 - 01
Apply Start Date To Impact Reports		
Lessee Transition Relief		
Lessee Transition Disclosure		
Font Family Font Size Paragraph Bold Italic Underline ABC x' x'' Bulleted Numbered Indent Decrease Indent Left Right Link Unlink Insert Image Insert Table Insert Comment		

## Accounting Standards

This section includes the settings required for lease accounting calculations for straight-line schedule/amortization and Operating/Finance schedule. The Accounting Calendar is used to define fiscal periods and accounting schedules.

The Default Accounting Standard sets the default corporate accounting standard. Contrary to earlier versions of TRIRIGA, this standard will be used as the standard for all leases. Leases that require local reporting according to another standard will be reported using the Default Accounting Standard.

The Net Rent Basis sets the default for how the net rent payment is calculated on the Straight-Line Rent, Amortization, Operating, & Finance schedules for the new accounting standard. The default is 30 Day Basis.

The Straight-Line Calculation Basis sets how the rent expense value on the Straight-Line Rent, Amortization, Operating, & Finance schedules is calculated. The default is 30 Day Basis. The other option is actual-day basis.

The Days to Consider for Accounting Period field sets the default number of days to be considered beyond a fiscal period for it to be considered a closed period. System defaults to zero and will not let you post to a closed period. As of 10/1/17, this field is no longer used.

Until you have fully set up your accounting information, you can turn off validations for the Audit Assumptions Log by clearing the 'Accounting Live?' check box. By default, it is not selected.

Notice that an "Interest Method" dropdown has also been added to this section to allow the user to select the desired method of calculating interest: Simple or Compound. The method will be applied across all new Asset and Real Estate leases. If this setting is changed, it will only impact existing Leases when a Modification is processed that recalculates the lease values. If this field is left blank, the default is Simple Interest.

## New Standard Adoption

Set the Adoption Fiscal Period to the period when the new accounting standard is to be adopted. Set the Look Back Fiscal Period to the period of history needed for the new accounting standard. Typically, this is set to two years before the adoption date.

To apply the start date of the Look Back Fiscal Period for metric report filtering, click the Apply Start Date to Impact Reports action.

To get relief for new accounting standards for taxes and insurances, check the Lessee Transition Relief check box and enter a disclosure note in the Lessee Transition Disclosure field. In the final standard published by the FASB, this is required for all leases.

# Lease Accounting for Gross Leases

In 10.5.3, Rent Component Assumptions for Gross Leases are now performed on the Payment tab when the Lease Category on the General tab is set as “Full Service Gross.” This allows the Lease Administrator to assign the percentage distribution while creating the related payment. This change is due to the role separation provided in 10.5.3 that prevents the Lease Administrator from performing updates on the Accounting tab where the Rent Component Assumptions table was available in previous releases. Changes to these percentages can be made by the Lease Accountant using the ‘Accounting Revise’ feature and selecting ‘Contractual Factors’.

As mentioned above, if a policy election is made to not separate lease and non-lease components on Gross Leases, these percentage values should remain as 0.

The screenshot shows a software interface with a top navigation bar containing tabs: General, Contract Details, Locations, Clauses, Options & Terms, Payments, Accounting, Space Use Agreement, History, Summary, Service Areas, Client Attributes, and Notifications. The Accounting tab is active. Below the navigation bar, there is a sub-header "(Optional): Setup and review payment schedules, payments, and payment processes." The main content area is divided into two sections. The first section, "Accounting Summary", displays "Accounting Start Date: 01/01/2017" and "Accounting End Date: 12/31/2019". Below this, it shows "Straight Line/Month: \$0.00 US Dollars" and "Deferred Liability Balance: \$0.00 US Dollars". The second section, "Rent Component Assumptions", is highlighted with a red box and contains a table with the following data:

Assumption	Value	Unit
% Is Maintenance	0	percent
% Is Tax	0	percent
% Is Other	0	percent
% Is Insurance	0	percent
% Is Base Rent	100	percent

Below the "Rent Component Assumptions" section, there is a "Payment Schedules" section with a "Generate Payment Schedules" button and a "Remove" button. At the bottom, there is a table with columns: Payment Type, Description, Frequency, Start Date, End Date, Cost per Unit, Contract Rentable, Charge Amount, Expected Cash Pre, Total Tax, Expected Cash Total, and Status. The table is currently empty, showing "0 total found".

# Lease Accounting Parameters

(1) Only Lease Accountant has access  
**(Separation of Duties).**

(2) Comply much less expensively – input from our lease accounting customers and Accounting partners led to our pre-configured solution.

The result is a **blend of accounting controls with flexibility** required by your Real Estate Lease Administration and Finance teams.

(3) TRIRIGA has global settings for the Accounting Standard & Accounting Calendar. We ship a Standard Monthly Calendar, 4-4-5 and 4-5-4 Retail fiscal calendars with root-nodes only, and support user-defined calendars.

(4) As mentioned in the local reporting section, clicking the Local Reporting Required checkbox will show local reporting for another accounting standard.

(5) In 10.5.3, Residual Value Guarantee is now available in the Accounting Details section of the Accounting tab.

(6) The Accounting Cost Center and Business Unit are critical fields to the new Journal Entry process in 10.5.3. These fields are mapped to the Data Transfer Object files that will feed to your ERP General Ledger system.

Real Estate Lease: 1000532-0- IBM Watson Lease for 3 year

Add To Bookmarks Print Help

Accounting Details Locations Clauses, Options & Terms Payments Accounting Activate Create Accounting Schedule Save Save & Close More x

(Optional): Review accounting details such as Review Dates, Assumptions, Likely Term, and Amortization Summary & Schedules.

### Accounting Details

Accounting Type	Accounts Payable (AP)	Accounting Standard	IFRS (IASB)
Accounting Start Date	04/01/2017	Local Reporting Required	<input checked="" type="checkbox"/>
Accounting End Date	03/31/2019	Accounting Cost Center	
Initial Liability Carryover Balance	\$0.00	* Accounting Calendar	Standard Calendar
Initial Direct Costs	\$0.00	Spend Category	
Rental Prepayment	\$0.00	Payment Timing	Payment in Advance
Residual Value Guarantee	\$0.00		
10k Disclosure			

### Business Unit

Organization	
Business Unit	

# Lease Data Migration Considerations

- The Initial Liability Carryover Balance field should be populated if an existing lease has a prior Liability balance that needs to be reflected during the initial load to TRIRIGA. This value will be reflected in the Straight-Line/Amortization Schedule. The Operating/Finance Schedule will not update with the Carryover Balance until the adoption of the 842 Accounting Standard in TRIRIGA.
- Residual Value Guarantee is now populated on the Accounting tab and can be revised by the Lease Accountant after activation. The revision is performed as a 'Change in Contractual Factors' under the 'Accounting Revise' function as detailed in section titled "Modification 4: Change in Contractual Factors."
- For leases recorded under US GAAP and IASB/IFRS guidance, the 'Local Reporting Required' checkbox must be checked prior to selecting 'Calculate Lease Treatment'.
- The 'Calculate Lease Treatment' feature performs Lease Classification after the NPV has been calculated on the Payment Lines. After Lease classification is assigned, select 'Generate Accounting Schedule' to process and retrieve S/L & Operating/Finance Schedules.

Real Estate Lease: 1000496-0-IBM Watson Lease

Accounts & Terms Payments Accounting Space Use Agreement History Summary Service Areas Client Attributes Notations Activate **Create Accounting Schedule** Save Save & Close More

(Optional): Review accounting details such as Review Dates, Assumptions, Likely Term, and Amortization Summary & Schedules.

**Accounting Details** Calculate NPV

Accounting Type: Accounts Payable (AP) Accounting Standard: GAAP (FASB)

Accounting Start Date: 06/01/2017 **Local Reporting Required**

Accounting End Date: 06/30/2018 Accounting Cost Center: 10056445

Initial Liability Carryover Balance: \$0.00 US Dollars

Initial Direct Costs: \$0.00 US Dollars

Rental Prepayment: \$0.00 US Dollars

Residual Value Guarantee: \$10,000.00 US Dollars

10k Disclosure

**Business Unit**

**FASB Treatment** Calculate Lease Treatment

FASB Lease Type: Building and Land

Does Property Transfer Ownership at End of Lease? No

Does Lease have a Bargain Purchase Option? No

Does Lease begin in the last 25% of Building Life? No

Is Lease Term 75% >= Asset's Economic Life? No

Is NPV of Rent >= 90% of Asset's FMV? No

Total Rent: \$22,650.00 US Dollars

Rent Obligation as % of FMV: 65.3042 percent

NPV of Rent: \$31,999.07 US Dollars

NPV of Rent/Building Only (Discounted): \$31,999.07 US Dollars

Land Portion of Rent: \$0.00 US Dollars

Lease Term (in years): 1.1

Lease Treatment: **OPERATING**

Is Lessor Implicit Interest Known? No

Incremental Borrowing Rate: 0 percent

Lease Rate Used (Calculated): 0 percent

Est. Economic Life of Asset (Yrs): 40

Fair Market Value: \$50,000.00 US Dollars

Land Percentage: 2 percent

Fair Value of Building: \$49,000.00 US Dollars

Fair Value of Land: \$1,000.00 US Dollars

Land's Value > 25% of FV of Property? No

IRR: 0 percent

**Lease Classification**

Lease Classification: Operating

No alternative use of specialized asset to lessor at end of lease term? No

Management Assumptions

**Straight-Line Rent Schedule**

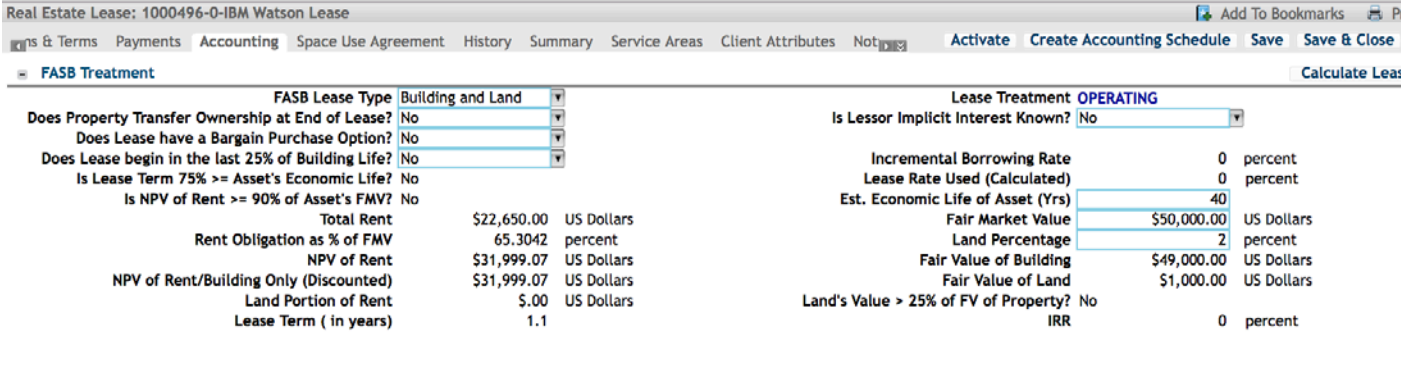
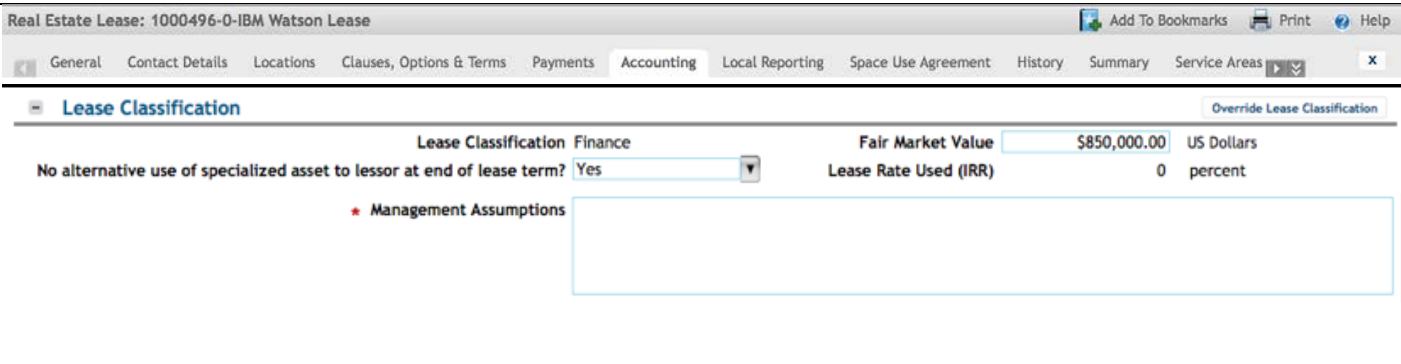
**Export** 13 total found

Fiscal Period	Net Rent Payment	Rent Expense	Accrual	Accrual Liability	Unamortized Initial Direct Cost Liability	Unamortized Prepaid Rent Liability
2017 - 06	\$1,500.00	\$1,742.31	\$-242.31	\$-242.31	\$0.00	\$0.00
2017 - 07	\$1,500.00	\$1,742.31	\$-242.31	\$-484.62	\$0.00	\$0.00
2017 - 08	\$1,500.00	\$1,742.31	\$-242.31	\$-726.93	\$0.00	\$0.00



# Lease Classification

## GAAP (FASB ASC 842) Lease Classification

<ul style="list-style-type: none"><li>Lease Treatment – since 2011, we have supported FASB and the IASB lease treatment. Based upon your answers to the “tests” in the FASB ASC 840, TRIRIGA automatically calculates the lease treatment and the NPV of Rent within the accounting period that you established in the section above.</li></ul>	
<ul style="list-style-type: none"><li>We leverage that capability by calculating the new Lease Classification when you click ‘Calculate Lease Treatment’.</li><li>The new FASB, ASC 842, has a new question. If there is no alternative use of this ‘specialized asset’ to lessor at the end of the lease term, answer ‘Yes’, and TRIRIGA will set the Lease Classification to Finance.</li></ul>	
<ul style="list-style-type: none"><li>However, given the guidance from our Accounting Partners, we realize that there is no longer a ‘brightline’; TRIRIGA allows you to override back to an Operating Lease. If user clicks, override, TRIRIGA makes the management assumption disclosure field required.</li></ul>	<p>If the Lease Accountant overrides the lease classification, TRIRIGA requires a management assumption for disclosures.</p>



## IFRS 16 (IASB) Lease Classification

Real Estate Lease:

General

Contact Details

Locations

Clauses, Options & Terms

Payments

Accounting

Space Use Agreement

History

Summary

Service Areas

Client Attributes

Notifications

Notes & Documents

System

Calendar Details

Workflow Inst

IFRS Treatment

IFRS Lease Type: Building and Land

Lease Treatment: OPERATING

20.4 Requirements

Does the lease substantially transfer all the risks and rewards incidental to ownership? No

20.5 Requirements

Does property transfer ownership at the end of the lease? No

Does the lease have a bargain purchase option? No

Is the lease term 75% greater than or equal to the asset's economic life? No

Is the NPV of rent greater than or equal to 90% of the asset's FMV? No

Are the leased assets of such a specialized nature that only the lessee can use them without major modifications? No

Are there any other conditions in which the risks and rewards of ownership are transferred to the lessee? No

Is the land amount immaterial and can the land and buildings be treated as a single unit for lease classification? No

20.6 Requirements

Can the lessee cancel the lease (and be responsible for the lessor's losses associated with the cancellation)? No

Do gains or losses from residual value fluctuation accrue to the lessee? No

Does lessee have a renewal option that is substantially below market? No

Incremental Borrowing Rate 3 percent

Lease Rate Used (Calculated) 3 percent

NPV of Rent \$0.00 US Dollars

Total Rent \$0.00 US Dollars

Rent Obligation as Percentage of FMV 0 percent

NPV of Rent/Building Only (Discounted) \$0.00 US Dollars

Fair Value of Building \$0.00 US Dollars

Lease Term (in Years) 0

IRR 0 percent

Is lessor implicit interest known? No

Estimate Economic Life of the Asset (in Years) 0

Fair Market Value \$0.00 US Dollar

Land Percentage 0 percent

Land Portion of Rent \$0.00 US Dollar

Fair Value of Land \$0.00 US Dollar

Land's value greater than 25% of FV of the property? No

Real Estate Lease:

General

Contact Details

Locations

Clauses, Options & Terms

Payments

Accounting

Space Use Agreement

History

Summary

Service Areas

Lease Classification

Lease Classification Finance

Under IFRS, how will company remeasure the asset?

Management Assumptions

At Amortized Cost

FV Under IAS 16

FV Under IAS 40

Real Estate Lease:

General

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# Accounting Schedules for GAAP (FASB ASC 840) and IAS 17 Schedules

## Straight-Line Rent Schedule for Operating Leases

- Straight-Line Rent Schedule – in compliance with the **current** FASB and IASB leasing standards, TRIRIGA produces a Straight-Line Rent Schedule for operating leases.
- With guidance from our **Big Four Accounting Partners**, TRIRIGA handles partial periods, retroactive payment controls, indexed rent that is certain, and liability carryover (deferred rent) for lease amendments.

Real Estate Lease: 1000496-0-IBM Watson Lease

General Contact Details Locations Clauses, Options & Terms Payments Accounting Space Use Agreement History [Add To Bookmarks](#) [Print](#) [Help](#)

**Straight-Line Rent Schedule**

[Export](#) 13 total found

Fiscal Period	Net Rent Payment	Rent Expense	Accrual	Accrual Liability	Unamortized Initial Direct Cost Liability	Unamortized Prepaid Rent Liability
2017 - 06	\$1,500.00	\$1,742.31	\$-242.31	\$-242.31	\$0.00	\$0.00
2017 - 07	\$1,500.00	\$1,742.31	\$-242.31	\$-484.62	\$0.00	\$0.00
2017 - 08	\$1,500.00	\$1,742.31	\$-242.31	\$-726.93	\$0.00	\$0.00
2017 - 09	\$1,650.00	\$1,742.31	\$-92.31	\$-819.24	\$0.00	\$0.00
2017 - 10	\$1,650.00	\$1,742.31	\$-92.31	\$-911.55	\$0.00	\$0.00
2017 - 11	\$1,650.00	\$1,742.31	\$-92.31	\$-1,003.86	\$0.00	\$0.00
2017 - 12	\$1,800.00	\$1,742.31	\$57.69	\$-946.17	\$0.00	\$0.00
2018 - 01	\$1,800.00	\$1,742.31	\$57.69	\$-888.48	\$0.00	\$0.00
2018 - 02	\$1,800.00	\$1,742.31	\$57.69	\$-830.79	\$0.00	\$0.00
2018 - 03	\$1,950.00	\$1,742.31	\$207.69	\$-623.10	\$0.00	\$0.00
2018 - 04	\$1,950.00	\$1,742.31	\$207.69	\$-415.41	\$0.00	\$0.00

## Amortization Schedule for Capital & Finance Leases

- Amortization Schedule – in compliance with the **current** FASB and IASB leasing standards, TRIRIGA produces an Amortization Schedule for capital / finance leases

Real Estate Lease: 1000496-0-IBM Watson Lease

General Contact Details Locations Clauses, Options & Terms Payments Accounting Local Reporting Space Use Agreement History Summary Service Areas [Add To Bookmarks](#) [Print](#) [Help](#)

**Amortization Schedule**

[Export](#) 36 total found

Fiscal Period	Net Rent Payment	Interest Expense	Principal	Amortization	P & L Book Expense	Asset Value	Liability Value	Net Equity
2014 - 01	€10,000.00	€639.30	€9,360.70	€10,654.96	\$16,115.67	€372,923.58	€374,217.84	\$-1,846.77
2014 - 02	€10,000.00	€623.70	€9,376.30	€10,654.96	\$16,093.41	€362,268.62	€364,841.54	\$-3,671.27
2014 - 03	€10,000.00	€608.07	€9,391.93	€10,654.96	\$16,071.10	€351,613.66	€355,449.61	\$-5,473.48
2014 - 04	€10,000.00	€592.42	€9,407.58	€10,654.96	\$16,048.77	€340,958.70	€346,042.03	\$-7,253.35
2014 - 05	€10,000.00	€576.74	€9,423.26	€10,654.96	\$16,026.40	€330,303.74	€336,618.77	\$-9,010.85
2014 - 06	€10,000.00	€561.03	€9,438.97	€10,654.96	\$16,003.98	€319,648.78	€327,179.80	\$-10,745.94
2014 - 07	€10,000.00	€545.30	€9,454.70	€10,654.96	\$15,981.54	€308,993.82	€317,725.10	\$-12,458.58
2014 - 08	€10,000.00	€529.54	€9,470.46	€10,654.96	\$15,959.05	€298,338.86	€308,254.64	\$-14,148.73
2014 - 09	€10,000.00	€513.76	€9,486.24	€10,654.96	\$15,936.53	€287,683.90	€298,768.40	\$-15,816.36
2014 - 10	€10,000.00	€497.95	€9,502.05	€10,654.96	\$15,913.98	€277,028.94	€289,266.35	\$-17,461.44

# Initial Adoption of the FASB ASC 842 and IFRS 16 Leasing Standards

To initiate the New Standard Adoption, navigate to the Review Lease Assumptions option from the Contracts>Leases> path.

This action is only relevant to leases with Commencement Dates prior to the Lookback Period.

Create a Review Assumption Request to adopt by selecting 'Add' which will open the 'Bulk Create Review Assumptions Request' screen. From this screen, select one or more lease records to which the adoption should be applied by clicking on 'Find.' To apply adoption to all leases, select the **overview** button in the popup screen which lists all lease records. To apply to specific leases, select the **checkbox** next to each lease. Once all options are selected, click on 'OK' to close the popup screen. Select 'Create Review Assumption.' In the 'Review Assumption Items' section, click the lease record(s) to adopt. Click on 'Submit' in the upper right corner.

Upon completion of the adoption, the lease record will reflect the Adoption Date and the field 'Standard Adopted' will be flagged on the Accounting tab. The Operating/Finance Schedules on the Accounting tab will be updated to reflect new values from the Adoption date through the end of the lease term.

The screenshot displays the IBM TRIRIGA web application interface. The top navigation bar includes links for Home, My Reports, Requests, Projects, Tasks, Space, Maintenance, Sustainability, Inventory, and Contracts. The 'Contracts' tab is active, and the 'Leases' sub-tab is selected. The left sidebar shows a tree view with 'Reminders - Contract Leases' expanded, containing 'Notices', 'Abstract Leases', 'Manage RE Contracts', and 'Manage Asset Leases'. Below this, 'Related Links - Contract Leases' includes 'Document Manager', 'New Lease Abstract', 'Lease Abstracts', 'RE Contracts', 'Asset Leases' (highlighted with a red box), 'Review Lease Assumptions' (highlighted with a red box), 'Owned Property (Free) Agreements', and 'Space Use Agreements'.

The main content area shows a table titled 'Work In Progress Lease Abstracts' with columns for Photo, Abstractor, ID, Contract Name, City, and State. Below this is a table titled 'My Real Estate Contracts' with columns for Photo, ID, and Contract Name. The table contains several rows of lease data, including 'Annual CPI Increase, Monthly Adv Pmt, Operating' and 'Copy of 1000041: Prorate test FullPmtStart = 4/1/2017, Manual change End date on...'. The 'Review Lease Assumptions' link is highlighted with a red box.

The bottom section shows the 'Bulk Create Review Assumptions Request' screen. It includes tabs for General, Notifications, Notes & Documents, System, Workflow Instance, and Associations. The 'Reason' section has a 'Review Type' of 'Initial Adoption to New Standard' and a 'Review Comments' field. The 'Fiscal Period' is set to '2017 - 01'. The 'Lease Filters' section includes fields for City, State, Country, and Building. The 'Leases' section shows a table with columns for ID, Name, Lease Type, Lease Category, Form Name, Includes Index, Includes FMARV, City, State/Province, Country, Status, and Standard Adopted. The 'Review Assumptions' section shows a table with columns for Review Type, ID, Name, Lease Type, Form Name, City, State / Province, Country, Status, Standard Adopted, and Term. The 'Review' section shows a table with columns for Review Type, ID, Name, Lease Type, Form Name, City, State / Province, Country, Status, Standard Adopted, and Term. The 'Review' section shows a table with columns for Review Type, ID, Name, Lease Type, Form Name, City, State / Province, Country, Status, Standard Adopted, and Term. The 'Review' section shows a table with columns for Review Type, ID, Name, Lease Type, Form Name, City, State / Province, Country, Status, Standard Adopted, and Term.

# Operating and Finance Schedules for GAAP (FASB ASC 842) and IFRS 16

## Financial Assumptions

- As we scroll down on the Accounting Tab, the Financial Assumptions for lease accounting under the new FASB & IASB standards are visible.
- Since 2010, TRIRIGA has supported option term payments. This comes into play as you use TRIRIGA to select your Likely Term based upon your renewal options.
- TRIRIGA provides global settings in order to establish your Adoption Date and Two Year Look-back period.

Real Estate Lease: 1000496-0-IBM Watson Lease Add To Bookmarks Print Help

General Contact Details Locations Clauses, Options & Terms Payments Accounting Space Use Agreement History Revise More x

**Term Assumption**

Commencement Date 06/01/2017 Short Term Lease No  
 Likely Expiration Date 06/30/2018  
 Likely Term 1 Year 1 Month Extend Rent Payments for Likely Term ☐  
 Adoption Date Standard Adopted ☐  
 Reassessed Effective Date Previous Reassessed Effective Date

**Borrow Rate & % Growth Assumptions**

Incremental Borrowing Rate 3 percent

**Rent Component Assumptions**

% Is Maintenance	0 percent
% Is Tax	0 percent
% Is Other	0 percent
% Is Insurance	0 percent
% Is Base Rent	100 percent

**Term Option**

Name	Option Type
Option # 0	Likely Term End Date

- When your accounting policy is established, you will have the information that you need in order to adopt the new leasing standard. To facilitate your transition, TRIRIGA allows you to adopt the standard in bulk, for groups of leases.
- (For clarity, 'establishing the accounting policy' means that the corporation's accounting executives defined the adoption and look-back periods and set standards for establishing likely term and practical expedients.)
- As of the look-back period, TRIRIGA will calculate the NPV of Rent.

Real Estate Lease: 1000496-0-IBM Watson Lease Add To Bookmarks Print Help

General Contact Details Locations Clauses, Options & Terms Payments Accounting Space Use Agreement History Revise More x

**Schedule Summary**

Total Rent Expenses	\$22,650.00	US Dollars	Current NPV of Rent	\$31,999.07	US Dollars
Straight Line Rent per Year	\$20,907.69	US Dollars	Current Asset Value	\$22,294.25	US Dollars
Total Maintenance Expenses	\$ .00	US Dollars	Total Security Expenses	\$ .00	US Dollars
Total Tax Expenses	\$ .00	US Dollars	Total Other Expenses	\$ .00	US Dollars
Total Insurance Expenses	\$ .00	US Dollars	Total Utilities Expenses	\$ .00	US Dollars

## Non-Rent Components in Gross Leases

- For a gross lease, TRIRIGA exposes the non-rent components section within the lease assumption review form and within the lease accounting tab.
- The global settings for rent component assumptions are defaulted, but may be overwritten on individual leases or when performing a bulk lease assumption review.
- The Net Rent Payment in the Straight-Line Rent Schedule and Operating Schedule will use the base rent percentage in order to adjust the gross rent in the payment schedules.
- If a policy election is made to not separate lease and non-lease components on Gross Leases, these percentage values should remain as 0.

REContract Revision: Print Help Continue x

(Required): Describe why you are revising the contract.

**Change Type**

\* Change Type  Revised By AccountantNF, Lease - 1000034  
 \* Fiscal Period  Effective Date  
 Accounting Calendar Standard Calendar  
 Description

**Details**

Fair Market Value  US Dollars Residual Value Guarantee  US Dollars

**Borrow Rate & % Growth Assumptions**

Incremental Borrowing Rate  percent

**Rent Component Assumptions**

% Is Maintenance	<input type="text" value="0"/>	percent
% Is Tax	<input type="text" value="0"/>	percent
% Is Other	<input type="text" value="0"/>	percent
% Is Insurance	<input type="text" value="0"/>	percent
% Base Rent	<input type="text" value="100"/>	percent

Continue x

## Tenant Improvement Incentives (TI)

- TRIRIGA provides two separate schedules for TI under ASC 840 and IASB 17.
- One schedule covers the TI received before lease commencement, and the second schedule covers the TI received after lease commencement. This is done in order to carry forward unamortized lease incentives to calculate the initial ROU Asset Value on transition to ASC 842.

### ASC 840, IASB 17

Real Estate Lease: 1000496-0-IBM Watson Lease

Add To Bookmarks Print

General Contact Details Locations Clauses, Options & Terms Payments Accounting Local Reporting Space Use Agreement History Summary Service Areas

#### Incentive Schedule Before Lease Commencement

Export 48 total found

Fiscal Period	Incentive Amount	Accrual	Liability
2016 - 07	\$15,000.00	\$312.50	\$14,687.50
2016 - 08	\$0.00	\$312.50	\$14,375.00
2016 - 09	\$0.00	\$312.50	\$14,062.50
2016 - 10	\$0.00	\$312.50	\$13,750.00
2016 - 11	\$0.00	\$312.50	\$13,437.50
2016 - 12	\$0.00	\$312.50	\$13,125.00
2017 - 01	\$0.00	\$312.50	\$12,812.50
2017 - 02	\$0.00	\$312.50	\$12,500.00
2017 - 03	\$0.00	\$312.50	\$12,187.50
2017 - 04	\$0.00	\$312.50	\$11,875.00
2017 - 05	\$0.00	\$312.50	\$11,562.50

#### Incentive Schedule After Lease Commencement

Export 48 total found

2016 - 07	\$15,000.00	\$312.50	\$14,687.50
2016 - 08	\$0.00	\$312.50	\$14,375.00
2016 - 09	\$0.00	\$312.50	\$14,062.50
2016 - 10	\$0.00	\$312.50	\$13,750.00
2016 - 11	\$0.00	\$312.50	\$13,437.50
2016 - 12	\$0.00	\$312.50	\$13,125.00
2017 - 01	\$0.00	\$312.50	\$12,812.50
2017 - 02	\$0.00	\$312.50	\$12,500.00
2017 - 03	\$0.00	\$312.50	\$12,187.50
2017 - 04	\$0.00	\$312.50	\$11,875.00
2017 - 05	\$0.00	\$312.50	\$11,562.50
2017 - 06	\$0.00	\$312.50	\$11,250.00
2017 - 07	\$10,000.00	\$312.50	\$11,937.50



- For ASC 842 and IFRS16, TRIRIGA reduces the overall liability in the fiscal period in which the TI is received by netting the TI against the lease payments. In other words, the net rent payment is reduced in the period in which TI is received.
- In this screenshot, a \$10,000 Tenant Improvement Incentive is scheduled for July 2017, therefore the \$41,000 Net Rent Payment in that period reflects the net of the new \$51,000 payment less the \$10,000 Tenant Improvement Incentive.

## ASC 842, IFRS 16

Real Estate Lease: 1000496-0-IBM Watson Lease

Add To Bookmarks

Print

General

Contact Details

Locations

Clauses, Options & Terms

Payments

Accounting

Local Reporting

Space Use Agreement

History

Summary

Service Areas

Schedule Summary

Total Rent Expenses

\$2,162,000.00

US Dollars

Current NPV of Rent

\$2,053,517.98

US

Straight Line Rent per Year

\$617,714.29

US Dollars

Current Asset Value

\$2,028,267.98

US

Total Maintenance Expenses

\$ .00

US Dollars

Total Security Expenses

\$ .00

US

Total Tax Expenses

\$ .00

US Dollars

Total Other Expenses

\$ .00

US

Total Insurance Expenses

\$ .00

US Dollars

Total Utilities Expenses

\$ .00

US

Operating Schedule

Export

42 total found

Fiscal Period	Net Rent Payment	Variable Lease Payment	Rent Expense	Accrual	Accrued Liability	Interest Expense	Change in Liability Value	Liability Value	Asset Value	Amort
2017 - 01	\$50,000.00	\$ .00	\$50,875.00	\$-1,187.50	\$-13,312.50	\$5,008.79	\$-44,991.21	\$2,008,526.77	\$1,982,401.77	\$4
2017 - 02	\$50,000.00	\$ .00	\$50,875.00	\$-1,187.50	\$-14,500.00	\$4,896.32	\$-45,103.68	\$1,963,423.09	\$1,936,423.09	\$4
2017 - 03	\$50,000.00	\$ .00	\$50,875.00	\$-1,187.50	\$-15,687.50	\$4,783.56	\$-45,216.44	\$1,918,206.64	\$1,890,331.65	\$4
2017 - 04	\$50,000.00	\$ .00	\$50,875.00	\$-1,187.50	\$-16,875.00	\$4,670.52	\$-45,329.48	\$1,872,877.16	\$1,844,127.17	\$4
2017 - 05	\$50,000.00	\$ .00	\$50,875.00	\$-1,187.50	\$-18,062.50	\$4,557.19	\$-45,442.81	\$1,827,434.35	\$1,797,809.36	\$4
2017 - 06	\$50,000.00	\$ .00	\$50,875.00	\$-1,187.50	\$-19,250.00	\$4,443.59	\$-45,556.41	\$1,781,877.94	\$1,751,377.95	\$4
2017 - 07	\$41,000.00	\$ .00	\$50,875.00	\$-10,187.50	\$-29,437.50	\$4,352.19	\$-36,647.81	\$1,745,230.14	\$1,704,855.14	\$4
2017 - 08	\$51,000.00	\$ .00	\$50,875.00	\$-187.50	\$-29,625.00	\$4,235.58	\$-46,764.42	\$1,698,465.71	\$1,658,215.72	\$4
2017 - 09	\$51,000.00	\$ .00	\$50,875.00	\$-187.50	\$-29,812.50	\$4,118.66	\$-46,881.34	\$1,651,584.37	\$1,611,459.38	\$4
2017 - 10	\$51,000.00	\$ .00	\$50,875.00	\$-187.50	\$-30,000.00	\$4,001.46	\$-46,998.54	\$1,604,585.84	\$1,564,585.84	\$4
2017 - 11	\$51,000.00	\$ .00	\$50,875.00	\$-187.50	\$-30,187.50	\$3,883.96	\$-47,116.04	\$1,557,469.80	\$1,517,594.80	\$4

## Operating Schedule – GAAP (FASB)

- At that point, if accounting standard is FASB, TRIRIGA will generate the Operating Schedule required for the new FASB Standard, ASC 842.
- It will carry forward the deferred rent from the prior period on your Straight-Line Rent schedule, as you'll see in the Accrued Liability for the first fiscal period.
- The left 4 columns are essentially today's straight-line rent schedule.

Real Estate Lease: 1000496-0-IBM Watson Lease

General Contact Details Locations Clauses, Options & Terms Payments Accounting Space Use Agreement History [Add To Bookmarks](#) [Print](#) [Help](#)

**Operating Schedule**

[Export](#) 13 total found

Fiscal Period	Net Rent Payment	Variable Lease Payment	Rent Expense	Accrual	Accrued Liability	Interest Expense	Change in Liability Value	Liability Value	Asset Value	Amortization	Gain (Loss) on Revaluation	Net Equity
2017 - 06	\$1,500.00	\$0.00	\$1,742.31	\$-242.31	\$-242.31	\$51.99	\$-1,448.01	\$20,846.23	\$20,603.92	\$1,690.32	\$0.00	\$-242.31
2017 - 07	\$1,500.00	\$0.00	\$1,742.31	\$-242.31	\$-484.62	\$48.37	\$-1,451.63	\$19,394.60	\$18,909.98	\$1,693.94	\$0.00	\$-484.62
2017 - 08	\$1,500.00	\$0.00	\$1,742.31	\$-242.31	\$-726.93	\$44.74	\$-1,455.26	\$17,939.33	\$17,212.41	\$1,697.57	\$0.00	\$-726.92
2017 - 09	\$1,650.00	\$0.00	\$1,742.31	\$-92.31	\$-819.24	\$40.72	\$-1,609.28	\$16,330.06	\$15,510.83	\$1,701.58	\$0.00	\$-819.23
2017 - 10	\$1,650.00	\$0.00	\$1,742.31	\$-92.31	\$-911.55	\$36.70	\$-1,613.30	\$14,716.76	\$13,805.22	\$1,705.61	\$0.00	\$-911.54
2017 - 11	\$1,650.00	\$0.00	\$1,742.31	\$-92.31	\$-1,003.86	\$32.67	\$-1,617.33	\$13,099.42	\$12,095.58	\$1,709.64	\$0.00	\$-1,003.84
2017 - 12	\$1,800.00	\$0.00	\$1,742.31	\$57.69	\$-946.17	\$28.25	\$-1,771.75	\$11,327.67	\$10,381.52	\$1,714.06	\$0.00	\$-946.15
2018 - 01	\$1,800.00	\$0.00	\$1,742.31	\$57.69	\$-888.48	\$23.82	\$-1,776.18	\$9,551.49	\$8,663.03	\$1,718.49	\$0.00	\$-888.46
2018 - 02	\$1,800.00	\$0.00	\$1,742.31	\$57.69	\$-830.79	\$19.38	\$-1,780.62	\$7,770.87	\$6,940.10	\$1,722.93	\$0.00	\$-830.77
2018 - 03	\$1,950.00	\$0.00	\$1,742.31	\$207.69	\$-623.10	\$14.55	\$-1,935.45	\$5,835.42	\$5,212.34	\$1,727.76	\$0.00	\$-623.08
2018 - 04	\$1,950.00	\$0.00	\$1,742.31	\$207.69	\$-415.41	\$9.71	\$-1,940.29	\$3,895.14	\$3,479.75	\$1,732.59	\$0.00	\$-415.39

- To the right of that, the FASB calls for a hybrid amortization schedule with an amortization that is derived from Rent Expense and Interest Expense.
- TRIRIGA now supports Impairment and calculates Gain or Loss under the appropriate lease modifications, according to guidance from our Accounting Partners.
- TRIRIGA now includes the unamortized costs including Initial Direct Costs, Rental Prepayments, and Tenant Improvement Incentives in the calculation of the initial asset value.
- Lastly, but most importantly, TRIRIGA calculates the Net Equity from the Right of Use (ROU) Asset and Liability Value. Using this value, you can see the impact of your operating leases on your balance sheet under the new leasing standard.
- In 10.5.1, Operating/Finance schedules are supported for payment schedules with frequency="Monthly". The Operating/Finance schedule works for non-monthly frequency (Quarterly, Semi-Annually) in cases where the Accounting End date is equal to the Likely expiration date. Whether monthly or non-monthly, TRIRIGA calculates a monthly rate in order to populate a net rent payment in the accounting schedule. In effect, the amount of was spread across the months in the non-monthly frequency.
- TRIRIGA now calculates, in the operating schedule, Net Rent Payments for option term payments with frequencies other than monthly.
- In 10.5.2, TRIRIGA delivers full support of monthly and non-monthly frequency of payments for Operating/Finance leases. TRIRIGA uses the due date of the payment that corresponds to the fiscal period In order to populate the net rent payment.



## Finance Schedule – IFRS (IASB)

- At that point, if accounting standard is IASB, TRIRIGA will generate the Finance Schedule required for the new IFRS 16.
- The Finance Schedule resembles the Amortization Schedule produced for both IASB 17 and IFRS 16.

Real Estate Lease: 1000496-0-IBM Watson Lease

General Contact Details Locations Clauses, Options & Terms Payments Accounting Space Use Agreement Submit For Accounting Review Save Save & Close More x

Finance Schedule

Export 13 total found

Fiscal Period	Net Rent Payment	Variable Lease Payment	Interest Expense	Change in Liability Value	Amortization	P & L Book Expense	Rent Expense	P & L Impact	Asset Value	Gain (Loss) on Revaluation	Liability Value	Net Equity
2017 - 06	€1,500.00	€0.00	€51.99	€-1,448.01	€0.00	€51.99	€1,742.31	€-1,690.32	€0.00	€0.00	€20,846.23	€-242.31
2017 - 07	€1,500.00	€0.00	€48.37	€-1,451.63	€0.00	€48.37	€1,742.31	€-1,693.94	€0.00	€0.00	€19,394.60	€-484.62
2017 - 08	€1,500.00	€0.00	€44.74	€-1,455.26	€0.00	€44.74	€1,742.31	€-1,697.57	€0.00	€0.00	€17,939.33	€-726.92
2017 - 09	€1,650.00	€0.00	€40.72	€-1,609.28	€0.00	€40.72	€1,742.31	€-1,701.59	€0.00	€0.00	€16,330.06	€-819.23
2017 - 10	€1,650.00	€0.00	€36.70	€-1,613.30	€0.00	€36.70	€1,742.31	€-1,705.61	€0.00	€0.00	€14,716.76	€-911.54
2017 - 11	€1,650.00	€0.00	€32.67	€-1,617.33	€0.00	€32.67	€1,742.31	€-1,709.64	€0.00	€0.00	€13,099.42	€-1,003.84
2017 - 12	€1,800.00	€0.00	€28.25	€-1,771.75	€0.00	€28.25	€1,742.31	€-1,714.06	€0.00	€0.00	€11,327.67	€-946.15
2018 - 01	€1,800.00	€0.00	€23.82	€-1,776.18	€0.00	€23.82	€1,742.31	€-1,718.49	€0.00	€0.00	€9,551.49	€-888.46
2018 - 02	€1,800.00	€0.00	€19.38	€-1,780.62	€0.00	€19.38	€1,742.31	€-1,722.93	€0.00	€0.00	€7,770.87	€-830.77
2018 - 03	€1,950.00	€0.00	€14.55	€-1,935.45	€0.00	€14.55	€1,742.31	€-1,727.76	€0.00	€0.00	€5,835.42	€-623.08
2018 - 04	€1,950.00	€0.00	€9.71	€-1,940.29	€0.00	€9.71	€1,742.31	€-1,732.60	€0.00	€0.00	€3,895.14	€-415.39

- TRIRIGA now supports Impairment and calculates Gain or Loss under the appropriate lease modifications, according to guidance from our Accounting Partners.
- TRIRIGA now includes the unamortized costs including Initial Direct Costs, Rental Prepayments, and Tenant Improvement Incentives in the calculation of the initial asset value.
- Lastly, but most importantly, TRIRIGA calculates the Net Equity from the Right of Use (ROU) Asset and Liability Value. Using this value, you can see the impact of your operating leases on your balance sheet under the new leasing standard.
- In 10.5.1, Operating/Finance schedules are supported for payment schedules with frequency="Monthly". The Operating/Finance schedule works for non-monthly frequency (Quarterly, Semi-Annually) in cases where the Accounting End date is equal to the Likely expiration date. Whether monthly or non-monthly, TRIRIGA calculates a monthly rate in order to populate a net rent payment in the accounting schedule. In effect, the amount of was spread across the months in the non-monthly frequency.
- TRIRIGA now calculates, in the operating schedule, Net Rent Payments for option term payments with frequencies other than monthly.
- In 10.5.2, TRIRIGA delivers full support of monthly and non-monthly frequency of payments for Operating/Finance leases. TRIRIGA uses the due date of the payment that corresponds to the fiscal period in order to populate the net rent payment.
- In 10.5.2, for leases that include contingent rent, TRIRIGA will calculate the rent expense using the amount that is certain, the minimum percent increase. As actual indexation is recorded, TRIRIGA restates the finance schedule for IFRS from the effective fiscal period forward, reflecting the change in the liability.
- Index-based rent increases are reflected as Variable lease payments which are not included in the Lease Liability calculation for GAAP. When the IFRS Accounting Standard is applied to Index-based rent increases, Net Rent Payment is updated to reflect the new increased payment, which also remeasures the Lease Liability and Asset Value

## Contingent Rent

- The initial generation of TRIRIGA Straight-Line Rent Schedules reflect the amount of indexation that is certain. In other words, the minimum % increase (floor) specified in the lease contract.

Lease Clause: 1000141-Rent
Print
Help

General
System
Workflow Instance
Associations
Audit Actions

Lease Clause Details

Clause Type
Rent

Section Category
Rent

Clause Summary
FirstAdjustmentDate = 1/1/2016, commencement Date

Covenant Details

Clause Text

Index Adjustments

Cost Index
CPI

Base Year
2016

Base Index (Percent)
120

Adjustment Frequency
Annually

First Adjustment Date
01/01/2016

Minimum % Increase
0

Maximum % Increase
0

Description

Index Source

Base Index Date

Index Percent at Base Year
100

Adjustment Reminder
0

Lifetime Min % Increase
0

Lifetime Max % Increase
0

Payment Schedule

Related Reports
-Select-
Recurring Payment Setup

Export
3 total found
Apply Filters
Clear Filters
Show: 10

<

# Lease Modifications

TRIRIGA 10.5.3 introduces a revised process for recording lease modifications which includes a Modification Effective Date that allows the fiscal period in which the changes should be reflected to be determined by the Lease Administrator or Lease Accountant.

Modifications may be retroactively applied to a prior fiscal period by selecting the effective fiscal period desired in the Fiscal Period field. Providing a retroactive fiscal period will update the Accounting Schedules as of the selected fiscal period, not the current fiscal period. However, any financial transaction true-ups from the retroactive fiscal period to the last closed fiscal period will be recorded as “catch-up” Journal Entries in the current open fiscal period.

Modifications may be prospectively applied to the current fiscal period by selecting the current open fiscal period in the Fiscal Period field. This action will update the Accounting Schedules to reflect a balloon “catch-up” for any payment changes in the current open fiscal period and will smooth the remaining Rent Expense from the current open fiscal period to the end of the lease term.

## Modification 1: Data Revise

The ‘Data Revise’ modification action would be used in the case that a Lease Administrator/Lease Accountant needs to change any of the non-accounting information regarding a lease. To make these revisions within the active lease record – click “Revise” and select “Data Revise” from the dropdown.

The screenshot displays the 'Real Estate Lease: 1000111-0-Watson Lease' window. The top navigation bar includes tabs for General, Contact Details, Locations, Clauses, Options & Terms, Payments, Accounting, and Local Reports. A 'Revise' button is visible in the top right. Below the navigation bar, a 'REContract Revision:' dialog box is open, prompting the user to 'Describe why you are revising the contract.' The dialog box contains a 'Change Type' dropdown menu set to 'Data Revise', a 'Fiscal Period' field, and a 'Description' text area. The 'Revised By' field is populated with 'AdminNF, Lease - 1000036'. The 'Accounting Calendar' is set to 'Standard Calendar'. The dialog box has 'Continue' and 'x' buttons at the bottom.

Following the selection of ‘Data Revise’ the user must then select the fiscal period in which these changes should take place. This functionality is available to allow the user to back-date changes, in case they happen to miss any deadlines. It is important to note that the user should not generally select the type of calendar when presented in the Fiscal Period field (i.e. “4-4-5 fiscal year calendar vs standard calendar) but instead select the small ‘plus’ (+) button to the left of the desired calendar and then further select the month and year in which these changes take place. If a user fails to select a specific month/year then the record can end up freezing upon processing which would cause issues. This functionality plays more of a role with the other change types as no accounting data can be edited through “Data Revise”.

Once the fiscal period is selected and the user has clicked “continue” the revision screen will close and the contract will open up again. Back in the Lease record, you will notice that while the “General”, “Contract Details”, and “Clauses, Options, and Payments” tabs are editable, all of the information in the “Payments” and “Accounting” tabs are not editable for the Lease Administrator.

Real Estate Lease: 1000598-0-Copy of Watson Lease 2
Add To Bookmarks
Print
Help

Description
Contact Details
Locations
Clauses, Options & Terms
Payments
Accounting
Submit For Accounting Review
Save
Save & Close
More

(Required): Provide general information about this Real Estate Lease.

General

ID 1000598 Revision 0 Status Revision In Progress Picture

Name Copy of Watson Lease 2

Description

Legal Name

Display Color
Legacy ID

Units

Currency US Dollars Area Units square-feet
Carbon Reporting UOM US Tons CO2 Energy Reporting UOM megajoules

Details

Lease Type Expense Lease Lease Category Full Servi Primary Use Back Offi
Base Lease Rate \$5.00 US Dollars Lease Base Year 0 Co-location
Conversion Group Default Currency Exchange Date 04/03/20 Contract Status
Memorandum of Lease Rules And Regulation?
Is Cost or Fair Market Value Determinable? Is it Market-Based?
Accounting Type Accounts Payable (AP)
Payment Timing Payment in Advance

Critical Dates

Commencement Date 01/15/2016 Lease Term 4 Years 11 Months
Base Lease Expiration Date 12/14/2020 Expiration Reminder 6 Months Expiration Notification Date 06/14/2020
Rent Commencement Date Inception (Execution) Date Vacate Date
Legal Notice Date Legal Notice Reminder 6 Months Legal Notification Date
Original Commencement Date Construction Start Date
Original Expiration Date Construction End Date

Business Unit

Real Estate Lease: 1000598-0-Copy of Watson Lease 2
Add To Bookmarks
Print
Help

Contact Details
Locations
Clauses, Options & Terms
Payments
Accounting
Submit For Accounting Review
Save
Save & Close
More

(Optional): Review accounting details such as Review Dates, Assumptions, Likely Term, and Amortization Summary &amp; Schedules.

Accounting Details

Accounting Type Accounts Payable (AP) Accounting Standard GAAP (FASB)
Accounting Start Date 01/15/2016 Local Reporting Required
Accounting End Date 12/15/2020 Accounting Cost Center 123645
Accounting Calendar Standard Calendar
Initial Direct Costs \$0.00 US Dollars Spend Category Organic Disposition
Rental Prepayment \$0.00 US Dollars Payment Timing Payment in Advance
Residual Value Guarantee \$0.00 US Dollars
10k Disclosure

Business Unit

Organization
Business Unit

FASB Treatment

FASB Lease Type

Lease Classification

Lease Classification
No alternative use of specialized asset to lessor at end of lease term? No
Management Assumptions

The Lease Accountant will only have access to the Accounting tab, under the “Data Revise” option.

Following all of the data revisions, the user must then select “Submit for Accounting Review” on the top right corner of the screen, to re-close the record and to send all of the changes to the Lease Accountant for review.

## **Modification 2: Change In Assessment**

The next two modifications – “change in assessment”, and “amendment” are highly interconnected, and it is very important to understand the differences. Per the new FASB accounting standards, if a company is ‘reasonably certain’ that they will exercise a Renewal, Termination, or Purchase option they must account for that in their financial records. This decision, to update ones’ books to reflect likely decisions by the company, is referred to as a “Change in Assessment”. **It is important to note that performing a “Change in Assessment” is not the same as executing an option, and is also a non-binding decision. A “Change in Assessment” is performed by the Lease Accountant when ‘reasonably certain’ of executing an option in the future, while an “Amendment” (discussed next) is a binding execution of an option by a Lease Administrator.**

The Lease Accountant will only be able to modify the assessment on these three options if they have been assigned to the lease.

As mentioned earlier, a Lease Accountant cannot modify the assessment until a Lease Administrator has assigned these options to the lease. To ensure that the proper options are in place, the Lease Accountant should first select the “Clauses, Options, and Terms” tab of the lease and then further select the “Options” section, as seen below:

Real Estate Lease: 1000176-1-IBM Watson RE Lease Add To Bookmarks Print Help

General Contact Details Locations **Clauses, Options & Terms** Paym Submit For Accounting Review Save Save & Close More x

(Optional): Review Lease Clause Details, Options, and Deal Terms.

**Likely Term Option** Find Clear

**Name** **Option Type**  
**Option # 0** **Likely Term End Date**

Clauses Options Terms

**Options** Add Options Wizard Remove

Export 2 total found Show: 50

<input type="checkbox"/>	! Option Type	Option #	Term	Option Effective Date	Renewal Expiration Date	Landlord Notice Date	Exercise Notice Date	Option Text	Status
<input type="checkbox"/>	Renewal	0	1 Year	01/01/2019	12/31/2019	06/30/2018	12/30/2017		Active
<input type="checkbox"/>	Termination	1	0	12/31/2017		06/29/2017	12/29/2016		Active

Submit For Accounting Review Save Save & Close More x

Once the user ensures that all of the necessary options are entered into TRIRIGA, they can proceed with a change in assessment, by selecting the “Accounting Revise” button in the top-right corner of the window. If the Lease Accountant finds that some of the options from the lease contract are missing, they must contact the Lease Administrator to edit and correct the record within TRIRIGA, prior to them performing a “Change in Assessment”.

Just as before the user should select the ‘revise’ button causing the following window to appear:

Real Estate Lease: 1000176-0-IBM Watson RE Lease

General Contact Details Locations Clauses, Options & Terms Payments Accounting Space Use Agreement History

REContract Revision:

(Required): Describe why you are revising the contract.

**Change Type**

★ Change Type **Change in Assessment**

★ Fiscal Period **2017 - 01**

Accounting Calendar **Standard Calendar**

Description

Revised By Finance, Frank - 1000017

Effective Date 01/01/2017

**Current Likely Term**

**Current Likely Term Option**

**Options**

Export 2 total found

!	Option Type	Option #	Renewal Term	Likely Term End Date	Status	Likely Term
<input type="radio"/>	Termination	1 0			Active	
<input checked="" type="radio"/>	Renewal	0 1 Year		12/31/2019	Active	

Continue

The user should then select “Change in Assessment” from the ‘Change Type’ drop-down box. As is standard practice, once the change type is selected, the user must then select the financial period in which the change is to take place. Remember, it is not sufficient to just select the accounting calendar, the user must expand the plus (+) next to the desired calendar and then further expand to the month and year in which this change is to take place. **Note: Selecting the year and quarter (i.e 2017 Q1) is not sufficient. The user must select the month and year the decision to make a change in assessment was made.** This date will become the Modification Effective Date at which point the Operating/Finance Accounting Schedules will be updated to reflect the changes from that fiscal period through the Likely Expiration Date.

The main thing to note with a “Change in Assessment” is that there is one more step following the selection of the fiscal period. The user must then select, at the bottom of the page (as seen in the image above), which of the lease options they want to execute. Once the user selects the option to change the assessment and clicks “continue” then this smaller window will close and open back up the record again in the “Accounting” tab.





In order to make one of those changes, the Lease Administrator must first select the “Contract Revise” button in the top right corner of the window.

Real Estate Lease: 1000598-0-Copy of Watson Lease 2

General Contact Details Locations Clauses, Options & Terms Payments Accounting Space Use Agreement

Revise Expire Terminate More x

REContract Revision: Print Help

Continue x

(Required): Describe why you are revising the contract.

**Attention!**

This amendment takes the accounting start and end date into consideration. On Activate from an Amendment, if the Lease Term or Lease Obligation changed, the system uses the Accounting Start and Accounting End dates to recalculate the amortization, straight-line schedules, and net present value.

**Change Type**

★ Change Type Amendment

★ Fiscal Period

Accounting Calendar Standard Calendar

Description

Revised By AdminNF, Lease - 1000036

Effective Date

**Revision Details**

Current Amendment Number 0 New Amendment Number 1

Continue x

After the “Fiscal Period” is input, the user should then provide a brief description of the adjustments they are about to make (for referencing purposes at a later date) and then click on one of the two “Continue” buttons.

Following this, the user will notice that the “General” tab of the record opens again. As seen below, the user should then select the “Clauses, Options, and Terms” and then the “Options” sub-tab. Note that this document is showing the execution of an option as an example. But if the user wanted to execute a clause, the same steps should be performed, and instead of selecting the “options” sub-tab, they would select the “clauses” sub-tab.

Once in the “Options” sub-tab, the user should then select which option they would like to execute. Note, the user must not select the check-box next to the options name, but instead must select the name of the option. Following this selection the option window will open, as seen in the bottom of the image below.

Real Estate Lease: 1000176-0-IBM Watson RE Lease Add To Bookmarks Print Help

Details Locations Clauses, Options & Terms Payments Submit For Accounting Review Save Save & Close More x

(Optional): Review Lease Clause Details, Options, and Deal Terms.

**Likely Term Option** Find Clear

**Name** **Option Type**  
**Option # 0** **Likely Term End Date**

Clauses Options Terms

**Options** Add Options Wizard Remove

Export 2 total found Show: 50

<input type="checkbox"/>	! Option Type	Option #	Term	Option Effective Date	Renewal Expiration Date	Landlord Notice Date	Exercise Notice Date	Option Text	Status
<input type="checkbox"/>	Renewal	0 1 Year		01/01/2019	12/31/2019	06/30/2018	12/30/2017		Active
<input type="checkbox"/>	Termination	1 0		12/31/2017		06/29/2017	12/29/2016		Active

Submit For Accounting Review Save Save & Close More x

ibmbuildqa.valudconsulting.com

Option: Renewal - 1000180 Print Help

Exercise Expire Save Save & Close More x

In the new window, all the Lease Administrator must do is select “Exercise”. After the Exercise has been executed, the Lease Administrator must select “Submit for Accounting Review” for the Lease Accountant to process changes that will update the Accounting tab.

This modification type requires a remeasurement and reclassification of the lease. To perform these functions, the Lease Accountant should select “Calculate Lease Treatment” followed by selecting “Recalculate Accounting Schedules.” Even if the classification doesn’t change, the Accounting Schedules will need to be updated to reflect the changes from the assessment. Finally, the lease should be activated.

If a lease was created without renewal options but the lease term will be extended, the Lease Administrator should perform three steps. First, after selecting the ‘Lease Extension’ Amendment Type, change the ‘Base Lease Expiration Date’ on the General tab to the new end date of the lease. Second, add corresponding payment schedule(s) through the new lease end date. The final step is to select “Submit for Accounting Review”. The Lease Accountant will review and verify Accounting Start Date on the Accounting tab updated to the Modification Effective Date. They should also verify the Accounting End Date and Likely Expiration Date were updated to the new lease end date. They will then “Calculate Lease Treatment” and “Recalculate Accounting Schedules.”

## Modification 4: Change In Contractual Factors

A “Change In Contractual Factors”, allows the user to re-measure but not reclassify the lease. In order to complete a ‘Change in Contractual Factors’ modification a user should follow the same process as the rest of the modification. The Lease Accountant should select “Accounting Revise” and then “Contractual Factors” from the change type drop down, which will then make the following window appear:

The screenshot shows the 'REContract Revision' window. At the top, there is a title bar with 'Print' and 'Help' icons. Below the title bar, a message says '(Required): Describe why you are revising the contract.' The 'Change Type' tab is selected, showing a dropdown menu with 'Contractual Factors' selected. Other fields include 'Fiscal Period', 'Accounting Calendar' (Standard Calendar), 'Description', 'Revised By' (Finance, Frank - 1000017), and 'Effective Date'. The 'Details' tab is also visible, showing 'Fair Market Value' (\$0.00 US Dollars) and 'Residual Value Guarantee' (\$0.00 US Dollars). The 'Borrow Rate & % Growth Assumptions' tab is selected, showing 'Incremental Borrowing Rate' (3 percent) and 'Rent Component Assumptions' (5 percent for Maintenance, Tax, Insurance, and Base Rent).

Field	Value	Unit
Fair Market Value	\$0.00	US Dollars
Residual Value Guarantee	\$0.00	US Dollars
Incremental Borrowing Rate	3	percent
% Is Maintenance	5	percent
% Is Tax	5	percent
% Is Other	0	percent
% Is Insurance	0	percent
% Base Rent	90	percent

The Lease Accountant has the option of adjusting the Fair Market Value\*, Residual Value Guarantee, Incremental Borrowing Rate, or Rent Component Assumptions (for Gross Lease Types). After all necessary changes have been made, the user should then select the “Continue” button to close this window and to open up the record. Just like with the “Change in Assessment” modification, the

Accounting tab becomes editable while the rest of the record remains noneditable.

\*In 10.5.3, if the Fair Market Value is lower than the Asset Value on the Operating/Finance Schedule in the Fiscal Period assigned as the Modification Effective Date, an Impairment transaction will be recognized. The difference between Current Asset Value (new Fair Market Value) and the Asset Value on the Operating/Finance Schedule will be reflected as a Loss and a Standard Journal Entry will be calculated if included during the initial system integration.

Real Estate Lease: 1000598-0-Copy of Watson Lease 2
Add To Bookmarks
Print
Help

Details
Locations
Clauses, Options & Terms
Payments
Accounting
Activate
Recalculate Accounting Schedule
Save & Close
More

Accounting Details

Accounting Type

Accounts Payable (AP)

Accounting Standard

GAAP (FASB)

Accounting Start Date

01/15/2016

Local Reporting Required

Accounting End Date

12/15/2020

Accounting Cost Center

123645

Accounting Calendar

Standard Calendar

Initial Direct Costs

\$0.00 US Dollars

Spend Category

Organic Disposition

Rental Prepayment

\$0.00 US Dollars

Payment Timing

Payment in Advance

Residual Value Guarantee

\$0.00 US Dollars

10k Disclosure

Business Unit

Organization

Business Unit

FASB Treatment

Calculate Lease Treatment

FASB Lease Type

Lease Classification

Lease Classification

No alternative use of specialized asset to lessor at end of lease term?

No

Management Assumptions

General

Contact Details

Locations

Clauses, Options & Terms

Payments

Activate

Recalculate Accounting Schedule

Save & Close

More

(Required): Provide general information about this Real Estate Lease.

ID

1000598

Revision

1

Status

Revision Accounting In Review

Picture

Name

Copy of Watson Lease 2

Description

Legal Name

Display Color

Legacy ID

Units

Currency

US Dollars

Area Units

square-feet

Carbon Reporting UOM

US Tons CO2

Energy Reporting UOM

megajoules

Details

Lease Type

Expense Lease

Base Lease Rate

\$0.00 US Dollars

Lease Category

Full Service Gross

Lease Base Year

0

Primary Use

Back Office

Conversion Group

Default

Currency Exchange Date

04/03/2017 01:25:55

Co-location

Memorandum of Lease

Rules And Regulation?

Contract Status

Is Cost or Fair Market Value Determinable?

Is It Market-Based?

Accounting Type

Accounts Payable (AP)

Payment Timing

Payment in Advance

Critical Dates

Commencement Date

01/15/2016

Lease Term

4 Years 11 Months

Expiration Notification Date

06/14/2020

Base Lease Expiration Date

12/14/2020

Expiration Reminder

6 Months

Vacate Date

Rent Commencement Date

Occupancy Date

Legal Notice Date

Legal Notice Reminder

6 Months

Legal Notification Date

Inception (Execution) Date

Abstracted Date

Original Commencement Date

Construction Start Date

Original Expiration Date

12/14/2020

Construction End Date

Business Unit

Select “Recalculate Accounting Schedule” and then “Activate” to update the Accounting Schedules and close the record again, and to send it to the Lease Administrator for review. DO NOT select “Calculate Lease Treatment” when performing a “Change in Contractual Factors.” Per the ASC842 accounting guidance, such changes only require a remeasurement, but not a reclassification. The Accounting Schedules are regenerated because the contractual factor changes do impact the lease valuations and need to be reflected in the Accounting Schedules.

# TRIRIGA Lease Accounting Audits

## Auditing – Lease Amendments

- In order to provide the proper support required by your auditors, TRIRIGA takes a full snapshot of your lease data, including the accounting schedules.
- At any time, you can access these read-only snapshots from the history tab of the current lease revision.

Real Estate Lease: 1000496-0-IBM Watson Lease

Add To Bookmarks

Print

Help

General

Contact Details

Locations

Clauses, Options & Terms

Payments

Accounting

Space Use Agreement

History

Summary

Service Areas

Client Attr

Revise

More

x

(Summary): Amendment Details and History.

Current Amendment Details

Amendment Number

0

Amendment Date

Amendment Type

Description Of Changes

Amendments History of Real Estate Lease

0 total found

Show: 10

ID

Name

Revision

Lease Type

Expiration Date

Rentable

Rate

Status

No data to display

Current Amendment

Amendment History

Export

2 total found

Apply Filters

Clear Filters

Show More Filters

Show: 10

Amendment Date

Amended By

Current Amendment

Description

Change Type

Modified Date/Time

Equals

Contains

More Than or Equals

Contains

Contains

More Than or Equals

05/09/2017

AccountantNF, Lease - 1000034

0

Data Revise

05/09/2017 09:17:52

05/09/2017

AccountantNF, Lease - 1000034

0 Exercise renewal option.

Change in Assesment

05/09/2017 09:19:32

# Dual Books Support

## Local Reporting Tab for Foreign Property Statutory Reporting

For Multinationals, **TRIRIGA is able to generate dual reporting**; set a global accounting standard and produce both GAAP and IFRS schedules on leases in foreign countries.

- In this scenario, we are demonstrating an international leased property for a US Multinational Corporation.
- On the Accounting tab, this real estate lease will look like any other FASB lease, reporting to the corporation according to GAAP (the FASB standard). Click on the Local Reporting checkbox and a Local Reporting tab will display.
- On the Local Reporting tab, the IFRS lease treatment takes the answers from the GAAP lease treatment and prompts you for those questions that are unique to the IFRS treatment.
- Under IFRS 16, all lease are classified as Finance leases, therefore TRIRIGA generates a Finance Schedule.

Real Estate Lease: 1000140-0-Copy of Watson Lease - MT

Local Reporting

Submit For Accounting Review Save Save & Close More x

Calculate Lease Treatment

IFRS Treatment

IFRS Lease Type Lease Treatment FINANCE

20.4 Requirements

Does the lease substantially transfer all the risks and rewards incidental to ownership? No

20.5 Requirements

Does property transfer ownership at the end of the lease? No

Does the lease have a bargain purchase option? No

Is the lease term 75% greater than or equal to the asset's economic life? No

Is the NPV of rent greater than or equal to 90% of the asset's FMV? No

Are the leased assets of such a specialized nature that only the lessee can use them without major modifications? Yes

Are there any other conditions in which the risks and rewards of ownership are transferred to the lessee? No

Is the land amount immaterial and can the land and buildings be treated as a single unit for lease classification? No

20.6 Requirements

Can the lessee cancel the lease (and be responsible for the lessor's losses associated with the cancellation)? No

Do gains or losses from residual value fluctuation accrue to the lessee? No

Does lessee have a renewal option that is substantially below market? No

Lease Classification

Lease Classification Finance

Management Assumptions

Finance Schedule

Export 97 total found

Fiscal Period	Net Rent Payment	Interest Expense	Principal	Amortization	P & L Book Expense	Rent Expense	P & L Impact	Asset Value	Gain (Loss) on Revaluation	Liability Value	Net Equity
2017 - 01	€22,751.08	€5,437.08	€17,314.00	€17,707.34	€23,144.42	€24,290.00	€-1,145.58	€1,394,956.26	€0.00	€2,180,268.92	€-785,312.66
2017 - 02	€23,888.64	€5,390.95	€18,497.69	€17,643.55	€23,034.50	€24,290.00	€-1,255.50	€1,388,711.17	€0.00	€2,161,771.23	€-773,060.06
2017 - 03	€23,888.64	€5,344.71	€18,543.93	€17,564.56	€22,909.27	€24,290.00	€-1,380.73	€1,382,387.09	€0.00	€2,143,227.30	€-760,840.21
2017 - 04	€23,888.64	€5,298.35	€18,590.29	€17,484.57	€22,782.92	€24,290.00	€-1,507.08	€1,375,983.02	€0.00	€2,124,637.00	€-748,653.98
2017 - 05	€23,888.64	€5,251.87	€18,636.77	€17,403.58	€22,655.45	€24,290.00	€-1,634.55	€1,369,497.96	€0.00	€2,106,000.23	€-736,502.27
2017 - 06	€23,888.64	€5,205.28	€18,683.36	€17,321.55	€22,526.83	€24,290.00	€-1,763.17	€1,362,930.87	€0.00	€2,087,316.87	€-724,386.00
2017 - 07	€23,888.64	€5,158.57	€18,730.07	€17,238.49	€22,397.06	€24,290.00	€-1,892.94	€1,356,280.72	€0.00	€2,068,586.80	€-712,306.08
2017 - 08	€23,888.64	€5,111.75	€18,776.89	€17,154.38	€22,266.13	€24,290.00	€-2,023.87	€1,349,546.46	€0.00	€2,049,809.91	€-700,263.45
2017 - 09	€23,888.64	€5,064.80	€18,823.84	€17,069.20	€22,134.00	€24,290.00	€-2,156.00	€1,342,727.02	€0.00	€2,030,986.07	€-688,259.05
2017 - 10	€23,888.64	€5,017.74	€18,870.90	€16,982.95	€22,000.69	€24,290.00	€-2,289.31	€1,335,821.33	€0.00	€2,012,115.18	€-676,293.85



## Schedules included for Dual Reporting

For a US Multinational operating lease, TRIRIGA complies with FASB ASC-840 by producing a Straight-Line Rent Schedule.

Real Estate Lease: 1000496-0-IBM Watson Lease Add To Bookmarks Print Help

General Contact Details Locations Clauses, Options & Terms Payments Accounting Space Use Agreement History Summary Service Areas Revise More x

**Straight-Line Rent Schedule**

Export 108 total found

Fiscal Period	Net Rent Payment	Rent Expense	Accrual	Accrual Liability
2012 - 02		€18,200.87	€21,897.33	€-3,696.46
2012 - 03		€18,200.87	€21,897.33	€-3,696.46
2012 - 04		€18,200.87	€21,897.33	€-3,696.46
2012 - 05		€18,200.87	€21,897.33	€-3,696.46
2012 - 06		€18,200.87	€21,897.33	€-3,696.46

On the same lease, during the transition period, TRIRIGA produces an Operating Schedule, in compliance with FASB ASC-842.

Real Estate Lease: 1000496-0-IBM Watson Lease Add To Bookmarks Print Help

General Contact Details Locations Clauses, Options & Terms Payments Accounting Space Use Agreement History Summary Service Areas Revise More x

**Operating Schedule**

Export 97 total found

Fiscal Period	Net Rent Payment	Rent Expense	Accrual	Accrued Liability	Interest Expense	Principal	Liability Value	Asset Value	Amortization	Gain (Loss) on Revaluation	Net Equity
2017 - 01	€22,751.08	€24,290.00	€-1,538.92	€-125,277.23	€5,437.08	€17,314.00	€2,180,268.92	€0.00	€0.00	€0.00	€-785,312.66
2017 - 02	€23,888.64	€24,290.00	€-401.36	€-125,678.59	€5,390.95	€18,497.69	€2,161,771.23	€0.00	€0.00	€0.00	€-773,060.06
2017 - 03	€23,888.64	€24,290.00	€-401.36	€-126,079.95	€5,344.71	€18,543.93	€2,143,227.30	€0.00	€0.00	€0.00	€-760,840.21
2017 - 04	€23,888.64	€24,290.00	€-401.36	€-126,481.31	€5,298.35	€18,590.29	€2,124,637.00	€0.00	€0.00	€0.00	€-748,653.98
2017 - 05	€23,888.64	€24,290.00	€-401.36	€-126,882.67	€5,251.87	€18,636.77	€2,106,000.23	€0.00	€0.00	€0.00	€-736,502.27
2017 - 06	€23,888.64	€24,290.00	€-401.36	€-127,284.03	€5,205.28	€18,683.36	€2,087,316.87	€0.00	€0.00	€0.00	€-724,386.00

For the local statutory reporting, TRIRIGA then produces a Finance Schedule, in compliance with IFRS 16, handling situations as Contingent Rent where the ASC-842 differs from IFRS 16.

Real Estate Lease: 1000496-0-IBM Watson Lease Add To Bookmarks Print Help

General Contact Details Locations Clauses, Options & Terms Payments Accounting Space Use Agreement History Summary Service Areas Revise More x

**Finance Schedule**

Export 97 total found

Fiscal Period	Net Rent Payment	Interest Expense	Principal	Amortization	P & L Book Expense	Rent Expense	P & L Impact	Asset Value	Gain (Loss) on Revaluation	Liability Value	Net Equity
2017 - 01	€22,751.08	€5,437.08	€17,314.00	€17,707.34	€23,144.42	€24,290.00	€-1,145.58	€1,394,956.26	€0.00	€2,180,268.92	€-785,312.66
2017 - 02	€23,888.64	€5,390.95	€18,497.69	€17,643.55	€23,034.50	€24,290.00	€-1,255.50	€1,388,711.17	€0.00	€2,161,771.23	€-773,060.06
2017 - 03	€23,888.64	€5,344.71	€18,543.93	€17,564.56	€22,909.27	€24,290.00	€-1,380.73	€1,382,387.09	€0.00	€2,143,227.30	€-760,840.21
2017 - 04	€23,888.64	€5,298.35	€18,590.29	€17,484.57	€22,782.92	€24,290.00	€-1,507.08	€1,375,983.02	€0.00	€2,124,637.00	€-748,653.98
2017 - 05	€23,888.64	€5,251.87	€18,636.77	€17,403.58	€22,655.45	€24,290.00	€-1,634.55	€1,369,497.96	€0.00	€2,106,000.23	€-736,502.27
2017 - 06	€23,888.64	€5,205.28	€18,683.36	€17,321.55	€22,526.83	€24,290.00	€-1,763.17	€1,362,930.87	€0.00	€2,087,316.87	€-724,386.00






# Equipment Leases

## Moveable Equipment Lease

A moveable lease would include Fleet (vehicles), moveable hardware, and other leased equipment.

Within TRIRIGA, a master lease agreement could hold the fleet. Each vehicle contains its own location, condition, and has ties to TRIRIGA operations and maintenance, if needed.

Under FASB ASC 840 and IAS 17, TRIRIGA produces an amortization schedule.

General Contact Details Assets Clauses, Options & Terms Payments Accounting History Summary Client Attributes Notes & Comments								
(Optional): Details about leased assets.								
Leased Assets								
Export 3 total found Apply Filters Clear Filters Show More Filters								
I	Image	Unit Number	Serial Number	Model Number	Name	Spec Class	Ownership Status	Ownership Status Co
			482149219	Aero 384	Peterbuilt - Aero 384 - 400	Truck	Lease	
			482149219	Aero 384	Peterbuilt - Aero 384 - 400	Truck	Lease	
			482149219	Aero 384	Peterbuilt - Aero 384 - 400	Truck	Lease	

Asset Lease: 1000117 - 0 - IBM Watson Asset Lease									
Add To Bookmarks Print Help									
Assets Clauses, Options & Terms Payments Accounting Submit For Accounting Review Save Save & Close More x									
Amortization Schedule									
Export 72 total found									
Fiscal Period	Net Rent Payment	Interest Expense	Principal	Amortization	P & L Book Expense	Asset Value	Liability Value	Net Equity	
2014 - 06	\$631.94	\$82.42	\$549.52	\$466.67	\$549.09	\$33,133.70	\$33,050.85	\$82.85	
2014 - 07	\$631.94	\$81.05	\$550.89	\$466.67	\$547.72	\$32,667.03	\$32,499.96	\$167.07	
2014 - 08	\$631.94	\$79.67	\$552.27	\$466.67	\$546.34	\$32,200.36	\$31,947.69	\$252.67	
2014 - 09	\$631.94	\$78.29	\$553.65	\$466.67	\$544.96	\$31,733.69	\$31,394.04	\$339.65	
2014 - 10	\$631.94	\$76.91	\$555.03	\$466.67	\$543.58	\$31,267.02	\$30,839.01	\$428.01	
2014 - 11	\$631.94	\$75.52	\$556.42	\$466.67	\$542.19	\$30,800.35	\$30,282.59	\$517.76	
2014 - 12	\$631.94	\$74.13	\$557.81	\$466.67	\$540.80	\$30,333.68	\$29,724.78	\$608.90	

In compliance with ASC 842 and IFRS 16, TRIRIGA produces a Finance Schedule, the same as the amortization schedule.

Asset Lease: 1000117 - 0 - IBM Watson Asset Lease

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**Finance Schedule**

Export 72 total found

Fiscal Period	Net Rent Payment	Interest Expense	Principal	Amortization	P & L Book Expense	Rent Expense	P & L Impact	Asset Value	Gain (Loss) on Revaluation	Liability Value	Net Equity
2017 - 01	\$520.00	\$37.08	\$482.92	\$374.48	\$411.56	\$392.68	\$18.88	\$14,979.36	\$0.00	\$14,870.93	\$108.43
2017 - 02	\$520.00	\$35.88	\$484.12	\$374.48	\$410.36	\$392.68	\$17.68	\$14,604.88	\$0.00	\$14,386.80	\$218.08
2017 - 03	\$520.00	\$34.67	\$485.33	\$374.48	\$409.15	\$392.68	\$16.47	\$14,230.40	\$0.00	\$13,901.47	\$328.93
2017 - 04	\$520.00	\$33.45	\$486.55	\$374.48	\$407.93	\$392.68	\$15.25	\$13,855.92	\$0.00	\$13,414.92	\$441.00
2017 - 05	\$520.00	\$32.24	\$487.76	\$374.48	\$406.72	\$392.68	\$14.04	\$13,481.44	\$0.00	\$12,927.16	\$554.28
2017 - 06	\$375.00	\$31.38	\$343.62	\$374.48	\$405.86	\$392.68	\$13.18	\$13,106.96	\$0.00	\$12,583.54	\$523.42
2017 - 07	\$375.00	\$30.52	\$344.48	\$374.48	\$405.00	\$392.68	\$12.32	\$12,732.48	\$0.00	\$12,239.06	\$493.42

## Service Agreements with Embedded Leases

Whereas a service agreement would be treated as an operating lease, the embedded lease would be a finance lease. TRIRIGA links the service agreement with the leases embedded within it.

Home > NA-US-NC-011 - 0 - Watson Center -Charlotte - FASB - Office Equipment Lease

[Print](#)
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[Contact Details](#)
[Assets](#)
[Clauses, Options & Terms](#)
[Payments](#)
[Accounting](#)
[History](#)
[Summary](#)
[Client Attributes](#)
[Notes & Documents](#)
[Activate](#)
[Save](#)
[Save & Close](#)
[More](#)

(Required): General information about Asset Lease.

**General**

ID NA-US-NC-011 Revision 0 Status Revision In Progress

Name Watson Center - Charlotte - FASB - Office Equipment Service Agreement Date 06/20/2014

Description Embedded leases of copiers within Charlotte Watson Center service agreement.

Legal Name

**Units**

**Details**

Lease Type Expense Lease - Master Sublease Lease Category

Base Lease Rate \$0.00 US Dollars Lease Base Year 0

Escalation Cap % 0 percent Deposit \$0.00 US Dollars

Late Fee Type Late Fee Flat Amount \$0.00 US Dollars Late Fee Flat Rate % 0 percent

Accounting Type Accounts Payable (AP) Payment Timing Payment in Advance

**Critical Dates**

Commencement Date 06/01/2014 Lease Term 6 Years

Base Lease Expiration Date 05/31/2020 Expiration Reminder 6 Months Expiration Notification Date 11/30/2019

Inception (Execution) Date 06/01/2014 Abstracted Date 05/14/2014

Legal Notice Date 02/01/2020 Legal Notice Reminder 6 Months Legal Notification Date 08/01/2019

Original Commencement Date 06/01/2014 Acquired Date

Original Expiration Date 05/31/2017 Returned Date

**Parent Asset Lease**

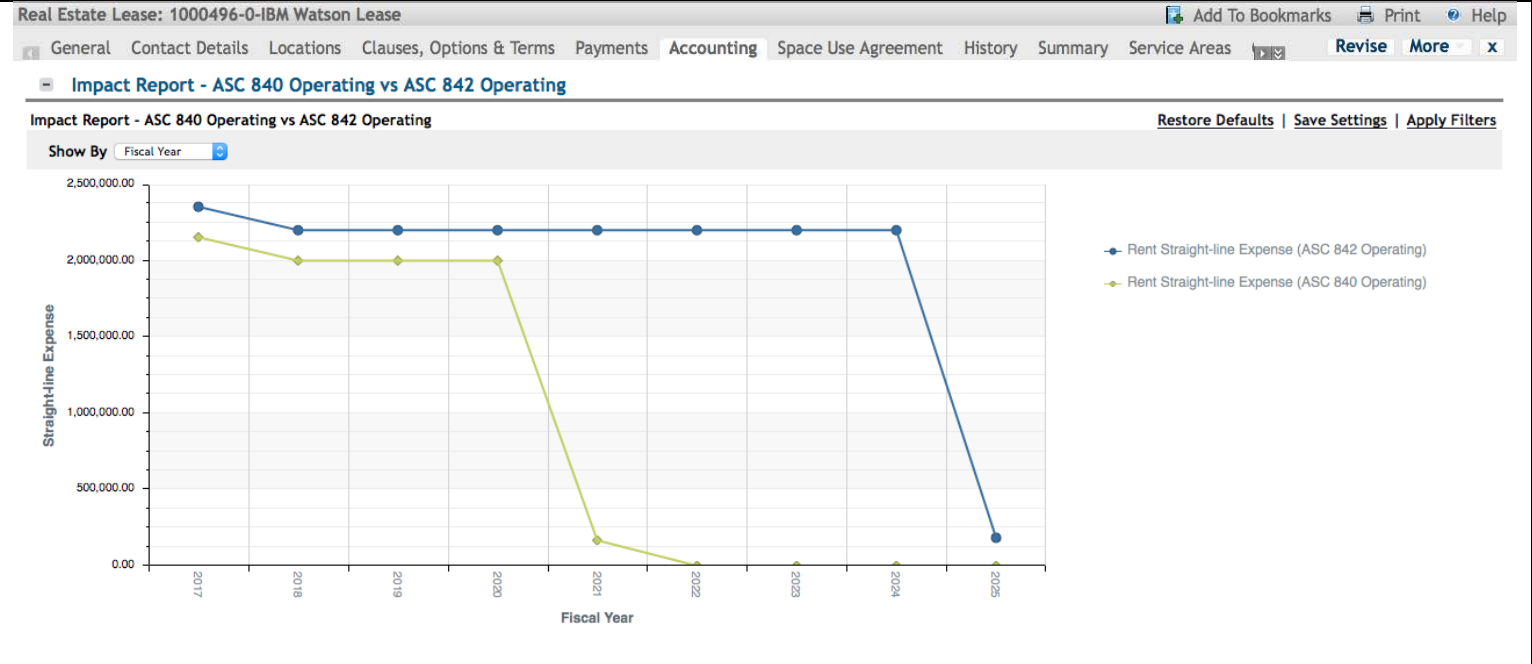
Name Watson Center -Dubai- Service Agreement ID ME-UA-DB-012

Find Remove

# Impact Reports

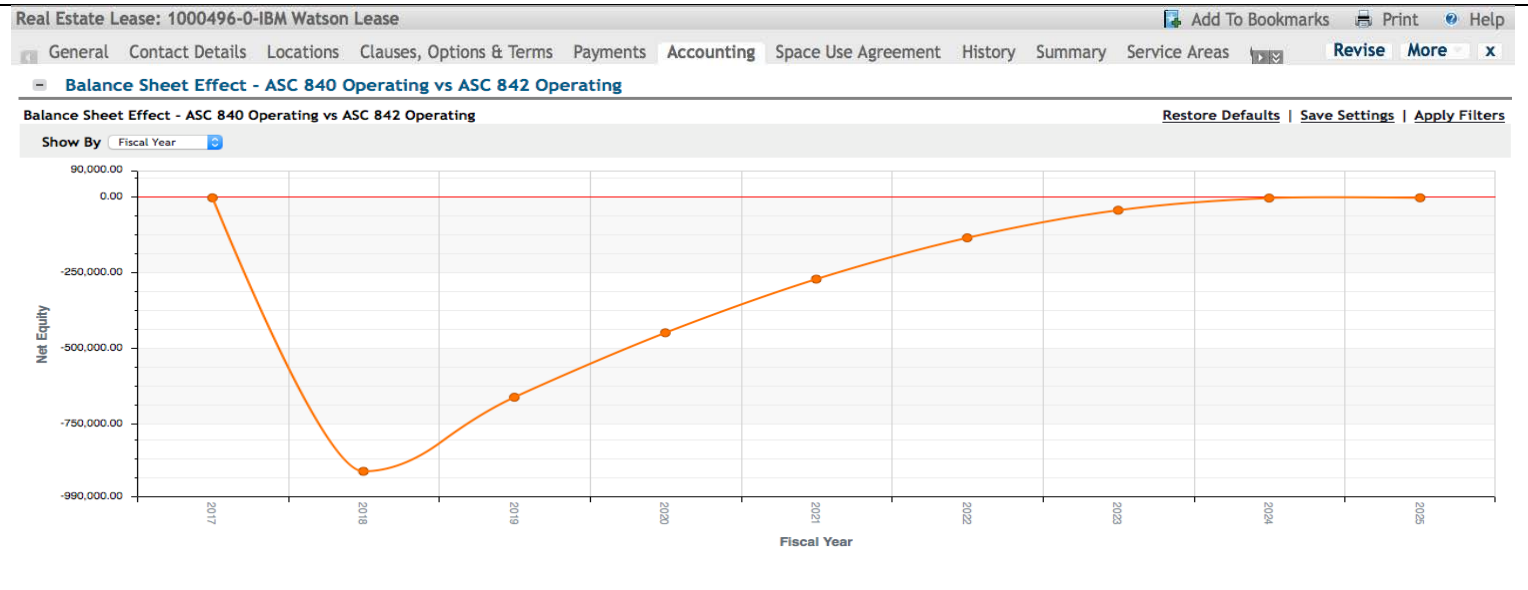
## P&L Impact Report – ASC 840 Operating vs ASC 842 Operating

- Since the FASB relaxed the lease standard, this graph is not as important. Use this as a chance to emphasize that we support the IASB lease standard as well and that this graph remains important since those leases will be treated as finance leases.



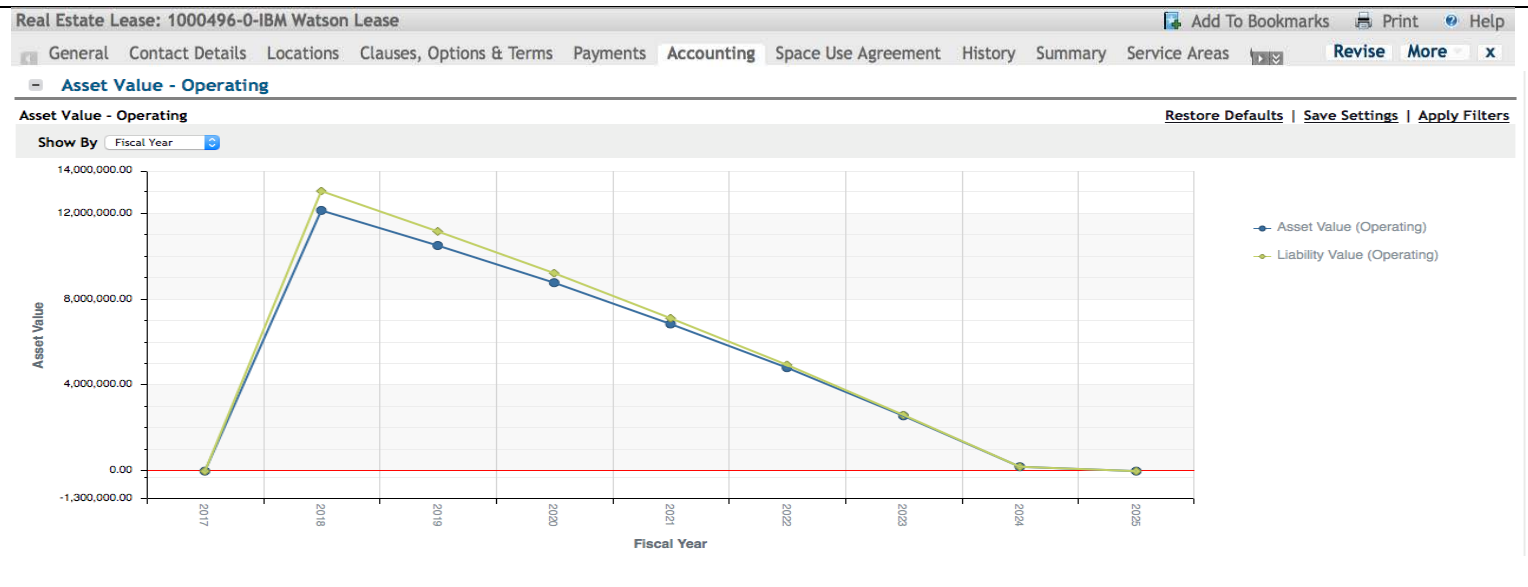
## Balance Sheet Effect – ASC 840 Operating vs ASC 842 Operating

- This graph is showing the net equity impact of this particular lease on your balance sheet, starting with your look-back period for the new FASB Leasing Standard.
- From our Lease Accountant portal, you can view this graph for groupings of your portfolio or for your full portfolio of leased properties.



## Asset Value – ASC 842 Operating

- This graph is showing asset values and liability values of this particular lease, starting with your look-back period for the new FASB Leasing Standard.
- From our Lease Accountant portal, you can view this graph for groupings of your portfolio or for your full portfolio of leased properties.



## Journal Entry Section -- Journal Entry Process Overview

Standard OOTB Journal Entries already exists in TRIRIGA 10.5.3 that cover the basic entries needed for the Lease Accounting Life Cycle. Journal Entries are categorized into two Trigger Type categories:

1. Lease Events
2. Periodic Postings

Lease Events include new options, including:

1. Lease Activation
2. Modifications
3. Terminations
4. Expirations
5. Catch-up entries for retroactive updates

Periodic postings include:

1. Monthly Straight-lining
2. Interest
3. Amortization postings
4. Principal reduction
5. Reclass between Current and Noncurrent Lease Liability
6. Catch-up entries for retroactive updates

Customized Journal entries may be created using the Journal Entry Setup process. Once Journal Entries for processing have been identified, the Journal Entry Processing procedures should be followed. This process will create a Data Transfer Object (DTO) file that will export the Journal Entry data to a client's middleware and ultimately to the ERP General Ledger system. It is imperative that all Journal Entries should be processed for a period prior to performing the Lease Accounting Period Close. This process will close the previous period and prevent Journal Entry creation for prior periods. This Close process will only prevent postings into closed periods, but will allow for calculation of Journal Entries for retroactive periods and processing in an open period as a "catch-up Journal Entry. TRIRIGA does not prevent reopening prior Fiscal Periods, thus it is a control which users will need to monitor.

## Data Elements Required for IBM TRIRIGA Journal Entry

For IBM TRIRIGA to produce Journal Entry data, data must exist in the tables noted below. For customers upgrading from earlier versions of TRIRIGA, it is important to note that some tables and fields are included in the earlier releases, therefore those customers can start capturing the data prior to upgrading to TRIRIGA 10.5.3.

Prior to Journal Entry activity, data must be populated in the following tables:

- Business Units
- Business Unit General Ledger Codes
- Business Unit General Ledger Segments

# Business Units

Home->Portfolio->Organizations

## GENERAL Section:

**ID:** Auto-generated system record ID

**NAME:** Name of BU

## LEASE ACCOUNTING

### Section:

#### ACCOUNTING CALENDAR:

Choose appropriate calendar

Note: The Accounting Calendar field must be the same for a Business Unit and any children hierarchy levels below it. If a Business Unit has children levels with different Calendars, the Calendar field at the parent level should remain at a value of Null.

IBM TRIRIGA

Company

Project

Home

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Inventory

Contracts

Procurement

Portfolio

Tools

Locations

Organizations

People

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Portfolio Set Up

Open In New Window

Add to Bookmarks

My Bookmarks

Home > Portfolio > Organizations

Open

New

Delete

Cut

Organizations

- 1022- Global Neptune EMEA (222) (My Company)
- 1 GN Consolidated (My Company)
- Acceryl Transports LLP RP (My Company)
- Acme Property Group, Inc. (External Company)
- Apple (External Company)
- Business Unit 01 (My Company)
  - 001 - Global M&M (My Company)
    - 101 - Global Mars (My Company)
    - 102 - Global Mars (My Company)
    - 104 - Global Mars (My Company)
    - 1050 - Global Neptune Asia Pacific (454) (My Company)
    - 105 - Global Mars (My Company)
    - 1060 - Global Neptune EMEA (454) (My Company)

0 total found

Name	ID	Type	Status
No data to display			

General

Contact Details

Environmental

Notifications

Notes & Attachments

Save & Close

Save

Activate

More

x

(Required): General Information for the Company.

General

ID

1000611

Status

Draft

Logo

Star

Name

001 - Global M&M

Hierarchy Path

\Organizations\Business Unit 01\001 - Global M&M

Details

Lease Accounting

Accounting Calendar

Standard Calendar

Last Closed Fiscal Period

Current Open Fiscal Period

# Business Units General Ledger Codes

Home -> Tools-> Classifications  
->General Ledger Code

## GENERAL Section:

**ID:** Auto-generated system record ID

**NAME:** Name of GL Code

**DESCRIPTION:** Brief explanation of GL code purpose.

## DETAILS Section:

**SERVICE CODE:** The GL Account number in the General Ledger system to which the GL Code should be mapped.

## BUSINESS UNITS Section:

**BUSINESS UNIT:** Select 'Find' for a list of available Business Units which may be assigned to the GL Code.

The screenshot shows a web-based form for 'General Ledger Code: Accrued Liability'. The form has a top navigation bar with tabs: General, System, Workflow Instance, Includes, and Associations. The 'General' tab is active. Below the tabs, there are buttons for 'Add To Bookmarks', 'Print', 'Save', 'Save & Close', and 'More'. A required field instruction states: '(Required): Describe the classification. Use the notes section for how the classification is used.'

The form is divided into three main sections:

- General:** Contains fields for 'ID' (1000411), 'Status' (Active), 'Name' (Accrued Liability), and 'Description'. A 'Hierarchy Path' is shown as '\Classifications\General Ledger Code\Real Estate Lease Codes\Accrued Liability'.
- Details:** Contains fields for 'Service Code' (11000001) and 'Display Color'.
- Classification Notes:** A large text area for notes, with a rich text editor toolbar above it.

At the bottom, there is a 'Business Units' section with a 'Find' button and a 'Remove' button. Below this is a table with one row: 'GN Retail Unit - 1000'.



# Bulk Assignment of General Ledger Codes & Journal Entries to a new Business Unit

In the event a new Business Unit is created in TRIRIGA, existing General Ledger Codes and the corresponding Journal Entries can be assigned via a utility file instead of manual assignment of each GL Code and JE record to the new Business Unit. This functionality is available to a user in the Admin Group role. Two utilities must be processed as shown below with the TRIRIGA paths. Utility 1 creates the GL Codes and Utility 2 creates the Journal Entries.

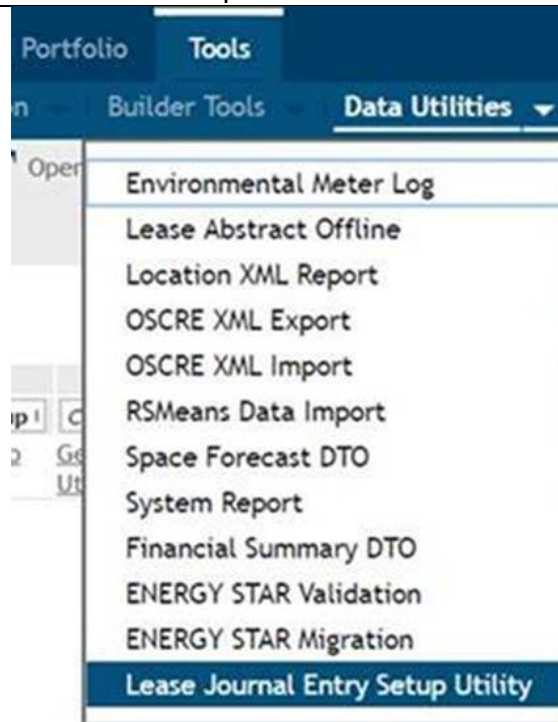
## Utility 1: Bulk associate GL Codes with Business Unit

Navigation: [Home > My Reports > System Reports > Query](#)  
[\[triGeneralLedgerBusinessUnitSetupUtility - Data Utilities - Manager Query\]](#)

Title	Name	Tag	Module	Business Object	Form	Display Type
Contains	Contains	Contains	Contains	General Ledger Business Unit	Contains	-All-
General Ledger Business Unit Setup Utility	triGeneralLedgerBusinessUnitSetupUtility		Data Utilities	General Ledger Business Unit Setup Utility	General Ledger Business Unit Setup Utility	Query

## Utility 2: Bulk create JE Setups for Business Unit from templates

Navigation: [Home > Tools > Data Utilities > Lease Journal Entry Setup Utility](#)



# Business Units General Ledger

Home->Contracts->Contract Setup->Financials->Business Unit General Ledgers

## GENERAL Section:

**ID:** Auto-generated system record ID

**NAME:** Name of BU Ledger

**BUSINESS UNIT:** Values pulled from BU data table

**JOURNAL ENTRY LEASE TYPE:** Defines ASSET or REAL ESTATE

## SEGMENTS Section:

**SEGMENT NUMBER:** Sequential number generated when creating Segment records

**SEGMENT TYPE:** Assigns Organization Hierarchy levels as created during configuration.

- Division - Division Accounting cost center
- Cost Center – Lease Accounting cost center
- Department – Department Accounting cost center
- Business Unit – Business Unit Accounting cost center

**SEGMENT VALUE:** Determines the segment value to be used for the *Static Value* segment type

Business Unit General Ledger: 1000 GN Retail Unit - Real Estate Lease

General Notifications Notes & Documents System Workflow Instance Associations

Activate Save Save & Close More

(Required): Enter General Ledger Segment Setup.

**General**

ID 1000029 Status Revision In Progress

\* Name GN Retail - REL - Segment

\* Business Unit 1000 GN Retail Unit

\* Journal Entry Lease Type Real Estate Lease

**Journal Entry DTO Details**

**Segments** Add Remove

Export 5 total found Apply Filters Clear Filters Show: 10

Segment Number	Segment Type	Segment Value
Equals	Contains	Contains
1	Static Value	000000
2	Division Accounting Cost	-
3	Lease Accounting Cost C	-
4	Department Accounting C	-
5	Business Unit Accounting	-

## Adding New Segment Type

Home->Tools->Administration->List

**List Name:** triSegmentType

**VALUE:** Set the new segment value and click *Save Entries* action

Home > Tools > Administration > Lists

List Manager

Manage By

Name

- ☐ triJournalEntryLeaseType System
- ☐ triLeaseJournalEntryCalculationLease System
- ☐ triLeaseJournalEntryCalculationPeriod System
- ☐ triLeaseJournalEntryCalculationSource System
- ☐ triLeaseJournalEntryPeriod System
- ☐ triLeaseJournalEntryPeriodDateSource System
- ☐ triLeaseSearchScope System
- ☐ triProcessType System
- ☒ triSegmentType System
- ☐ triTriggerSubType System
- ☐ triTriggerType System

Save Entries | Delete Entries

Value

Select	Order	Sequence	
<input type="checkbox"/>	▼	1	Business Unit Accounting Cost Center
<input type="checkbox"/>	▼ ▲	2	Department Accounting Cost Center
<input type="checkbox"/>	▼ ▲	3	Division Accounting Cost Center
<input type="checkbox"/>	▼ ▲	4	Journal Entry General Ledger Code
<input type="checkbox"/>	▼ ▲	5	Lease Accounting Cost Center
<input type="checkbox"/>	▼ ▲	6	Lease Location Cost Code
<input type="checkbox"/>	▲	7	Static Value

Home->Tools->Builder Tools->Workflow Builder

**Module:** triHelper

**Business Object:**

**triGeneralLedgerSegmentHelper**

Create new workflow journal calculations to dynamically retrieve the value for the new segment type.

**Workflow Name Format:**

**triGeneralLedgerSegmentHelper - Subflow - Map Segment Value - <Segment Type>**

<Segment Type> = new value added to Segment Type list

Home > Tools > Builder Tools > Workflow Builder

Open In New Window | Add to Bookmarks | My Bookmarks

Workflow Builder

List Active Instances | List All Instances | List All Revisions | Where Used

New | Copy | Publish | Publish With Object Label | Delete | Text Export

Select	Name	Revision	Object	Action	Status	Modified Date
<input checked="" type="radio"/>	triGeneralLedgerSegmentHelper - Subflow - Create General Ledger Segments	30	triGeneralLedgerSegmentHelper		Retired	07/22/2017
<input type="radio"/>	triGeneralLedgerSegmentHelper - Subflow - Map Segment Value - Business Unit Accounting Cost Center	30	triGeneralLedgerSegmentHelper		Published	07/22/2017
<input type="radio"/>	triGeneralLedgerSegmentHelper - Subflow - Map Segment Value - Demo Segment	0	triGeneralLedgerSegmentHelper		In Progress	07/25/2017
<input type="radio"/>	triGeneralLedgerSegmentHelper - Subflow - Map Segment Value - Department Accounting Cost Center	30	triGeneralLedgerSegmentHelper		Published	07/22/2017
<input type="radio"/>	triGeneralLedgerSegmentHelper - Subflow - Map Segment Value - Division Accounting Cost Center	30	triGeneralLedgerSegmentHelper		Published	07/22/2017
<input type="radio"/>	triGeneralLedgerSegmentHelper - Subflow - Map Segment Value - Journal Entry General Ledger Code	30	triGeneralLedgerSegmentHelper		Published	07/22/2017
<input type="radio"/>	triGeneralLedgerSegmentHelper - Subflow - Map Segment Value - Lease Accounting Cost Center	30	triGeneralLedgerSegmentHelper		Published	07/22/2017
<input type="radio"/>	triGeneralLedgerSegmentHelper - Subflow - Map Segment Value - Lease Location Cost Code	30	triGeneralLedgerSegmentHelper		Published	07/22/2017
<input type="radio"/>	triGeneralLedgerSegmentHelper - Subflow - Process General Ledger Segments	30	triGeneralLedgerSegmentHelper		Published	07/22/2017

# Journal Entry Setup

Contracts->Contract Setup->Financials->Lease Journal Entry Setups

## GENERAL Section:

**ID:** Auto-generated ID when draft record is created

**JOURNAL NAME:** Name of the JE

## DETAILS Section:

**BUSINESS UNITS:** Value supplied from Organization data

**JOURNAL ENTRY LEASE TYPE:** Choose ASSET or RE lease

**LEASE CLASSIFICATION:** Choose from list of values

**ACCOUNTING STANDARD:** Choose GAAP or IFRS

**RECORD JOURNAL:** Only check if the Journal Entry should be processed. Standard JE's for the 842 Accounting Standard have this field unchecked until activation of the Initial Adoption.

**ACCOUNTING TYPE:** Accounts Payable or Accounts Receivable

**PAYMENT TIMING:** Choose Payment in Advance or Arrears

**TRIGGER TYPE:** Lease Event or Period

**TRIGGER SUB-TYPE:** Choose from list of values

**AUTO-REVERSE:** Identifies the JE record will be auto-reversed in the following Fiscal Period of the GL system

Lease Journal Entry Setup: 1013008

General Segments Notifications Notes & Documents System Workflow Instance Associations

(Required): Create a Journal Entry Setup record.

**General**

ID 1013008 Status Active

\* Journal Name 840 - Record Capital Lease Asset/Liability

**Details**

\* Business Unit GN Retail Unit - 1000

\* Journal Entry Lease Type Asset Lease

\* Accounting Standard GAAP (FASB)

\* Accounting Type Accounts Payable (AP)

\* Trigger Type Lease Event

\* Journal Entry Period Commencement Period

Auto-Reverse ☐

Local Reporting Adjustment ☐

Transaction Group

\* Lease Classification Finance

Record Journal ☒

Payment Timing

\* Trigger Sub Type New Lease Activation

Please note: System will use the Current Open Period if the Journal Entry Period is closed.

Swap Debit/Credit ☐

Local Lease Classification

**Debit Account Code**

Name Capital Lease Asset

Service Code 12011003

**Credit Account Code**

Name Capital Lease Liability-Current

Service Code 21013003

**SWAP DEBIT/CREDIT:** Allows switching between Debit & Credit accounts and vice-versa

**TRANSACTION GROUP:** Option used to group similar JE's

DEBIT/CREDIT Section(s)

**DEBIT ACCOUNT CODE:** Use the FIND action to select an account code

**CREDIT ACCOUNT CODE:** Use the FIND action to select an account code

### CALCULATION Section:

**AMOUNT:** A formula created by the fields selected in the Calculation Input section

<b>- Calculation</b>									
Amount = Input01+Input02									
<b>- Calculation Inputs</b>									
<a href="#">Export</a> 2 total found <span>Show: 10 ▼</span>									
<input type="checkbox"/>	Calculation Operator	Calculation Input	Name	Calculation Lease	Calculation Source	Calculation Period	Nth Period From Calculation Period	Cumulative From Period	Source Field Name
<input type="checkbox"/>	+ ▼	Input01	Amortization	Lease ▼	Lease Accounting Detail: ▼	N/A ▼	-1	Accounting Start Period ▼	tnTransactionGroup
<input type="checkbox"/>	+ ▼	Input02	Rent Expense	Lease ▼	Lease Schedule Summa: ▼	Current Open Period ▼	12	N/A ▼	tnTransactionGroup

# Journal Entry Processing

Home->Contracts->Contract Setup->Financials->Business Unit General Ledgers

## GENERAL Section:

**ID:** Auto-generated ID when draft record is created

**NAME:** Name of the JE Process

**BUSINESS UNIT:** Choose BU from list of values

**FISCAL PERIOD:** The default value will be the active fiscal period

**LEASE SEARCH SCOPE:** Choose the scope of leases to search

**PROCESS TYPE:** Choose Periodic, Lease Event, or both

**ACTION Buttons:**

1. Journal Entries are created when the **Create Journal Entries** action button is clicked. Depending on the Trigger Type from the Journal Entry Setup, Journal Entries will be created for Periodic or Lease Event. (See Periodic Journal Entries & Leases section on the form.)
2. Select the **Issue** action to issue the JE records.
3. Choose **Complete** action to create JE DTO records.

Process Lease Journal Entries: 1000069

General Notifications Notes & Documents System Workflow Instance Issue Save Save & Close Create Journal Entries More

(Required): Create Process Lease Journal Entry.

**General**

ID 1000069 Status Draft Created Date/Time 04/22/2017 14:24:59

\* Name GN Online - Periodic - Apr-17

\* Business Unit 1000 GN Retail Unit

\* Fiscal Period 2017 - 04

\* Lease Search Scope All Real Estate Leases only

\* Process Type Period and Lease Event JE(s)

Periodic Journal Entries Lease Event Journal Entries

**Periodic Journal Entries**

Export 168 total found Apply Filters Clear Filters

	Created Date	Journal Entries ID	Journal Entries Name	Accounting Date	Reverse Transactions	Journal Entries Transaction Group	Business Unit	Lease ID	Lease Name	Lease Classification
<input type="checkbox"/>	04/22/2017	1000797	Step 1 - Record AP Clearing Entry	04/22/2017	<input type="checkbox"/>	01 - Default	1000 GN Retail Unit	1000000	Test - 2 year lease	Operating
<input type="checkbox"/>	04/22/2017	1000798	Step 1 - Record AP Clearing Entry	04/22/2017	<input type="checkbox"/>	01 - Default	1000 GN Retail Unit	1000000	Test - 2 year lease	Operating
<input type="checkbox"/>	04/22/2017	1000799	Step 3 - Recognize Monthly Straight-Line Expense	04/22/2017	<input type="checkbox"/>	01 - Default	1000 GN Retail Unit	1000000	Test - 2 year lease	Operating

**Leases**

1 / 4 Export 39 total found Apply Filters Clear Filters Show: 10

ID	Name	Lease Type	Status
1000000	Test - 2 year lease	Expense Lease	Active
1000001	CPI based lease	Expense Lease	Revision In Progress
1000046	Aon Center_03292017_QA_1	Expense Lease	Expired
1000054	Aqua_03292017_QA_1	Expense Lease	Expired
1000055	Copy of Aqua_03292017_QA_1	Expense Lease	Accounting In Review
1000057	Div 1010 Dept 10ABC Gross Lease Monthly Pmt	Expense Lease	Accounting In Review
1000058	Div 1020 Dept 20ABD, Gross Lease Qtrly Pmt, 3 month Rent Holiday	Expense Lease	Active
1000082	Div 1020 Dept 20ABE, Advanced Semi-Annual Pmts, \$5,000 TI Allowance	Expense Lease	Accounting In Review
1000083	Copy of Div 1010 Dept 10ABC Gross Lease Monthly Pmt - CPI Variable increase	Expense Lease	Accounting In Review
1000105	Copy of FINAL_FLI_Test	Expense Lease	Accounting In Review

# Business Unit GL - Data Transfer Object (DTO)

Home->Contracts->Contract Setup->Financials->Business Unit General Ledgers

## JOURNAL ENTRY DTO DETAILS Section:

**JE STATUS:** Status of the DTO record

**SOURCE NAME:** Value depends on GL system to be used.

**ACTUAL FLAG:** Value depends on GL system to be used. For Oracle GL, the value will be 'A'

**SET OF BOOKS ID:** Value depends on GL system to be used. **CREATED BY:** TRIRIGA User who created the record

**DATE FORMAT:** Identifies the date format to be used

Note: The Journal Entry DTO Details is configurable per the client's specific ERP source system. The entries displayed here are examples only.

Business Unit General Ledger: 1000 GN Retail Unit - Real Estate Lease

General Notifications Notes & Documents System Workflow Instance Associations

(Required): Enter General Ledger Segment Setup.

**General**

ID 1000029 Status Revision In Progress

\* Name GN Retail - REL - Segment

\* Business Unit 1000 GN Retail Unit

\* Journal Entry Lease Type Real Estate Lease

**Journal Entry DTO Details**

\* JE Status New \* Set Of Books ID 001

\* Source Name TRI \* Created By Jeff Schick

\* Actual Flag Actual \* Date Format MM/dd/yyyy

**Segments** [Add](#) [Remove](#)

Export 5 total found Apply Filters Clear Filters Show: 10

Segment Number	Segment Type	Segment Value
Equals	Contains	Contains
1	Static Value	000000
2	Division Accounting Cost	-
3	Lease Accounting Cost C	-
4	Department Accounting C	-
5	Business Unit Accounting	-

## Create a Lease Accounting Period Close

Home->Contracts->Financials->Lease Accounting Period Close

### GENERAL Section:

**ID:** Auto-generated ID when draft record is created

**NAME:** Name of close period

**ACCOUNTING CALENDAR:** Choose appropriate calendar

### BUSINESS UNIT Section:

Use the **Find** action to select one or multiple Business Units to apply.

Use the **Issue** action to process the record.

Lease Accounting Period Close: 1000015 Print Help

General Notifications Notes & Documents System Workflow Instance Associations Issue Save Save & Close More x

(Required): Create a Financial record.

**General**

ID 1000015 Status Revision In Progress

\* **Name** Lease accounting period #01

\* **Accounting Calendar** Standard Calendar 🔍 ✕

**Business Units** Find Remove

Export 1 total found Show: 10 ▼

<input type="checkbox"/>	ID	Name	Current Open Fiscal Period
<input type="checkbox"/>	1000483	Global Neptune Stores	2007 - 02