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COURSE BROCHURE

# Lease Accounting and Right-of-Use Asset Measurement Training Course

8 – 12 November 2027
Madrid

# Lease Accounting and Right-of-Use Asset Measurement Training Course

**Ref:** 2770_105982 **Date:** 8 – 12 November 2027 **Location:** Madrid **Fees:** 5600 GBP

Lease Accounting and Right-of-Use Asset Measurement is a 1-week training course for financial accountants and property and fleet finance staff, built around a working lease register with a linked amortisation schedule. Leased offices, warehouses, vehicles and equipment now sit on the balance sheet, so lease judgements move gearing, operating profit and covenant headroom. Jupiter Prime Training offers this course on lease accounting for lessees.

## Why Lease Accounting Matters Now

Three forces shape lease accounting today. Property and fleet portfolios are larger and more varied, with renewal options, index-linked rents and service bundles hidden inside contracts. Lenders and rating analysts read lease liabilities as debt, so a misstated discount rate or term changes how a business is judged. Handled well, lease balances are defensible and stable; handled badly, restatements and late surprises follow. The course rests on the lessee single-model approach under international financial reporting requirements, explained in general terms.

## Who Gains Most from Lease Accounting

- Accountants responsible for posting lease liabilities, interest and right-of-use depreciation each period
- Property finance staff who track rent reviews, break clauses and renewal options across a real estate portfolio
- Fleet finance staff who account for vehicle and equipment contracts with mileage or usage terms
- Reporting accountants who prepare lease notes, maturity tables and reconciliations for year-end accounts
- Contract and procurement finance staff who review new agreements for embedded leases before signature

A shared service centre or group reporting function gains most when the people who read contracts and the people who post journals attend together.

## Lease Accounting Capabilities

Each outcome turns a clause in a lease contract into a number that can be posted, explained and audited.

- Assess whether a contract conveys control of an identified asset — the lease or service decision
- Calculate the opening lease liability and right-of-use asset — the initial recognition entry
- Select and document an incremental borrowing rate — the audit file and treasury
- Apply remeasurement and modification rules to changed contracts — the revised carrying amounts
- Weigh short-term and low-value exemptions against portfolio size — the accounting policy choice
- Build a lease register with an amortisation schedule — the monthly close and disclosure notes

## Key Lease Accounting Terms

- Right-of-use asset — the lessee's asset representing its right to use an underlying asset for the lease term.
- Lease liability — the present value of lease payments not yet paid, measured at the commencement date.
- Incremental borrowing rate — the rate a lessee would pay to borrow funds over a similar term, with similar security.
- Lease term — the non-cancellable period plus option periods the lessee is reasonably certain to exercise or not terminate.
- Lease modification — a change in scope or consideration that was not part of the original contract terms.
- Variable lease payments — payments that change with an index, rate, usage or sales rather than with time alone.

## Lease Accounting Day by Day

## Day 1: Identifying a Lease in Contracts

- Identified Asset and Substitution Rights — Lease or Service Contract Decision
- Right to Direct Use and Economic Benefits — Control Assessment
- Separating Lease and Non-Lease Components — Service Charge Treatment
- Embedded Leases in Supply and Outsourcing Agreements — Hidden Liabilities
- Contract Review Checklist for Property and Fleet — Intake Routine

## Day 2: Initial Measurement

- Lease Payments in the Liability — Fixed, Indexed and Guaranteed Amounts
- Lease Term Judgements and Extension Options — Reasonable Certainty Evidence
- Incremental Borrowing Rate Build-Up — Term, Currency and Security Adjustments
- Right-of-Use Asset Cost — Initial Direct Costs and Restoration Provisions
- Commencement Journal Entries — Opening Balance Sheet Impact

## Day 3: Subsequent Measurement and Changes

- Effective Interest Unwinding — Finance Cost Profile Over the Term
- Right-of-Use Depreciation and Impairment — Asset Carrying Amount Review
- Index and Rent Review Remeasurement — Revised Payment Schedules
- Lease Modifications Versus Separate Leases — Scope and Price Changes
- Early Termination and Surrender Accounting — Gain or Loss Recognition

## Day 4: Exemptions, Presentation and Disclosure

- Short-Term Lease Exemption — Twelve-Month Test and Policy Election
- Low-Value Asset Relief — Portfolio Thresholds and Fleet Accessories
- Sale and Leaseback Transactions — Retained Rights and Gain Limits
- Cash Flow Statement Classification — Principal and Interest Split
- Maturity Analysis and Lease Notes — Year-End Disclosure Pack

## Day 5: Lease Register Practice

- Lease Register Data Fields — Contract Terms to Ledger Codes
- Discount Rate Library by Term Band — Consistent Rate Selection
- Modification Log and Remeasurement Workflow — Audit Trail Control
- Covenant and Gearing Impact Review — Treasury and Lender Briefing
- Completed Lease Register and Amortisation Schedule — Monthly Close Output

## Applying Lease Accounting After the Course

- Lead a contract sweep of supply and outsourcing agreements to find embedded leases and log them with the control assessment taught.
- Rebuild the incremental borrowing rate table by term band with treasury and document each rate input for the audit file.

## Lease Accounting Questions FAQ

### What is lease accounting and why does it matter now?

Lease accounting is the recognition and measurement of leases on a lessee's balance sheet as right-of-use assets and lease liabilities. It matters now because lenders and analysts treat those liabilities as debt, so lease judgements affect gearing, covenants and reported operating profit.

### Which roles gain most from lease accounting training?

Financial accountants, property finance staff and fleet finance staff gain most. Reporting accountants who prepare lease notes and procurement finance staff who review new contracts for embedded leases also benefit.

## How does this lease accounting course differ from a general financial reporting course?

This lease accounting course spends all one week on lessee contracts, rates and remeasurement rather than surveying every reporting topic. A general reporting course gives leases a session; here you work through property and fleet cases until each balance can be traced to a clause.

## What do you bring back from lease accounting training?

You bring back a lease register with a linked amortisation schedule, a discount rate approach you can defend and a modification log. Together they support the monthly close and the year-end lease note.

## Lease Accounting: The Way Forward

The lease register and amortisation schedule first inform the opening liability and right-of-use balances for the next close. Accountants post from it, property and fleet staff feed contract changes into it, and reporting teams draw disclosures from it. After its first quarter in use, revisit the lease term judgements on renewal options.