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## Lease registration and management system in accordance with the requirements of IFRS 16

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Go Global Consulting is a Palestinian company Global leader in training and consulting The software solutions industry in the Risk management at the local and international levels It has been rated with the largest international companies And regional consulting services And audit based on risk management The software solutions were also listed as better Corporate Risk Management – Strategies And programs in many international forums .



## System Information \_\_\_\_\_

As of 31 December 2018, companies around the world have complied with IAS 17 for the recording and classification of leases and processing them on their financial statements.

IAS 17 has been criticized for the treatment of leases because it fails to meet the needs of users of financial statements because it does not require tenants to recognize assets and liabilities arising from operating leases and to present them in the financial statements so that users of these financial statements are able to understand and quantify the obligations (The relevant institution) in an easy way, but the method of presentation forced them to estimates and expectations that are often wrong and far from reality and thus provide a dangerous ground with information is not accurate to make important investment decisions.

The International Accounting Standards Board (IASB) issued 16 leases, which requires tenants to recognize the assets and liabilities of most leases to replace the current IAS 17 standard for the treatment of leases as of 1 January 2019.

The IASB believes that this will result in a clearer representation of tenants 'assets and liabilities and greater transparency in tenants' financial obligations and leasing activities.

IFRS 16 introduces a single accounting model for the lessee and requires the lessee to recognize the assets and liabilities of all leases over 12 months of high value.

There will be clear implications for the financial statements of companies and on the accounting treatment mechanisms resulting from the implementation of IFRS 16 where companies should plan to explain the effects of applying the

standard to stakeholders and may therefore require companies to develop new processes or controls or modify existing processes To identify and process the registration of leases.

Under the provisions of IFRS 16, the lessee must recognize the asset of the right to use which represents its right to use the underlying leased asset and the lease liability that is its obligation to pay the lease payments. (B) provide a basis for users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases.

The system of recording and managing leases in accordance with the requirements of IFRS 16 is a system developed by Joe Global Consultancy, Development and Training in recognition of changing market needs. We are aware of the need to provide customers with a robust and affordable solution that

enables them to adapt to market variables, In order to avoid reputational risk and non-compliance. The company issued its first version of IFRS16 in 2019.

## Tech-Specifications ---

The latest technology developed by Latest Technology.

Enabling enterprises to shift from operating leases to finance leases in compliance with the application of IFRS 16 and to indicate the impact of this application on the balance sheet and financial statements of the enterprise.

Enabling the organization to register a specific number of leases (in accordance with the purchased license) and manage these contracts technically and administratively (documentation and accounting).

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Enabling the organization to embody the leases, to register them on the system and to deal with them in various types and with their different scenarios, which may result from the nature of these contracts and according to the nature of the leased assets and the economic sector in which these contracts were organized, and all the possible conditions that may be contracted and agreed between the parties to the contract ).

The possibility of linking the system to the accounting system of the institution automatically to obtain the accounting entries opening and periodic (monthly), which include restrictions on monthly depreciation and benefits and restrictions related to extinguish the right to use the

asset Right Of Use and the corresponding liabilities.

Addressing all the conditions and conditions that may be covered by the lease contract, such as the commitment to a "minimum" period, "extension of the contract term" or "Residual Value".

Reports related to rent payment schedules and all related details (lease payment schedule)

Reports on the movement of accounts individually and collectively including calculation of the right to use the asset, depreciation, etc.

The ease of future development, which is the possibility of building other models according to the management policy of tenancy contracts in the institution.

The system is simple and easy to use and supports Arabic and English.