

## CASE STUDY

# How Taboola Achieved ASC 842 Compliance Efficiently & Accurately with Trullion



**Industry**

Advertising/Technology



**Lease Portfolio**

10-100



**Auditor**

EY



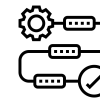
**Use Case**

ASC 842



**Locations**

18+ Worldwide



**Previous Process**

Excel

## About the Customer

Taboola is a public advertising company with headquarters in New York and 18 offices around the globe. The company's AI-powered platform powers content recommendations for the open web and is used by websites, devices, and mobile apps to drive monetization and user engagement.

Taboola began publicly trading on the Nasdaq in June 2021, after a merger with SPAC company ION Acquisition Corp. The following month Taboola announced the acquisition of marketing technology company Connexity for \$800M.

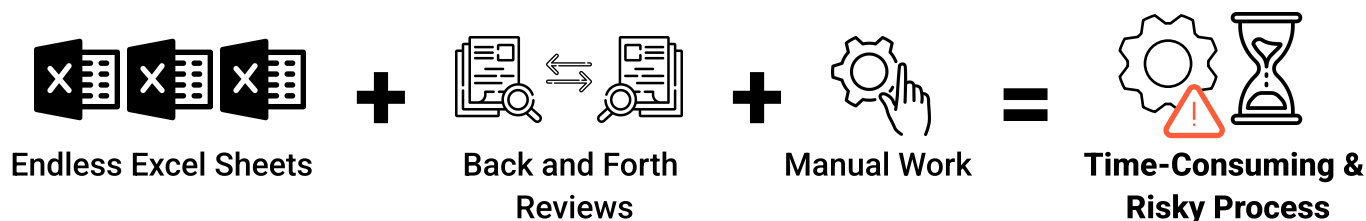
The current lease accounting portfolio consists of approximately 25 leases, including real estate, data centers and other assets.

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## The Challenge

Prior to working with Trullion, the Taboola finance team was reporting on leases with Excel. According to Taboola's VP Finance, Yaron Kaneti, the process was nothing short of a "nightmare". Kaneti describes it as "endless excel sheets with great manual work. A lot of reviews, going back and forth, checking the numbers, and fine-tuning them. It was a risky process, as well as time-consuming."

The lack of efficiency and the high risk of error was a major pain point for the team, and it was clear that implementing an automated solution was of high importance.



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## The Process

Kaneti had previously heard of Trullion through a mutual connection, but at the time, there was no urgency around implementing software and streamlining lease accounting processes. But once the merger with Outbrain was canceled and the company decided to go to IPO, the pain of manually complying with ASC 842 caught up with the team.

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## The Solution

When the Taboola team reconnected with Trullion, they were immediately hooked by the ease-of-use of the platform, and by the attentiveness of the team.

"On top of being a great system, the Trullion team's passion to make it work for us nailed the project," explains Kaneti. "It's not only the technical solution and how your system works - I think it's your people. That was the experience of the broader team and it was a gut feeling that this team will do everything to make the best solution for Taboola."

Taboola currently has active three team members using Trullion, an additional team member reviewing the work, an auditor reviewing the output. Additionally, the finance team of the acquired company Connexity, is using the platform as well.

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## **Automating ASC 842 Compliance**

As a publicly traded company, Taboola is reporting on ASC 842 compliance, and using Trullion to automate the processes. Kaneti breaks down the various use cases in which the team is using Trullion into four categories: Reporting on existing contracts, reporting on new contracts, termination of contracts, and integrating contracts of acquired companies.

### **Integrating Trullion for Acquired Companies**

Taboola has acquired large and small companies around the world throughout the years, and the finance team is responsible for reporting on those companies’ leases as well. Additionally, COVID caused some complications regarding real estate leases, including early termination of leases and engagement with new ones. Trullion has been pivotal in streamlining the reporting for these leases in an efficient manner and saving the Taboola team time and effort on complex reporting.

### **Streamlining Processes**

Kaneti shares his and his team’s enthusiasm for automating reporting. “The system calculates everything automatically and I very much like the ability to read the contract and to scan it in a way that a lot of information can be identified and flow into the methodology and the formulas in the system. It saves a lot of time... It’s efficient as well. So the whole experience from the paperwork that is scanned to the end output, it’s a great experience.”

***“The whole experience from the paperwork that is scanned to the end output, it’s a great experience. It saves a lot of time... It’s efficient as well.”***

## Reducing Risk

Trullion is giving Kaneti and the Taboola team peace of mind knowing that their numbers are accurate. “Once you have this type of system, your auditors are relaxed. I’m relaxed. Everyone is relaxed. The risk is low. The analyzing process is very smooth and easy without deficiency. So it’s not just a matter of days. It’s also in how let’s say risk concerns stay in the company and other areas in which maybe time will be – can be consumed more and we save that.”



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## Improving Efficiency

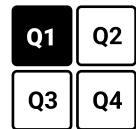
Since implementing Trullion, the Taboola team has seen a significant improvement in efficiency. According to Kaneti, automating lease accounting with Trullion has saved the company three full working days per person per quarter. With three team members using the platform, Trullion is saving Taboola 36 full days of work per year.



**3 Team Members**



**3 Working Days**



**Per Quarter**

**Taboola reduced their close process by**  
**36 days**

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Integrated Trullion for  
Acquired Companies



Streamlined  
Processes



Reduced  
Risk



Improved  
Efficiency

## Conclusion

In addition to increasing efficiency and improving reporting accuracy, the Taboola team is especially impressed with the “high quality of service and product. The relationships with you all, the personal interaction and attention is a great strength and I am sure that it will keep high engagement from our side going forward.”

The screenshot displays the Trullion software interface for 'Accounting Calculations'. The left sidebar contains navigation links: Contracts, Dashboard, Reports, Audit Log, Collaboration, Notifications, Audit Management, Settings, and Support. The main content area has tabs for Details, Payments, Judgements, Accounting Calculations (active), and Alerts. Below the tabs, there are filters for Reporting Standard (ASC 842), Functional Currency (United States Dollar (USD) (Functional Currency)), and Reporting Currency (United States Dollar). The table below shows financial data for various months from February 2020 to February 2021.

Start	Cash Flow	Balance Sheet	Income Statement / P&L	Other Calculations
Payment Day	Payment	Gross Liability	ROU Asset One-Time	ROU Asset One-Time
Feb 2020	15,000.00	300,000.00	301,650.01	0.00
Mar 2020	15,000.00	285,000.00	0.00	0.00
Apr 2020	15,000.00	270,000.00	0.00	0.00
May 2020	15,000.00	255,000.00	0.00	0.00
Jun 2020	15,000.00	240,000.00	0.00	0.00
Jul 2020	15,000.00	225,000.00	0.00	0.00
Aug 2020	15,000.00	210,000.00	0.00	0.00
Sep 2020	15,000.00	195,000.00	0.00	0.00
Oct 2020	15,000.00	180,000.00	0.00	0.00
Nov 2020	15,000.00	165,000.00	0.00	0.00
Dec 2020	15,000.00	150,000.00	0.00	0.00
Jan 2021	15,000.00	135,000.00	0.00	0.00
Feb 2021	15,000.00	120,000.00	0.00	0.00