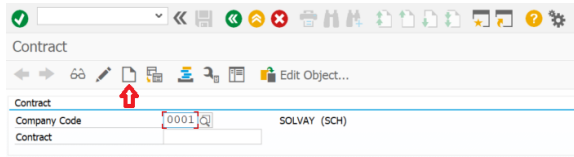


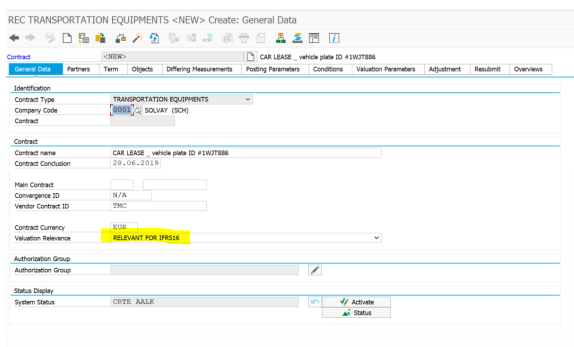
WW IFRS 16 - RE-FX Contracts

CONTRACT CREATION

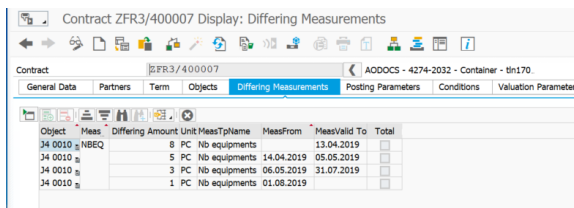
To create a RE-FX Lease Contract you have to access to transaction /RECN/ and insert the company code for which the contract needs to be created and then click on the blank page (contract creation – red arrow)



This will open a new window where you can choose which kind of contract you are going to create (ex: a car contract will be categorized as "Transportation equipment")
Fill in all the necessary information page by page (General data, Partners, Terms...)



- In *Partner* part always choose Lessor and put the Business Partner number
- In the *Term* part you can choose if the contract has a renewal option
- In *Objects* part always choose *Contract Object* options and fill *Contract Item* with the short description of the contract, the *Object Type* and the *Account Assignment* with the correct Cost Center or WBS
- *Differing Measurement* part is optional; it can be used when you have to apply the condition to more than one item and the nr. of these items changes during the time (ex: Containers contracts – see contract ZFR3/400007 as example below)



Object	Meas	Differing Amount	Unit	MeasTp/name	MeasFrom	MeasValid To	Total
34 0010	NBEQ	8	PC	Nb equipments		13.04.2019	
34 0010		5	PC	Nb equipments	14.04.2019	05.05.2019	
34 0010		3	PC	Nb equipments	06.05.2019	31.07.2019	
34 0010		1	PC	Nb equipments	01.08.2019		

- In *Posting Parameters* part, can be set the frequency of postings (if it's in advance, in arrears, if the amount is daily, monthly, annually etc)
- In *Conditions* part always choose the appropriate one, starting by "R" (ex: car contract = R160 Lease for cars). Here you have to fill the start date, the rent amount and the 1st posting date. ATTENTION: if the start date of the contract is before 01.01.2019, the first posting date will be ALWAYS 01.01.2019, as shown below.

Scope



ERP

PF2 WP2

Frequency



Attachments

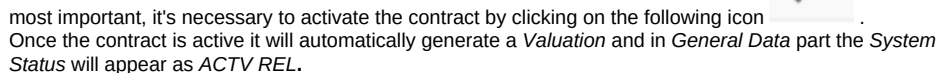
[IFRS16 Contract Creation](#)

[Errors in REC N - PPT](#)

[Rule contract type.xlsx](#)

- In *Valuation Parameters* part, always choose the Valuation for both IFRS 16 and Local GAAP (the last one may vary based on the country for which the contract is created, according to IFRS16 rule). The correct Valuation to be chosen is the J4 one. ATTENTION: the system by default assumes that the start date of the valuation is the same of the start date of the contract, but as in *Conditions*, if the start date of the contract is before 01.01.2019, the *Start of Consideration* of the valuation date should be 01.01.2019 (both for IFRS16 and Local GAAP). Fill in both valuation with the correct interest rate (in case of some countries like France, China, etc. where IFRS16 is not applicable at Local GAAP level, choose as *Distribution Form* "Divide equally"). In order to create the valuation, it's necessary to "apply the rule", by selecting both lines (blue arrow) and clicking on the flag (red arrow). Once the Valuation is completed an asset number will be created and in the Rule Status 2 flags will appear and it will say *Complete*.

The contract is now fully filled, but it's necessary to save it, in order to create the RE-FX number and,



Once a contract has been modified several times, it may create a SPECIAL FLOW, which is a posting that falls into the P&L account and it's not supposed to. If this happens the accounts are not balanced. In order to solve this problem you have to revert the previous postings to have the same amount in both local and IFRS16 valuation.

[illegible]

Activate the rule and save the contract, the amount will be the same.

REC TRANSPORTATION EQUIPMENTS 7525/400022 Change: Valuation

Contract	7525/400022	ADOCX 7525-0001-201640
General Data	Partners	Term
Objects	Differing Measurements	Posting Parameters
Conditions	Valuation Parameters	Valuation
Adjustment	Relevant	Overview

Object	Rule Status	Valuation Status	High	Step	Initial Valuation	Relevant	Val	Behavior	Authorized	Contract	Price	Val	City
1 LOCAL/PLA	No balance sheet valuation in local GAAP/Lease expense only	34 0010	IF	IF	2	IF	2	No valuation Required Transfer Posting	✓	38.222.446	XBR		
2 IFRS16	Balance sheet valuation in IFRS	34 0010	IF	IF	8	IF	8	No valuation Required New Start	✓	38.222.446	38.285.079	XBR	

Be aware that, before posting again, you have to change the status of the posting the conditions .

Contract update

Contract update scenarios:

- 1 – Contract term extension
- 2 – Amount increase/decrease
- 3 – Number of Equipment increase/decrease

1.Contract term Extension

Example: contract ended on 31.01.2021 and extended until 31.12.2021

It often happens that leasing contracts are renewed or extended. In order to proceed with the contract extension, you need to have an amendment or an official document stating the new end date. To proceed with this update, go to "terms" and insert the new end date (in case in the amendment it is stated that the contract will have a specific type of renewal, instead of changing the end date, add a "renewal").

Contract 6291/400000 Lease of 2 containers (Miete 2x Klimagerät)

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions Valuation F

Renewal

Notice on Objects 31.01.2021

Term: 14.03.2019 - 31.01.2021

Term Memo

Contract start date 14.03.2019 Cash Flow From 14.03.2019

1st Contract End 31.12.2021 First Posting From

Term in months 23

End of Term 31.01.2021

Term Information

Current Status Concluded

The number of terms in months will update automatically after inserting the new end date.

Then go to condition and in order to avoid special flow, end the condition of the previous year on the last day of the previous year and duplicate it starting on the first day of the current year.

(Display All Periods)

Key Date 01.07.2019

Display Simulate

Det/Tral	PdS Purp.	Name	Condition Type	Calculation	Object	Clf/Prf/Name	Unit Price	Valid From	Valid To	Per Day	Tax -Day	Per Month	Tax -Month
	Actual, recurrent	Lease for cars	34 0010	Fixed Amount	342,850000	01.07.2019	31.12.2020	11,43	0,00	342,85	0,00		

Actual, recurrent Lease for cars 34 0010 Fixed Amount 342,850000 01.07.2019 31.12.2020 11,43 0,00 342,85 0,00

New Condition Starting From?

Valid From 01.01.2021

Unit Price 342,850000

Lease for cars - 0010 - 01.07.2019

Condition Terms Copy Memo

Lock Reason

Calculation Obj

Condition Type Lease for cars

Condition Purpose Actual, recurrent

Valid From 01.07.2019 To 31.12.2020

Unit Price 342,850000

Formula Fixed Amount

In valuation parameters, create new valuations (both for IFRS16 and Local BS or Local GAAP) starting the day of the extension (in this case 01.02.2021 as the end date of the contract was 31.01.2021) and insert the correct discount rate (in this case the contract has been extended for 11 months, but we will always take in consideration 12 months as it's the minimum period). Then validate the rule with the flag.

Contract 6291/400000 Lease of 2 containers (Miete 2x Klimagerät)

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions **Valuation Parameters** Valuation Adjustments

Det Object Object Description No. Asset Name of Valuation Rule
 ▶ 34 0010 Lease of 2 containers (Miete 2x Klimagerät Container) 1 FXA 6291/280000000000/0 Balance sheet valuation in IFRS
 ▶ 34 0010 Lease of 2 containers (Miete 2x Klimagerät Container) 2 No balance sheet valuation in local GAAP-Lease expense only

Valuation (1): Balance sheet valuation in IFRS

Valuation + Conditions - Corrections - Memo

Number 1 Balance sheet valuation in IFRS
 Valid From 01.02.2021 [Current]
 Object 34 0010 Lease of 2 containers (Miete 2x Klimagerät Container)
 Asset 6291 280000000000/0 Lease of 2 containers (Miete 2x Klimagerät Container)
 Start of Consid 01.01.2021 End of Usage RoU Absolute End 31.12.2021
 Probable End 01.01.2021
 Interest Rate 0,0742920000 Val. Behavior Absolute Difference
 Frequency Term <Standard> Currency EUR / EUR
 Act Assignment CTR CHEF/4K16200000 From 34 0010
 Memo

In Valuation, simulate the new valuations and if no special flows or errors appears, save the contract and post both valuation part and contract part.

contract 6291/400000 Lease of 2 containers (Miete 2x Klimagerät)

General Data Partners Term **Valuation Result**

Det No. Valuation Rule Name of Valuation Rule Present Value Contract Value
 1 IFRS16 Balance sheet 5.481,52 / EUR
 2 LOCAL(P&L) No balance sheet 5.500,00 / EUR

Assets Depreciation Clearing Interest

ValAccountAssignment Due Date Assets CrDr Status FTTyp Flow Type Name
 FXA 6291/280000000000/0 14.03.2019 1.362,62 EUR ++ I101 RoU posting IFRS (AA) (+)
 6,89 EUR ++ I101 RoU posting IFRS (AA) (+)
 3.155,41 EUR -- I102 RoU posting IFRS (AA) (-)
 13.671,86 EUR + I100 RoU posting IFRS (AA) (+)
 01.01.2021 500,00 EUR ++ I101 RoU posting IFRS (AA) (+)
 01.02.2021 5.481,52 EUR ++ I101 RoU posting IFRS (AA) (+)
 Step Values Log Status ConsidStet FXA 6291/280000000000/0 01.02.2021 17.767,48 EUR
 5 01.01.2021 17.767,48 EUR

2. Amount increase/decrease

If the amount of the contract has increased or decreased in a previous time respect today, first you need to reverse the valuation and the contract part. (The reversal can ONLY be done for the current year, not previous years and it should be done only for the necessary period. For example the amount will change starting 01.02.2021, I will reverse the contract until 01.02.2021 not until 01.01.2021).

After the reversal, go to conditions and create a new line, inserting the new amount. If the update occurs in the future no reversal are needed.

Display Simulate

Det TRF P&S Purp. Name Condition Type Calculation Object Calculation Formula Unit Price Valid From Valid to Per Day Tax Day Per Month Tax Month

Actual, recurrent Lease Container & tr 34 0010	Fixed Amount	500,000000	01.02.2021	0,00	0,00	0,00	0,00
Actual, recurrent Lease Container & tr 34 0010	Differing Measurement	382,95000000	14.03.2019 13.01.2020	0,00	0,00	0,00	0,00
Actual, recurrent Lease Container & tr 34 0010	Differing Measurement	215,20000000	14.03.2020 13.04.2020	0,00	0,00	0,00	0,00
Actual, recurrent Lease Container & tr 34 0010	Differing Measurement	250,00000000	14.04.2020 30.11.2020	0,00	0,00	0,00	0,00
Actual, recurrent Lease Container & tr 34 0010	Fixed Amount	500,000000	01.01.2021 31.01.2021	16,67	0,00	500,00	0,00
				-16,67	0,00	-500,00	0,00

Check in Simulate if the update is correct for the following months:

31.01.2021	500,00	0,00	500,00	EUR	01.01.2021	31.01.2021
28.02.2021	550,00	0,00	550,00	EUR	01.02.2021	28.02.2021
31.03.2021	550,00	0,00	550,00	EUR	01.03.2021	31.03.2021
30.04.2021	550,00	0,00	550,00	EUR	01.04.2021	30.04.2021
31.05.2021	550,00	0,00	550,00	EUR	01.05.2021	31.05.2021
30.06.2021	550,00	0,00	550,00	EUR	01.06.2021	30.06.2021
31.07.2021	550,00	0,00	550,00	EUR	01.07.2021	31.07.2021
31.08.2021	550,00	0,00	550,00	EUR	01.08.2021	31.08.2021
30.09.2021	550,00	0,00	550,00	EUR	01.09.2021	30.09.2021
31.10.2021	550,00	0,00	550,00	EUR	01.10.2021	31.10.2021
30.11.2021	550,00	0,00	550,00	EUR	01.11.2021	30.11.2021
31.12.2021	550,00	0,00	550,00	EUR	01.12.2021	31.12.2021

In valuation Parameters, if no valuation has been created for the current year, create a new valuation for the current year. In this case the Discount rate will remain the same as the duration of the contract hasn't been impacted.

Validate the rule and simulate the new valuation in Valuations. If everything is correct, save the contract and post it.

3. Number of Equipment increase/decrease

In valuation Parameters, if no valuation has been created for the current year, create a new valuation for the current year. In this case the Discount rate will remain the same as the duration of the contract hasn't been impacted.
Validate the rule and simulate the new valuation in Valuations. If everything is correct, save the contract and post it.

Cancel contract

How to cancel / terminate a RE-FX contract in transaction RECN.
There are various case scenario:

1. Contract created in current year with flow F20 that:
 2. It should have never been created (for example it's a duplication)
 3. It should terminate earlier than expected
-
1. Contract created in previous years that:
 2. It should have never been created (for example it's a duplication)
 3. It should terminate earlier than expected in the current year
 4. It should terminate earlier than expected in the past year

Case 1.A - Contract created in current year with flow F20 that should have never been created:

First of all, check that the contract has been created with the flow F20, by going in IFRS16 valuation and opening the asset.

REC TRANSPORTATION EQUIPMENTS 0001/400829 Display: Valuation

Contract: 0001/400829 CAR LEASE vehicle plate ID #1XKV437

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions Valuation Parameters

Valuation Result

DetNo. Valuation: 1 IFRS16 Balance sheet valuation in IFRS (IFRS16)

Valuation Rule: 31.141,04 / EUR

Present Value: 31.141,04 / EUR

Contract Value: 31.412,64 / EUR

Assets Depreciation Clearing Interest

ValAccountAssignment Due Date Assets CrCy Status FTyp Flow Type Name

PXA 0001/280000000748/0 05.02.2020 31.141,04 EUR + I100 RoU posting IFRS (AA)

0001 Balance sheet 31.141,04 EUR

Step Values Log St

Company Code: 0001 SOLVAY (SC)

Asset: 280000000748 0 CAR LEASE

Fiscal year: 2020

Planned values Posted values Comparisons Parameters

Planned values Group US GAAP

Value	Fiscal year start	Change	Year-end CrCy
APC transactions		31.141,04	31.141,04 EUR
Acquisition value		31.141,04	31.141,04 EUR
Ordinary deprec.		7.049,99-	7.049,99- EUR
Special depreciation			EUR
Unplanned dep.			EUR
Write-up			EUR

Transactions

AssetValDate	Amount	TType	Transaction type name	CrCy
05.02.2020	31.141,04	ZL0	RoU Acquisition - IFRS Only - F20	EUR

Going back to the contract, go to "Extras" "Post" and then reverse first all the valuation part and then all the contract part.

Reverse Valuation for a Contract

Last Log
 Overview

Doc. Selection

Company Code	0001		
Contract	400829		
Process ID		to	
Fiscal Year		to	
Posting Period		to	
Posting Date		to	
Doc. Reference Key		to	
Accounting Principle		to	
Valuation Rule		to	

☐ Reverse Last Run Only

Posting Data

Mode: Update Run

Reason for Reversal: Reversal in closed period

Posting Date: 01.12.2020

Posting Period:

Output

☐ Only Display Error Log
☐ Use Grid Control

Once done, in Edit mode inside the contract, select both valuations and cancel them.

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions Valuation Parameters **Valuation**

Det No.	Val Rule	Name of Valuation Rule	Object	Rule Status	Valuation Status	High Step	Status	Valuation Reason	Val Beh.	Auto/Vol
1	IFRS16	Balance sheet valuation in IFRS	J4 0010				1	No Valuation Required New Start		
2	LOCAL(BS)	Balance sheet valuation in local GAAP J4 0010	J4 0010				1	No Valuation Required New Start		

Delete Process Values 2 Entries

No.	Val. Rule	Name of Term
1	IFRS16	Balance sheet valuation in IFRS
2	LOCAL(BS)	Balance sheet valuation in local GAAP

Rule End Identification: 2.2023 PTF304039C

Then go to Valuation Parameters and cancel both valuations and the asset by selecting one valuation at the time and clicking on the red minus.

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions **Valuation Parameters**

Obj Desc	No. Asset	Name of Valuation Rule	Asset Description	Memo	N.St. Rule	Rule Status
J4 0010 test	1	FXA 5835/280000000260/0 Balance sheet valuation in IFRS	test		Complete	
J4 0010 test	2	FXA 5835/280000000260/0 Balance sheet valuation in local GAAP	test		Complete	

Go to General Data and de-activate the contract by clicking twice on the arrow on System Status until the name CRTE AALK REL appears.

Contract 5835/400218 test

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions Valuation Parameters

Contract 400218

Contract

Contract name: test

Contract Conclusion: 01.01.2020

Main Contract:

Convergence ID:

Vendor Contract ID:

Contract Currency: EUR

Valuation Relevance: RELEVANT FOR IFRS16

Authorization Group:

Status Display

System Status: CRTE AALK REL Activate

Case 1.B - Contract created in current year with flow F20 that should terminate earlier than expected

Example: Start date on RE-FX: 01.01.2021 - End date on RE-FX: 31.12.2023 . New end date: 28.02.2021

As per Case 1.A check if the contract has been created with flow F20.

Then reverse first the valuation from 01.03.2021 (next month after new end date) to current month and do the same with the reversal of the contract part.

Reverse Valuation for a Contract

Last Log Overview

Doc. Selection

Company Code	ZFR3		
Contract	400472		
Process ID		to	
Fiscal Year		to	
Posting Period		to	
Posting Date	01.03.2021	to	31.05.2021
Doc. Reference Key		to	
Accounting Principle		to	
Valuation Rule		to	
☐ Reverse Last Run Only			

Posting Data

Mode	Simulation
Reason for Reversal	Reversal in closed period
Posting Date	01.05.2021
Posting Period	

Once reversed change the end date in Term with the new end date.

General Data Partners Term Objects Diff

DetTermCateg. No. Name of Term Memo

Term	01.01.2021 - 28.02.2021	
Notice	<No Period of Notice>	

Term: 01.01.2021 - 28.02.2021

Term Memo

Contract start date	01.01.2021
1st Contract End	28.02.2021
Term in months	2
End of Term	28.02.2021

Make sure that in Conditions Simulate, there are no rents created after the new end date.

Contract ZFR3/400472 test

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions

To Conditions Display All

Simulation of Partner-Rel. Cash Flow - All Conditions (2/2)

Flow Type Name	Due Date	Status	NetCndCrcy	TaxCC	GrCndCrcy	CdCr	Calc. from	Calc. to	CrcyTrRule	Net
Lease for cars	01.01.2021		500,00	0,00	500,00	EUR	01.01.2021	31.01.2021		Si
	01.02.2021		500,00	0,00	500,00	EUR	01.02.2021	28.02.2021		Si
			- 1.000,00	- 0,00	- 1.000,00	EUR				- 1.00

In Valuation Parameters part, change the interest rate with the correct one based on the new end date and then validate the rule by clicking on the flag (the N.Status Rule will appear as Complete)

Contract ZFR3/400472 test

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions Valuation Parameters Valuation Adjustment

Val. Behavior

Det. Object	Obj. Desc. No. Asset	Name of Valuation Rule	Asset Description	Memo	N.St. Rule	Status
34 0010 test	1	FXA ZFR3/442740000497/0	Balance sheet valuation in IFRS		Complete	Co
34 0010 test	2	No balance sheet valuation in local GAAP-Lease expense only			Complete	Co

Valuation (1): Balance sheet valuation in IFRS

Valuation + Conditions Memo

Number	1	Balance sheet valuation in IFRS
Object	34 0010	test
Asset	ZFR3/442740000497/0	test
Start of Consid	01.01.2021	1st Postg
Probable End		End of Usage Rol
Interest Rate	0,5400000000	Val. Behavior
Frequency Term	<Standard>	New Start
Act Assignment		Währung
		EUR / EUR
		CTR 2006/ZFR3-5439 From 34 0010

Before Saving, go to valuation and simulate the new IFRS16 valuation to check that no special flow has been created by clicking on Simulate Valuation Selected Rule Continue

Contract Simulate Valuation Valuation Result

General DM Val. Behavior

Valuation Rule	Balance sheet valuation in IFRS (IFRS16)
Present Value	999,73 / EUR
Contract Value	1.000,00 / EUR

DetNo. IFRS16 Balance sheet valuation in LOCAL(P&L) No balance sheet valuation

ValAccountAssignment	Due Date	Assets Crcy	Status	FFTyp	Flow Type Name
FXA ZFR3/442740000497/0	01.01.2021	0,24 EUR	++	1101	Rou posting IFRS (AA) (+)
FXA ZFR3/442740000497/0		999,49 EUR	+	1100	Rou posting IFRS (AA)
		999,73 EUR			
		- 999,73 EUR			

If no Special Flow has been created, Save the contract and post the new Valuation.

First of all, in Conditions end the current condition at the end of the previous year and create a new condition for the current year with the same amount.

In Valuation Parameters *Complete* the Rules and in Valuation, simulate the new IFRS 16 valuation to make sure that this change has no impact on the contract (no actual change has been performed, as the existing condition has been divided but kept the same data) and save the contract.

Then reverse first only the current year Valuation and Contract parts.

Once done, in conditions, set 1 euro as amount for the current year condition.

Go to Valuation Parameters and complete the rule by clicking on the flag. Before saving the contract in Valuation, simulate the new valuation to make sure that no Special flow has been created and then save the contract.

Now reverse only the contract part for the previous year.

Reverse Contract Postings for a Contract

☐ Last Log
 ☐ Overview

Doc. Selection

Company Code: ZFR3
 Contract: 500045
 Process ID: to
 Fiscal Year: to
 Posting Period: to
 Posting Date: to
 Doc. Reference Key: to
 Type of Posting Run: Periodic Posting + Transfer

Posting Data

Mode: Simulation
 Reason for Reversal: Reversal in closed period
 Posting Date: 01.02.2021
 Posting Period:

Now set 1 euro as amount for the old condition as well and in the new condition of the current year set as end date the last day of the current month.

Det Trel
 Ps Purp.
 Name
 Condition Type
 Calculation Object
 ClcFrmName
 Unit Price
 Valid From
 Valid to
 Per Day

	Actual, recurrent Lease Ind Equip	J4 0010	Fixed Amount	1,000000	01.01.2021	28.02.2021	0,00
<	Actual, recurrent Lease Ind Equip	J4 0010	Fixed Amount	1,000000	01.07.2020	31.12.2020	0,03
							0,03

Lease Ind Equip - 0010 - 01.01.2021

☐ Condition
 ☐ Terms
 ☐ Calculation
 ☐ Valuation
 ☐ Memo

Calculation Obj: J4 0010 Achat de 2 compresseurs d'air
 Condition Type: Lease Industrial Equipment
 Condition Purpose: Actual, recurrent SC-Relevant Statist. One-Tm
 Valid From: 01.01.2021 To: 28.02.2021 1st Posting
 Unit Price: 1,000000 Formula Fixed Amount
 Currency: EUR

And create the new valuation for the current year in valuation parameters (both for IFRS16 and P&L part) with interest as 0, as the contract should have never existed in the current year, by clicking first on the calendar and then on New in the existing valuation. Set as end date in Probable end date the last day of the current month (same date you used for the new condition, so as the depreciation will be calculated until that day). Make sure that the asset number is the same in both valuations.

Insert Time Slice

Valid From: 01.01.2021
 Consideration Start: 01.01.2021
 Interest Rate: 0 Adopt Reference Int. Rate

Notes

Valuation Rules

Contract

Insert Time Slice/No. Type Valid From Valid To From Valuation Rule Considered 1st Postg Classific Interest Rate FT Dist Par Dist Par Prob End End F

	1	1500	IFRS16	01.07.2020	A	2,0077370000	A
	2	1500	LOCAL (P&L)	01.07.2020	A <td>0,0000000000</td> <td>A</td>	0,0000000000	A

Valuation (1): B
 Valuation

Number: 1 Balance sheet valuation in IFRS
 Valid: (Unlimited)
 Object: J4 0010 Achat de 2 compresseurs d'air
 Asset: ZFR3 442740000480 0 Achat de 2 compresseurs d'air
 Start of Consid: 01.07.2020 1st Postg End of Usage RoU: 28.02.2021
 Probable End: Absolute End
 Interest Rate: 2,0077370000 Val. Behavior: New Start
 Frequency Term: 1 Standard Währung: EUR / EUR
 Act Assignment: CTR 2006/7622-2503 From J4 0010
 Memo:

Contract: ZFR3/500045 test

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions Valuation Parameters Valuation Adjustment Result Overview

Valuation (1): Balance sheet valuation in IFRS
 Valuation

Number: 1 Balance sheet valuation in IFRS
 Valid: From 01.01.2021 (Current)
 Object: J4 0010 Achat de 2 compresseurs d'air
 Asset: ZFR3 442740000480 0 Achat de 2 compresseurs d'air
 Start of Consid: 01.01.2021 End of Usage RoU: 28.02.2021
 Probable End: Absolute End
 Interest Rate: 0 Val. Behavior: Absolute Differenz
 Frequency Term: 1 Standard Währung: EUR / EUR
 Act Assignment: CTR 2006/7622-2503 From J4 0010

Simulate once again the new IFRS16 valuation in Valuations to check if no special flow has been created and if the depreciation is being calculated properly until the set end date.

Valuation Result									
Valuation Rule		Balance sheet valuation in IFRS (IFRS16)							
Present Value		2,00 / EUR							
Contract Value		2,00 / EUR							
Assets Depreciation Clearing Interest									
ValAccountAssignment	Due Date	Assets CrCy	Status FTyp Flow Type Name						
FXA ZFR3/442740000480/0	01.07.2020	311.909,64- EUR	- I102 RoU posting IFRS (AA) (-)						
		311.966,80 EUR	+ I100 RoU posting IFRS (AA)						
	01.01.2021	49,70- EUR	- I102 RoU posting IFRS (AA) (-)						
FXA ZFR3/442740000480/0		7,46 EUR							
		7,46 EUR							

Valuation Result									
Valuation Rule		Balance sheet valuation in IFRS (IFRS16)							
Present Value		2,00 / EUR							
Contract Value		2,00 / EUR							
Assets Depreciation Clearing Interest									
ValAccountAssignment	Due Date	Year	Depreciation	Remaining Value CrCy	Calc. from	Calc. to	Days	FTyp	Flow Type Name
FXA ZFR3/442740000480/0	31.07.2020	2020	0,95	56,21 EUR	01.07.2020	31.07.2020	30	I200	Depreciation (AA)
	31.08.2020		0,96	55,25 EUR	01.08.2020	31.08.2020	30	I200	Depreciation (AA)
	30.09.2020		0,95	54,30 EUR	01.09.2020	30.09.2020	30	I200	Depreciation (AA)
	31.10.2020		0,95	53,35 EUR	01.10.2020	31.10.2020	30	I200	Depreciation (AA)
	30.11.2020		0,96	52,39 EUR	01.11.2020	30.11.2020	30	I200	Depreciation (AA)
	31.12.2020		0,95	51,44 EUR	01.12.2020	31.12.2020	30	I200	Depreciation (AA)
	2020		5,72	EUR					
	31.01.2021	2021	0,87	0,87 EUR	01.01.2021	31.01.2021	30	I200	Depreciation (AA)
	28.02.2021		0,87	0,00 EUR	01.02.2021	28.02.2021	30	I200	Depreciation (AA)
	2021		1,74	EUR					
FXA ZFR3/442740000480/0			7,46	EUR					
			7,46	EUR					

Save the contract and post both valuation and contract part.

Case 2.B - Contract created in previous year that should terminate earlier than expected in current year

Example: Start date on RE-FX: 01.08.2020 - End date on RE-FX: 31.07.2023 . New end date: 31.01.2021

As for case 2.A start by splitting the existing condition in 2: end the existing condition on the last day of the previous year and create the new condition with the same amount starting the first day of the current year. Complete the rule in valuation parameters, simulate the new IFRS16 valuation in Valuations and save the contract.

Reverse the valuation and contract parts for the current year starting the first day after the new end date

Reverse Valuation for a Contract

Last Log

Overview

Doc. Selection

Company Code	ZFR3		
Contract	500048		
Process ID		to	
Fiscal Year		to	
Posting Period		to	
Posting Date	01.02.2021	to	28.02.2021
Doc. Reference Key		to	
Accounting Principle		to	
Valuation Rule		to	
☐ Reverse Last Run Only			

Posting Data

Mode	Simulation
Reason for Reversal	Reversal in closed period
Posting Date	01.02.2021
Posting Period	

Set now in the new condition of the current year the new end date

Display All Periods

Key Date 01.08.2020

Det	TrRel	PaS	Purp.	Name	Condition	Type	Calculation	Object	ClcFrm	Name	Unit Price	Valid From	Valid to	27
				Actual, recurrent	Lease Ind Equip	J4	0010	Fixed Amount	8.278,020000	01.08.2020	31.12.2020	27		
				Actual, recurrent	Lease Ind Equip	J4	0010	Fixed Amount	8.278,020000	01.01.2021	31.01.2021		27	

Lease Ind Equip - 0010 - 01.01.2021

Condition

Terms

Calculation

Valuation

Memo

Lock Reason

Partially Locked Due to Existing Valuation Postings

Calculation Obj.	J4 0010	DELL - Storage Bays leasing
Condition Type	Lease Industrial Equipment	
Condition Purpose	Actual, recurrent	☐ SC-Relvant ☐ Statist. ☐ One-Tm
Valid From	01.01.2021	To 31.01.2021
Unit Price	8.278,020000	Formula
Currency	EUR	Fixed Amount

And in Valuation Parameters create the new valuation for the current year with 0 as interest and probable end date the new end date used also in the condition (see all the detailed steps in case 2.A), complete the rule and simulate IFRS16 valuations to check if no special flow has been created.

Det Object	Object Description	No. Asset	Name of Valuation Rule	Asset Description	Hemo	N.St.Rule	Rule Status	N.Sta.Val.
34 0010 DELL - Storage Bay leasing 1	FXA ZFR3/442740000489/0		Balance sheet valuation in IFRS	DELL - Storage Bay leasing		Complete	Complete	
34 0010 DELL - Storage Bay leasing 2			No balance sheet valuation in local GAAP-Lease expense only			Complete	Complete	

Valuation (1) Balance sheet valuation in IFRS	
Number	1
Valid	From 01.01.2021 (Current)
Object	34 0010 DELL - Storage Bay leasing
Asset	FXA ZFR3/442740000489/0
Start of Cond	01.01.2021
Probable End	31.12.2021
Interest Rate	4,2500000000000000
Frequency Term	<Standard>
Act Assignment	CTR 2006/0963-0754 From 34 0010

Save the valuation, check if the depreciation is being calculated correctly until the new end date and then post the valuation.

Valuation Result	
Valuation Rule	Balance sheet valuation in IFRS (IFRS16)
Present Value	8.278,02 / EUR
Contract Value	8.278,02 / EUR

ValAccountAssignment	Due Date	Assets CrCy	Status	FTyp	Flow Type Name
FXA ZFR3/442740000489/0	01.08.2020	290.628,17 EUR	+	I100	RoU posting IFRS (AA)
	01.01.2021	242.880,06- EUR	-	I102	RoU posting IFRS (AA) (-)
		47.748,11 EUR			

Valuation Rule	
Valuation Rule	Balance sheet valuation in IFRS (IFRS16)
Present Value	8.278,02 / EUR
Contract Value	8.278,02 / EUR

ValAccountAssignment	Due Date	Year	Depreciation	Remaining Value CrCy	Calc. from	Calc. to	Days	FTyp	Flow Type Name
FXA ZFR3/442740000489/0	31.08.2020	2020	8.073,00	282.555,17 EUR	01.08.2020	31.08.2020	30	I200	Depreciation (AA)
	30.09.2020		8.073,01	274.482,16 EUR	01.09.2020	30.09.2020	30	I200	Depreciation (AA)
	31.10.2020		8.073,00	266.409,16 EUR	01.10.2020	31.10.2020	30	I200	Depreciation (AA)
	30.11.2020		8.073,01	258.336,15 EUR	01.11.2020	30.11.2020	30	I200	Depreciation (AA)
	31.12.2020		8.073,00	250.263,15 EUR	01.12.2020	31.12.2020	30	I200	Depreciation (AA)
	2020		40.365,02						
	31.01.2021	2021	7.383,09	0,00 EUR	01.01.2021	31.01.2021	30	I200	Depreciation (AA)
	2021		7.383,09						
			47.748,11						

Case 2.C - Contract created in previous year that should terminate earlier than expected in current year

Example: Start date on RE-FX: 15.01.2020 - End date on RE-FX: 14.01.2026 . New end date: 30.11.2020

Start by dividing the existing condition, but in this case end the current condition on the new end date (30.11.2020), create another condition with the same amount for the remaining months of the previous year (01.12.2020 – 31.12.2020) and create a new condition starting the first day of the current year (01.01.2021) with the same amount.

[Display All Periods]	
Det TRef	PSS Purp.
Actual, recurrent Lease Ind Equip	34 0010
Fixed Amount	2.930,000000
Unit Price Valid from	01.01.2021
Valid to	30.11.2020
Actual, recurrent Lease Ind Equip	34 0010
Fixed Amount	2.930,000000
Unit Price Valid from	01.01.2020
Valid to	30.11.2020
Actual, recurrent Lease Ind Equip	34 0010
Fixed Amount	2.930,000000
Unit Price Valid from	01.12.2020
Valid to	31.12.2020

Complete the rule in Valuation Parameters and simulate the new IFRS16 valuation to check that this change has caused no impact in the contract, then save. Reverse valuation and contract only for the current year.

Reverse Valuation for a Contract	
Last Log	Overview
Doc. Selection	
Company Code	ZFR3
Contract	500043
Process ID	
Fiscal Year	2021
Posting Period	
Posting Date	
Doc. Reference Key	
Accounting Principle	
Valuation Rule	
☐ Reverse Last Run Only	
Posting Data	
Mode	Update Run
Reason for Reversal	Reversal in closed period
Posting Date	01.02.2021
Posting Period	

In conditions set 1 euro as rent amount only for the current year condition, complete the rule in valuation parameters, simulate the new valuation to check if no special flow has been created and save the contract.

[Display All Periods]										Key Date		15.01.2021	
Display Simulate													
Det TReI		PoS Purp.		Name Condition		Type	Calculation	Object	ClcFrmName	Unit Price	Valid From	Valid to	
>				Actual, recurrent Lease Ind Equip		J4	0010		Fixed Amount	1,000000	01.01.2021	28.02.2021	
<				Actual, recurrent Lease Ind Equip		J4	0010		Fixed Amount	593,000000	15.01.2020	30.11.2020	
>				Actual, recurrent Lease Ind Equip		J4	0010		Fixed Amount	593,000000	01.12.2020	31.12.2020	

Reverse only the contract part for the month that should have not existed in the previous year (for example for this case starting 01.12.2020).

Reverse Contract Postings for a Contract

Last Log Overview

Doc. Selection

Company Code 2FR3

Contract 500043

Process ID to

Fiscal Year to

Posting Period to

Posting Date 01.12.2020 to 28.02.2021

Doc. Reference Key to

Type of Posting Run Periodic Posting + Transfer

Posting Data

Mode Simulation

Reason for Reversal Reversal in closed period

Posting Date 01.02.2021

Posting Period

Now in conditions set 1 euro as rent amount for the months of the previous year that should have not existed.

Det	TReI	PoS	Purp.	Name	Condition	Type	Calculation	Object	ClcFrmName	Unit Price	Valid From	Valid to	Per D
>				Actual, recurrent Lease Ind Equip	J4	0010	Fixed Amount		1,000000	01.01.2021	28.02.2021		0,0
<				Actual, recurrent Lease Ind Equip	J4	0010	Fixed Amount		593,000000	15.01.2020	30.11.2020		19,7
>				Actual, recurrent Lease Ind Equip	J4	0010	Fixed Amount		1,000000	01.12.2020	31.12.2020		0,0
													- 19,7

Lease Ind Equip - 0010 - 01.12.2020

Condition Terms Calculation Valuation Memo

Lock Reason Partially Locked Due to Existing Valuation Postings

Calculation Obj. J4 0010 Rental contract for forklift for the site of Clamecy

Condition Type Lease Industrial Equipment

Condition Purpose Actual, recurrent ☐ SC-Relevant ☐ Statist. ☐ One-Tm

Valid From 01.12.2020 To 31.12.2020

Unit Price 1,000000 Formula 1st Posting

Currency EUR Fixed Amount

Again complete the rule in Valuation Parameters, simulate the IFRS16 valuation and if no special flow appears, save the contract.

Now in terms change the end date to the last day of the current month.

General Data Partners Term Objects Differing Measurements Posting Parameters Conditions Valuation Parameters

DetTermCateg. No. Name of Term Memo

Term 15.01.2020 - 28.02.2021

Notice <No Period of Notice>

Term: 15.01.2020 - 28.02.2021

Contract start date 15.01.2020 Cash Flow From 15.01.2020

1st Contract End 28.02.2021 First Posting From

Term in months 14

End of Term 28.02.2021

In valuation parameters create a new valuation for the current year with 0 as interest rate, making sure that the asset number is the same as the previous one (for details check case 2.A).

Valuation (1) Balance sheet valuation in IFRS

Valuation Conditions Memo

Number 1 Balance sheet valuation in IFRS

Valid From 15.01.2021 Current

Object J4 0010 Rental contract for forklift for the site of Clamecy

Asset 1593 Balance sheet valuation in IFRS

Start of Contract 01.12.2020 End of Lease Rule

Interest Rate 0 Absolute Difference

Frequency Term 12 Standard

Asset Assignment CTR 2006/7912/2006 From 26.01.2012

Once again, complete the rule and simulate IFRS16 valuation to make sure that no special flow has been created. Save the contract and post both valuation and contract parts.

NOTE: After performing any update in the contract always check in transaction FBL3N if the suspense account (WP2: 56030110 and PF2: 5112100020) for that specific contract is balanced.