



How can new requirements of IFRS
16 be implemented within current
ERP and existing staff?

With the increased regulatory protocols, it has become mandatory that ERP systems are compliant with the adjusted IFRS 16 requirements. This mandate has given rise to the critical question – how can new requirements be implemented within current ERP and existing staff (without using excel for schedule calculations, etc.)?



What are the first steps?

- Assess if the regulation impacts your business
- If the regulation does affect the company, consider the number of contracts in the organization that are subject to IFRS 16
- In a situation where you are handling several contracts, automation can be a good solution. Otherwise, it would result in operational risks, inefficiencies, and inability to meet the IFRS 16 reporting requirements for compliance because your team's energies are focused on repetitive and routine manual tasks
- Once you have decided to digitalize your process, you should appoint a project manager

The project manager should decide on the digitalization strategy and come up with a plan:

- How will a historical contract be reflected in the system – using a retrospective or modified retrospective approach?
- What information is needed to apply the selected approach?
- What are the possible benefits and challenges?
- How to set the most effective contracts management workflow in a system?
- Once you confirm the contract, you can go through regular monthly activities, handle possible contract amendments, and ensure reporting requirements
- How will it be managed?
- What will the setting be in the system?

When you have the answers to these questions, choosing a suitable solution that complies with the requirements of IFRS 16 and your own processes becomes a breeze.

Customer experience after the implementation of IFRS 16

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- ATEA



**If you're still looking for answers –
please don't hesitate and contact us at**



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