



Month End Procedures User Guide

LeaseAccelerator

Version 26.2.1



Document Information

Notices

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This guide is designed to help you to use the LeaseAccelerator applications effectively and efficiently. All data shown in graphics are provided as examples only. The example companies and calculations herein are fictitious. No association with any real company or organization is intended or should be inferred.



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Month End Procedures

ASC 842 and IFRS16 accounting standards require asset level accounting. The financial variables that underpin your accounting may change on a periodic basis. If these variables are not updated in your lease accounting system, then the journal entries being created in the sub ledger will be inaccurate. As a result, you will need to ensure that all master data including but not limited to cost centers, foreign exchange rates, incremental borrowing rates, and reporting areas being used by your ERP are updated in your lease accounting application on a timely basis.

Many of the financial variables needed to perform lease accounting may not be tracked in your ERP as master data. Depending on the functionality you are incorporating into your business processes, you may need to identify how information such as your debt weight, net income, total assets, total revenues, credit ratings, and NOLs will be kept up-to-date in the lease accounting systems.

Update Rates

Before running any functional currency or reporting currency reporting, you will need to ensure your foreign exchange rates have been properly loaded.

FX Rates

The first step in this process will be to update your foreign exchange rates. This can be accomplished via a bulk import. See below for the steps:

Step	Action
1	Populate the CIW tab for FX Rates.
2	You will need to provide the following information: <ul style="list-style-type: none"> ▪ Effective Date ▪ From Currency ▪ To Currency ▪ Rate ▪ Rate Type ▪ Source
3	Once this data has been populated, save your CIW import file with an easily identified name. You may wish to house this import file in a My Library shelf for future reference.
4	Go to the Bulk Import workspace in the user interface.
5	Select the Exchange Rates tile.
6	Choose your saved CIW file and click Validate .



Step	Action
7	If you have any red errors, address those and re-validate your import. If you have yellow warnings but want to continue with the import, check the boxes next to the rates and click Import . If you do not have any errors or warnings, click Import .
8	Once you have successfully imported your rates, you will see green dots next to the rates with an indication of how many rates were successfully imported.

IBRs

Incremental Borrowing Rates (IBRs) are set within the user interface or by bulk import. This section provides some useful examples of monthly updates. Clients should have a checklist of all updates that would apply to their particular circumstances. For example, tax rates and accounting depreciation policies may or may not apply and may be updated on a quarterly or annual basis.

To update your IBRs in the user interface, follow these steps:

Step	Action
1	From the Left NavBar, select Configuration Settings under Accounting Administration.
2	Within the Configuration Settings workspace, go to the Lessee Rates tile.
3	Select the Lessee, Country, and Term from the drop-down menus.
4	Enter the relevant IBR, Debt Rate and Equity Rate, as applicable.
5	Indicated the Effective Date of the new rate(s).
6	Click Save .

To update your IBRs using a bulk import, follow these steps:

Step	Action
1	Populate the CIW tab for Lessee Rates.
2	You will need to provide the following information: <ul style="list-style-type: none"> ▪ Lessee (Best practice is to use the Parent Lessee) ▪ Country ▪ Term ▪ Rate Type ▪ Rate ▪ Effective Date
3	Once this data has been populated, save your CIW import file with an easily identified name. You may wish to house this import file in your My Library shelf for future reference.
4	Go to the Bulk Import workspace in the user interface.
5	Select the Lessee Rates tile.



Step	Action
6	Choose your saved CIW file and click Validate .
7	If you have any red errors, address those and re-validate your import. If you have yellow warnings but want to continue with the import, check the boxes next to the rates and click Import . If you do not have any errors or warnings, click Import .
8	Once you have successfully imported your rates, you will see green dots next to the rates with an indication of how many rates were successfully imported.

Activity and Accounting Reports

There are several reports that can be run as part of your defined workflow for Month End procedures. The following are some of the more common reports generated for ASC 842 compliance purposes:

- Portfolio: Trial Balance
- Portfolio: Account Activity Trend
- Portfolio: Account Balance Trend
- Lease Classification
- Contractual Obligations
- Maturity Analysis Report
- Quantitative Analysis Report
- Anomalies Report
- EOT Pipeline
- EOT Activity

The report criteria pages available in each report are important and should be reviewed in detail during the implementation process and are typically unique to each business. They are not explained below. Please refer to the **LeaseAccelerator User Guide - Reporting** for detailed explanations.

Many other reports are available for management and analytical purposes. Each report can be found by selecting Reporting from the Left NavBar in the UI, and then selecting the appropriate tile. Some reports are Business Intelligence (BI) reports and will allow users to view one or more tables prior to export. These reports will provide a Submit button instead of an Export button. After submitting, an unmarked export button will display with several export options available when clicked.

Ledger Export

As part of the monthly close process, users will want to post journal entries from a lease accounting subledger to the General Ledger. Users may generate a Ledger Export report as part of their process of

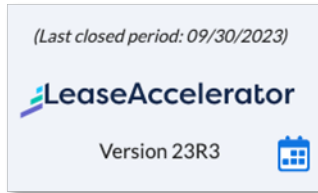
transferring details (e.g., account number, account name, transaction amount, ledger date, transactional currency, and credit/debit specifications).

The Ledger Export report is generated in the Reporting workspace under the Integration tile. The Ledger Export Report exports to Excel. Users will first enter their desired parameters, and required fields then click **Export** to generate this report. Users may also opt to click **Generate Report** to generate a PDF version of this report.



Closing A Month in LeaseAccelerator

Authorized users may utilize LeaseAccelerator’s Month-End Closing capability by accessing the **Month-End Closing** workspace from the Left NavBar, under Accounting Administration. Existing month closing details will display in a table. Above the table, users may select the month to close from the drop-down, provide comments, and click **Save**. This will have the effect of closing the period selected and all prior periods.



Once the period is closed, you’ll see the last closed period update on the Left NavBar just above the LeaseAccelerator logo.

Clients have the ability to close their books up to 15 days before their fiscal month-end. This is when the current month will appear in the Close Books Effective drop-down.

Month-End Closing

Close Books Effective: 12/31/2021 (December 2021) ▾ ⓘ


Comments:


Save

	Time/Date	Effective Date	Responsible Party	Comments
🔒	12/30/2021 04:34 PM	09/30/2021(September 2021)	crost	Closing July, August, and September 2021
	08/11/2021 08:47 PM	06/30/2021(June 2021)	crost	Closing April, May and June 2021
	04/19/2021 10:58 AM	03/31/2021(March 2021)	crost	Closing October, November, December 2020 and Jan, Feb, March 2021
	11/05/2020 09:31 AM	09/30/2020(September 2020)	crost	Closing Jan, Feb, March, April, May, June, July, August, Sept
	02/19/2020 02:40 PM	12/31/2019(December 2019)	luser	December Month End Close
	12/16/2019 03:00 PM	11/30/2019(November 2019)	lelandrost	Closing Comments for November
	10/29/2019 01:55 PM	10/31/2019(October 2019)	crost	Closing books for testing
	10/28/2019 06:01 PM	08/31/2019(August 2019)	lelandrost	
	10/10/2019 10:39 AM	08/31/2019(August 2019)	crost	Closing August; ROLLED BACK by crost on 10-Oct-2019 (test)
	08/25/2019 07:56 PM	07/31/2019(July 2019)	ttaylor	
	07/24/2019 02:52 PM	06/30/2019(June 2019)	luser	Month Close for May and June
	07/24/2019 12:36 PM	04/30/2019(April 2019)	luser	Close of Books through April
	07/11/2019 02:18 PM	05/31/2019(May 2019)	lrost	Close May Test; ROLLED BACK by luser on 24-Jul-2019 (Open for training.)
	05/21/2019 10:32 AM	04/30/2019(April 2019)	ttaylor	test rollback; ROLLED BACK by ttaylor on 10-Jun-2019 (test completed)

Once a user has clicked Save and started the close process, there will be a message at the top of the workspace that lets the user know they will receive an email once the closing has completed. Only the user that initiated the close will receive the email. It is recommended that all activity be suspended while the books are being closed to avoid unexpected results in reports. This includes importing, booking, and generating reports.

Month-End Closing


 The Month-End Close process has been started. You will receive an e-mail once it has completed. Click Month-End Closing to get updated Operation Status.

Close Books Effective: 10/31/2023 (October 2023) 

Comments:

Re-Open a Closed Period

To Re-Open a closed period, select the Padlock icon to the left of the most recently closed period. When re-opening a month, the below warning displays. Users must read this warning carefully and provide comments. To complete the process, a user will click **Save**. The person who closed and opened the books will be automatically displayed in the Month-End Closing workspace, as well as the comments entered at the time of close or reopen.


 **Warning:** By unlocking a closed period, you acknowledge that changes to *any* deal with ledger entries may cause recalculation of ledger entries for that deal. This will include changes to ledger entries in the previously closed period. This may affect historical reporting.

You should re-lock the period as soon as possible to prevent unintended changes by other users.

You must provide an explanation

Comments:

Required



Version Summary

Version	Changes/Updates	Date
21R1.1	Template created. Updated for latest release.	03/01/2021
22R1	Updated screenshots and verbiage for Left NavBar changes.	01/05/2022
23R4	Added verbiage for when new month appears and is able to be closed. Changed all reference of customer to client.	10/25/2023

