

PeopleSoft®

EnterpriseOne JDE5
Fixed Assets
PeopleBook

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Fixed Assets PeopleBook
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Table of Contents

Overviews.....	1
Industry Overview	1
Fixed Assets Overview	3
Daily	10
Asset Identification	10
Asset Identification Information	10
Category Codes.....	11
Identification Numbers	11
Parent and Component Relationships.....	11
Creating an Asset Master Record	12
Locating Asset Information	22
Verifying Depreciation Information	27
Entering Additional Asset Information	33
Working with Parent and Component Information.....	44
Tracking the Location of an Asset	48
Processing G/L to Fixed Assets	51
Working with G/L Journal Entries	53
Posting G/L Journal Entries to Fixed Assets	61
Correcting Fixed Asset Balances	65
Reviewing Asset Costs	68
Periodic	76
Asset Depreciation	76
Understanding Asset Depreciation Methods	76
Entering Units of Production.....	82
Calculating Asset Depreciation.....	85
Reviewing and Approving the Depreciation Journal.....	93
Posting Depreciation to the General Ledger	100
Reviewing Depreciation Information Online	104
Fixed Asset Journal Entries.....	107
Splitting Fixed Assets	107
Transferring Fixed Assets.....	113
Disposing of Fixed Assets	130
Asset Revaluation	141
Understanding Asset Revaluation	141
Calculating Revaluation.....	144
Working with Revaluation Journal Entries	146
Posting Revaluation to the General Ledger	149
Year-End Processes	152
Closing Annual Account Balances.....	152
Closing Units of Production	155
Working with Depreciation Projections	156
Fixed Asset Reports	163

Printing Asset Information Reports.....	163
Printing Depreciation Reports.....	166
Running Integrity Reports.....	168
Printing Quarterly and Year-to-Date Reports	172
Setup	180
System Setup	180
Setup Features	180
Setting Up Fixed Asset Constants.....	181
Setting Up User Defined Codes for Fixed Assets	185
Setting Up User Defined Depreciation.....	187
Setting Up Automatic Accounting Instructions	215
Setting Up Next Numbers for Fixed Assets.....	221
Setting Up Asset Acquisition Years	222
Setting Up Depreciation Default Values	223
Mapping Category Codes.....	231
Setting Up Ledger Type Rules	233
Setting Up Disposal Account Rules.....	235
Setting Up Beginning Balances	238
Setting Up Revaluation Indexes	241
Working with Units of Production Schedules.....	243
Setting Up Supplemental Data	246
Advanced & Technical	247
Fixed Asset Global Updates	247
Updating Asset Information	247
Updating Global Depreciation Rules	250
Updating Accounts and Ledgers	253
Purging Assets and Asset Information	261
Appendices	268
Predefined Depreciation Methods	268
International Depreciation Methods.....	276
Formula Elements.....	319

Overviews

Financials are the backbone of corporations and play an integral role in all levels and aspects of business. Many businesses require an efficient method of managing their assets. The J.D. Edwards Fixed Assets system provides an effective way to track assets for financial and reporting needs.

This section provides overview information about the financials industry, as well as overview information about how the Fixed Assets system operates.

Industry Overview

To understand the critical role that fixed assets play in financials, you should understand the ways in which assets affect businesses, and how businesses can more efficiently track and manage their fixed assets through an enterprise-wide reporting system.

This chapter introduces the industry concepts associated with fixed assets. In addition, it outlines several problems inherent in a fixed asset environment, as well as J.D. Edwards solutions through Idea to Action.

Industry Environment and Concepts for Fixed Assets

Fixed assets are assets owned by a business enterprise that are permanent or have a long life and that are used in the business. A fixed asset can be a tangible item, such as a computer, a vehicle, heavy equipment, leasehold improvements, or a building. A fixed asset can also be an intangible item, such as a patent or copyright, which often incurs research and development costs.

Over time, most fixed assets lose their ability to provide useful services. Therefore, companies often assign a useful life to an asset, depending on how long they estimate that the asset will help generate revenue. Companies then record over a specified period of time, or over the life of the asset, the depletion of each asset's usefulness. An asset's loss of usefulness is known as depreciation. The asset's estimated life determines the costs allocated as depreciation, which is recorded as an expense.

In some cases, government regulations determine the life of an asset and how companies capitalize the asset. Companies might also need to use specific depreciation methods to accommodate government regulations that control various tax benefits and liabilities.

The J.D. Edwards Fixed Assets system enables you to:

- Produce fixed asset reports
- Maintain purchase requests for assets
- Reconcile assets
- Maintain tax information for reports to keep track of tax liabilities and benefits

Idea to Action: The Competitive Advantage

The following table presents examples of typical problems with tracking fixed assets, the business activator that will resolve each problem, and the return on investment.

Depreciation is not being calculated correctly because the methods attached to the asset are not correct.	You can run a global update program to use the corrected defaults and to update the assets with the incorrect methods. After the assets are updated correctly, recalculate depreciation to correct the amounts that have been calculated incorrectly. If the assets are not set up correctly, the system might over- or understate the net book value of the assets or calculate taxes incorrectly. Global updates allow for quick change and prevent the need for hard coding or custom update programs.
Changes have been made in your company that affected its chart of accounts, but were not properly recorded. This resulted in numerous errors in the accounts.	When a change in the account structure is made, you can run global updates to update the account number, business unit, or company to the fixed assets tables so that the integrity of the systems are retained. Global update programs ensure system and data integrity, and accommodate your need to make changes across your accounting structure rapidly and without the need for hard coding or custom programming.
Your company has many of the same type of assets, but does not have the resources to add the new assets manually.	Through Fixed Assets automatic accounting instructions, you can set up accounts for which the system automatically creates asset master records for appropriate transactions. After you review the entries posted to the account for accuracy, you can run the Post G/L Entries to Fixed Assets report. The system creates asset master records automatically when you run this report.
Your company has assets that require methods of computation that are not met by the 18 standard depreciation methods.	For assets for which standard depreciation methods do not apply, you can use User Defined Depreciation (UDD) to create customized depreciation methods.
For reporting purposes, your company requires its work-in-progress assets to be held along with the completed assets.	You can add a category code to work-in-progress assets to distinguish these assets for reporting purposes or to exclude them from the depreciation process. These assets will still be recorded in the Fixed Assets system with all other live assets. Category codes can prevent errors that result from depreciation being calculated prematurely or from the inability to distinguish them from live assets. Use the category code to select and exclude data when computing depreciation. When the work-in-progress for the asset is complete, remove the category code from the asset so that it can be included in depreciation.
For budgeting purposes, your company prefers to run depreciation projections month-by-month rather than yearly. Your company also wants additional details regarding the cost of specific assets.	Set up an alternate ledger to track depreciation for the future. You can run the depreciation in final mode over the alternate ledger to generate the numbers needed for future periods. The detail of each asset will also be recorded on the alternate ledger to track future depreciation amounts back to the individual assets. See Working with Depreciation Projections .
Your company has grown through acquisitions or has had a change in the fiscal date pattern, resulting in a short tax year for fixed assets.	To help you prevent errors in depreciation calculation that are a result of short tax years, J.D. Edwards recommends learning what changes need to be made to the Fixed Assets system to properly report depreciation during short years. To learn in advance what changes need to be made, you can use the Customer Support line or the self-service Knowledge Garden page for customers.

Errors in recording entries and amounts resulted in assets that were attached to the wrong items, giving the assets an overstated net book value.	You can use processing options to disallow entries to the Fixed Assets system that do not include an item number. This helps prevent any future errors. You do not need to make the processing option changes each time a new entry is entered. Instead, you can add a menu option to call a specific version of the program that is used to create journal entries, vouchers, or receipts to a Fixed Assets account number.
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Fixed Assets Overview

The J.D. Edwards Fixed Assets system is a flexible system that can assist you in managing information and costs related to your fixed assets. Many companies delay processing fixed asset information until they are ready to compute period depreciation. You can use Fixed Assets system integration and features, such as automated asset setup, to update asset information on a daily, monthly, quarterly, or annual basis, depending on the needs of your organization.

System Integration

The J.D. Edwards Fixed Assets system links to many of the other J.D. Edwards systems that your company uses. System integration helps ensure that asset information and account transactions are consistent. You need to enter fixed asset and account information only once throughout your company. This saves considerable time and money, especially when you need to record numerous and complex business transactions daily and update or revise asset information, such as depreciation rates and account numbers.

The Fixed Assets system is integrated with the following J.D. Edwards systems:

Address Book	Fixed Assets accesses the Address Book system to retrieve up-to-date name and address information for: <ul style="list-style-type: none"> • Tax authorities • Lessors, financiers, and insurers • Employees responsible for the asset
General Accounting	The Fixed Assets and General Accounting systems access and store detailed transaction information in the Account Ledger (F0911) table. To maintain integrity between the two systems, process all transactions through both the general ledger (G/L) and fixed assets.
Procurement	The Fixed Assets and Procurement systems access and store information in both the Account Ledger table (F0911) and the Asset Master table (F1201) to keep company purchases and asset records concurrent and up-to-date. When you purchase assets, you must create asset master records in the Asset Master table to identify the new assets in your system. The system creates the necessary general ledger accounts in the Account Ledger.
Accounts Payable	The Fixed Assets and Accounts Payable systems are integrated through the Account Ledger table (F0911). You can enter charges associated with fixed assets through Accounts Payable. The system automatically enters the asset number from the purchase order to the accounts payable voucher and updates the Account Ledger table.

CSMS (Customer Service Management System)	<p>In CSMS, an installed base record can be created to track products that you have sold or leased to customers. When these records are created, they are stored in the Fixed Asset Item Master table (F1201). Before the records are created, the accounts used to track this information must be set up within the FX range of AAIs for the Fixed Assets system. These accounts must also have the default coding set up as regular cost accounts in the Fixed Asset System. Typically, installed base records are not depreciated; therefore, depreciation methods do not need to be created for these accounts.</p>
	<p>Asset Master records for CSMS can be segregated from the regular Fixed Asset Master records (F1201) by using the warranty date field. CSMS will fill in the warranty date field as installed base records are created. Regular fixed asset master records do not use this field.</p>
Equipment/Plant Maintenance	<p>The Equipment/Plant Maintenance system shares information from many tables in the Fixed Assets system, including:</p>
	<ul style="list-style-type: none"> • Asset Master table (F1201). This table stores the equipment master and fixed asset master information. • Asset Account Balances table (F1202). This table stores the equipment account balance and asset account balance information. • Location Master table (F1204). This table stores the current, historical, and planned location information for fixed assets and equipment.
	<p>The Equipment/Plant Maintenance system also shares the Fixed Assets Constants and the automatic accounting instructions. All accounts that are part of the Equipment/Plant Maintenance system must be set up in the FX range of automatic accounting instructions (AAIs). Other AAIs are used in the Equipment system to track additional cost and statistical information, that are not normally used on regular fixed assets.</p>
	<p>Fixed assets items and equipment items share the same category codes. If you use the Equipment/Plant Maintenance system, you might want to reserve some of the category codes for equipment. For example, set aside the first ten category codes to use with equipment.</p>
	<p>In addition to sharing tables and setup information, the Equipment/Plant Maintenance and Fixed Assets systems have other similar features. For example, when entering, inquiring, and running reports for equipment and fixed asset master items, you use many of the same programs, such as Cost Summary, Supplemental Data, Location Search and Transfer, Asset Master additions, and so on.</p>
	<p>Equipment items are similar to fixed asset items; however, the Equipment/Plant Maintenance system allows you to add and track maintenance issues through work orders and maintenance schedules. The Equipment/Plant Maintenance system tracks statistical information such as meter readings and other equipment-related detail.</p>
Interoperability	<p>To fulfill the information requirements of an enterprise, companies sometimes use products from different software and hardware providers. Interoperability among products is key to successfully implementing an enterprise solution. Full interoperability among different systems results in a flow of data among the different products that is seamless to the user.</p>
	<p>You can access Interoperability programs from the Asset Interoperability menu (G1233).</p> <p>For Fixed Assets interoperability transactions, enter JDEFA in the Transaction field.</p>

and F1201Z1 in the File Name field.

See the [Interoperability Guide](#) for information about using interoperability programs.

Multiple Depreciation Books and Methods

You can maintain multiple sets of depreciation books for an asset. You can depreciate assets in different ways for different purposes. For example, you might set up the books for an asset to reflect a three-year life for taxation purposes and a five-year life for financial statement purposes. Or you might have a set of depreciation books for different currencies.

For each set of books that you maintain for an asset, you can assign either a user defined depreciation method or one of the provided predefined depreciation methods, in addition to null depreciation.

See *Predefined Depreciation Methods* for more information about predefined depreciation methods.

You can calculate depreciation daily, weekly, monthly, quarterly, or annually. You can also base your depreciation calculations on a 4-4-5 fiscal pattern or a 13 period pattern.

User Defined Depreciation

Although the J.D. Edwards Fixed Assets system provides a wide range of depreciation rules, you might need a specific depreciation combination other than those provided with the standard depreciation rules. With user defined depreciation, you can substitute various depreciation conventions, formulas, and spread patterns to define depreciation methods that are specific to your company without using custom programming. For example, you can copy an existing rule and modify it to create a depreciation method for your specific needs.

You can set up user defined depreciation methods to establish the following:

- User-specific depreciation formulas without custom program modifications
- User-specific depreciation rules and conventions
- Depreciation methods for specific categories of assets
- Specific depreciation methods for assets placed in service during certain periods
- Specific depreciation methods for certain years

Automated Asset Setup

You can use default rules to define default depreciation instructions for individual asset cost accounts by company. When you add newly acquired assets to the Fixed Assets system, the information you establish in default rules is included automatically in the new asset records. You can override the defaults for special cases. Using default rules saves time, especially if you frequently add assets to the system. You can define default values for:

- Accounting class
- Equipment class
- Depreciation accounts
- Revenue accounts
- Depreciation information

Asset Location

You can locate assets based on any of the following information:

- Company
- Equipment status
- Description
- Responsible business unit
- Current location
- Category codes

You can also track the history of an asset's movement from location to location.

Insurance and Financing Information

You can record and access the insurance information for an asset, such as insurance company, policy number, premium cost, value, and replacement cost. You can also account for leased and mortgaged assets and track monthly payments, purchase options, and contract information.

Asset Transfers, Splits, and Disposals

You can use the Fixed Assets system to record asset transfers, splits, and disposals in your accounting ledgers.

Asset transfers	You can transfer assets from one account to another or from one business unit and account to another. You can transfer assets individually or in groups. You can also use the transfer program to change asset information globally, without actually transferring assets.
Asset splits	You can split an asset into one or more new assets. The system prorates the asset's cost and accumulated depreciation to the new assets and creates the appropriate journal entries. Use asset splits when you want to dispose of or transfer part of an asset.
Asset disposals	You can dispose of assets individually or in groups. The system automatically creates the journal entries for each asset disposal based on your specifications.

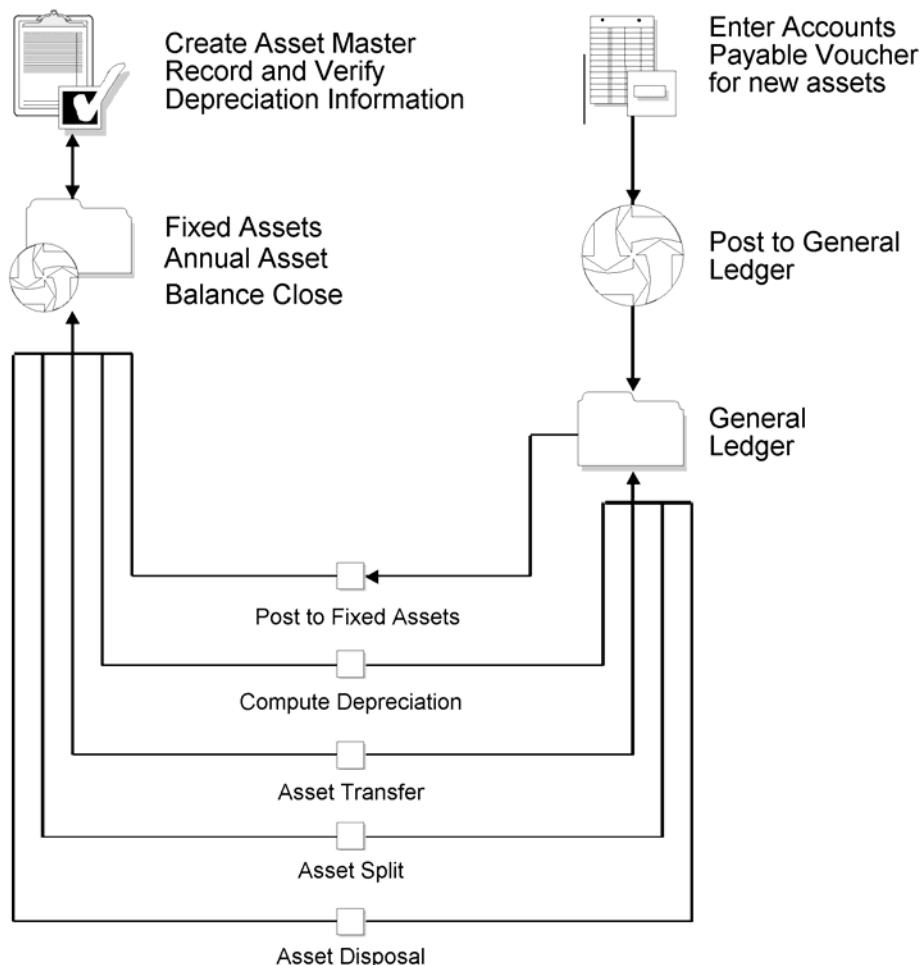
Fixed Assets Process

The process follows an asset from its purchase to its disposal and includes the yearly close. Use this example as a guideline only. Specific steps and procedures vary from company to company.

Master and depreciation information	Enter the master information for the newly acquired asset and verify the default depreciation information.
Voucher entry	Enter an accounts payable voucher for the asset.

Post vouchers to the G/L and fixed assets	Post the batch that contains the voucher for the asset.
Compute depreciation	Compute depreciation in preliminary mode to review journal entries that will be posted to fixed assets and the G/L when you compute depreciation in final mode.
Transfer assets	Transfer assets in preliminary mode to review journal entries that will be posted to fixed assets and the G/L when you transfer assets in final mode.
Asset split	The split program automatically creates and posts journal entries to the G/L and then to fixed assets.
Asset disposal	Dispose of assets in preliminary mode to review journal entries that will be posted to G/L and fixed assets when you dispose of assets in final mode.
Annual asset balance close	Close asset balances on a yearly basis, after you run the final depreciation. The close program creates the balance records for the next year with cumulative and net balance forward amounts. The close program also carries forward depreciation information.

The following illustration provides a graphic representation of the process:



Fixed Assets Primary Tables

The J.D. Edwards Fixed Assets system stores asset and transaction information in three primary tables:

Asset Master (F1201) Stores basic information about each asset, such as:

- Asset number
- Asset description
- Account coding
- Category codes

Asset Account Balances (F1202) Stores the balance amount for each asset account by ledger type for each year. This table also stores the depreciation information for each asset.

Account Ledger (F0911) Stores audit trails of general ledger journal entries for both the Asset Balances table (F1202) and the Account Balances table (F0902).

Fixed Assets Secondary Tables

The Fixed Assets system also accesses the following secondary tables:

- Location Tracking (F1204)
- Asset Messages (F1205)
- Units of Production Schedule (F1208)
- Location History Text (F1210)
- Parent History (F1212)
- Default Depreciation Accounts (F12002)
- Depreciation Defaults by Ledger Type (F12003)
- User Defined Depreciation Rules (F12851)
- User Defined Depreciation Annual Rules (F12852)
- User Defined Depreciation Formulas (F12853)
- User Defined Depreciation Spread Formulas (F12854)
- User Defined Codes (F0005)
- Ledger Type Master (F0025)
- Address Book Master (F0101)
- Account Master (F0901)
- Automatic Accounting Instructions (F0012)
- Business Unit Master (F0006)
- Supplemental Data (F12090, F12092, F12093)
- Specification Data (F1216)
- Specification Cross Reference (F1215)
- Status History (F1307)

Fixed Assets Menu Overview

The main menus in the Fixed Assets system are listed below:

Menu Overview - Fixed Assets

Fixed Assets Master Menu G12



Daily Processing - G1210

- S Fixed Assets Master Information G1211
- S Posting G/L to Fixed Assets G1212
- S Cost Information and Reports G1213



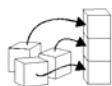
Periodic Processing - G1220

- S Depreciation G1221
- S Transfer, Splits and Disposals G1222
- S Quarterly and YTD Reports G1223
- S Integrity Reports G1224
- S Year End Processes G1225



Advanced and Technical Operations - G1231

- S Set Up User Defined Depreciation G1232
- S Revalue Assets G1234
- S Interoperability G1233



System Setup - G1241

- S Fixed Asset User Defined Codes G1242

Daily

Asset Identification

You must identify every asset in the system before you can use the Fixed Assets system.

Asset Identification Information

You must create an asset master record to identify each of your company's assets. You can also include supplemental information to further define the assets in the system.

Asset Master Record

The asset master record includes the basic information that identifies an asset. You must create asset master records so that you can do the following:

- Manage asset depreciation
- Track asset costs
- Record asset splits, transfers, and disposals

Supplemental Information

You might need to store information about an asset that is not included in the standard master tables. J.D. Edwards refers to this additional information as supplemental data. You can use supplemental data to further define the assets in your system. After you set up supplemental data, you can use it to report and track asset details that are important to your company, but are not included on the asset master record. You can define as many types of supplemental data as you need.

You define and maintain supplemental data by asset class. For example, you might set up supplemental data for an asset class that includes motor graders. The data might include fuel capacities, horsepower, oil readings, and so on.

Message Logs

Use message logs to record and track short informational messages about assets that the master record and supplemental data forms cannot accommodate. For example, you can use message logs to:

- Indicate the status and condition of an asset
- Record details about asset transfers or disposals
- Log problems or complaints about a specific asset

You can use paragraph, outline, or any other format you choose to enter information in message logs.

Category Codes

You set up category codes to classify assets for tracking, reporting, and data selection throughout the Fixed Assets system. You can define up to 23 category codes to meet your company's information needs. Use these category codes in asset master records to describe assets and to group similar asset types.

J.D. Edwards recommends setting up the first category code to group assets into accounting classes. In this case, the first category code is typically referred to as the Major Accounting Class. You can set up this category code with a one-to-one relationship with asset cost accounts in the general ledger. You might also select another category code to identify assets by the depreciation methods for translation that you assign each one.

If you use Fixed Assets with the J.D. Edwards Equipment/Plant Management system, the two systems access the same category code tables.

See Also

- Setting Up User Defined Codes for Fixed Assets* for more information about how user defined codes are used to organize asset information
- Setting Up User Defined Codes* in the *Equipment/Plant Maintenance Guide* for more information about reserving the first 10 category codes for equipment and plant management
- Setting Up Depreciation Default Values* for more information about inserting default information into the asset master record

Identification Numbers

You can use one of the following three numbers as the primary number to identify assets throughout your system:

- Asset number (8 characters)
- Unit number (12 characters)
- Serial number (25 characters)

Different branches of your company might refer to assets in different ways. For example, accounting personnel might identify equipment by asset number. Maintenance personnel might refer to equipment by unit number or the manufacturer's serial number.

Every asset master record in your system must include an asset number. You can enter unit and serial numbers if you need to. You must define which of these numbers is used as the primary number for identifying assets in the Fixed Assets Constants table. Any identification number that you assign to an asset on the asset master record must be unique throughout your entire system.

See Also

- Setting Up Fixed Asset Constants* for information about using asset identification numbers

Parent and Component Relationships

You can set up parent and component relationships to group individual assets. For example, when you create master records, you can identify a computer as a parent item. You can

identify the monitor, keyboard, and mouse as components of the computer. Those components, in turn, might be the parents of still other components, and so on.

Parent assets can be physical assets or pseudo assets. You can set up pseudo assets to group assets under a parent that does not directly incur costs or generate revenue. For example, you might set up departments as parent pseudo assets. Each department might have a certain number of cubicles as component assets. Each cubical might be the pseudo parent of real assets, such as computers, telephones, and so on.

You can establish up to 25 hierarchical levels of a parent item. The system assigns a number to each component according to its level in the hierarchy. This is particularly useful for tracking complex assets.

Creating an Asset Master Record

You must create an asset master for every asset that you want to manage throughout the Fixed Assets system. When you create master records, you establish basic information about each asset, such as:

- Asset numbers to uniquely identify the asset
- The department that is responsible for the asset
- The cost account for the asset
- The date that you acquired the asset
- User-defined category code descriptions of asset status, class, and so on
- Textual descriptions or remarks to help you locate the asset

When you create master records for an asset, the system automatically creates:

- Ledgers in the Asset Account Balances table (F1202)
- Depreciation information, based on depreciation rules that you define during system setup, including the depreciation start date (the asset's acquisition date)
- General ledger account information, based on depreciation account rules that you define during system setup

The system stores asset master records in the Asset Master table (F1201). When you request specific asset transactions, the system accesses or updates the information in this table.

Before You Begin

- Verify that all system setup activities are complete. See [Setting Up Fixed Asset Constants](#) for more information about setting up the Fixed Assets system.

See Also

- [What You Should Know About Processing Options for Asset Master Information](#)

Entering Basic Asset Information

You use the Asset Master Revisions form to create an asset record. You use the Asset Master Revisions form to change the asset master information.

Note

If you set up the Fixed Assets range for cost accounts in the Automatic Accounting Instructions (AAIs), the system can automatically create asset master records. The system creates the records based on the default information that you specify when you set up the Fixed Assets system.

► To enter basic asset information

From the Fixed Asset Master Information menu (G1211), choose Master Information.

1. On Work With Assets, click Add.
2. On Asset Master Revisions, complete the following fields:

- Asset Number
- Description
- Company Number
- Responsible BU
- Account Number
- Date Acquired

3. Complete the following optional fields:

- Unit Number
- Serial Number
- Parent Number
- Status
- Subledger Inact.
- Employee

If you change a parent number, you must specify the date that the parent number changed for the asset. You might change parent numbers to update or establish parent and component relationships.

If you use the Equipment/Plant Management system with the Fixed Assets system, you can change the status of an asset on the Asset Master Revisions form. If you change the status of an asset, you must indicate the date and time that the status of the asset changed, and whether you want the system to update all the children of the asset to the same status. This field is shared between the Fixed Assets system and the Equipment/Plant Management system.

4. Complete the following optional maintenance field:

- Inventory Number

Master Information - [Asset Master Revisions]

File Edit Preferences Form Window Help

OK Cancel Discard Abort Links Addit... Previous Next OLE Internet

Last Asset Number Entered					
Identification					
Asset Number	1001				
Unit Number	AA9				
Serial Number	96U4825				
Parent Number	1001				
Description					
AA9 Motor Grader					
Ripper, Power Assist, Push					
Block, Scarifier, Encl Cab					
Accounting Information					
Company Number	00050	Project Management Company			
Responsible BU	YARD	Yard			
Account Number	50.2030	Heavy Equipment			
Date Acquired	10/15/05	Date Disposed		AFE	
Status		Date		Time	
Subledger Inact.		Active Subledger			
Employee					
Inventory Number					

5. Click OK.

Field Descriptions

Description	Glossary
Asset Number	An 8-digit number that uniquely identifies an asset
Description	A user defined name or remark
Company Number	A code that identifies the company that owns or is assigned to an asset or group of assets. You set up companies in the system to represent a reporting level that has a complete balance sheet and any intercompany transactions with other companies. You can define a specific organization, entity, partnership, and so on, as a company. You use company numbers and names to define the companies in your system. NOTE: Use Company 00000 only for default values, such as dates and automatic accounting instructions (AAIs). You cannot use Company 00000 when entering transactions.

--- FORM SPECIFIC ---

The system uses the company number from the parent master record as a default value for the Company Number field when you set up parent/component relationships.

Responsible BU	The accounting entity (business unit) that is responsible for the asset's cost or expense. You assign a business unit to an asset. The responsible business unit is used for responsibility reporting purposes. NOTE: You can enter numbers and characters in this field. The system right-justifies them (for example, CO123 appears as ___ CO123). You cannot inquire on business units for which you have no authority.
--- FORM SPECIFIC ---	
	If you want the asset or accumulated depreciation business units to use the default value for the responsible business unit, the responsible business unit and company number must be in the same company. You set up the default business unit on the Fixed Assets Constants form.
Account Number	
	A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:
	<ul style="list-style-type: none"> o Standard account number (business unit.object.subsidiary or a flexible format) o Third G/L number (maximum of 25 digits) o 8-digit short account ID number o Speed code
	The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program (P0000).
Date Acquired	Enter the date your company acquired the asset. The system uses this date as the date on which to start depreciation for the asset. If you want the system to calculate depreciation from a date other than the date acquired, you can change the start depreciation date on Depreciation and Accounting Values. You can also change the depreciation start date on the Depreciation Information form.
Unit Number	A 12-character alphanumeric code used as an alternate identification number for an asset. This number is not required, nor does the system assign a number if you leave the field blank when you add an asset. If you use this number, it must be unique. For equipment, this is typically the serial number.

Parent Number	An identification code for an asset that you can enter in one of the following formats: 1 Asset number (a system-assigned, 8-digit, numeric control number) 2 Unit number (a 12-character alphanumeric field) 3 Serial number (a 25-character alphanumeric field)
	Every asset has an asset number. You can use unit number and serial number to further identify assets, if necessary. If this is a data entry field, the first character you enter indicates whether you are entering the primary (default) format that is defined for your system, or one of the other two formats. A special character, such as / or *, in the first position of this field indicates which asset number format you are using. You assign special characters to asset number formats on the Fixed Assets system constants form
	--- FORM SPECIFIC --- A number that identifies the immediate parent asset in a parent/component relationship. For example, a car phone and radar detector are components that belong to a car. If you leave this field blank, the system uses the asset's primary identification number. If you change the parent number, the system displays a window so you can enter the date on which you assigned the asset a new parent.
Serial Number	A 25-character alphanumeric number that you can use as an alternate identification number for an asset. You can use this number to track assets by the manufacturer's serial number. You are not required to use a serial number to identify an asset. Every serial number that you enter must be unique
Status	A user defined code (12/ES) that identifies the equipment or disposal status of an asset, such as available, down, or disposed.
	--- FORM SPECIFIC --- The system updates the value in this field when you run the Asset Disposal program to dispose of the asset.
Subledger Inact.	A code in WorldSoftware or an option in OneWorld that indicates whether a specific subledger is active or inactive. Any value other than blank indicates that a subledger is inactive. Examples are jobs that are closed, employees that have been terminated, or assets that have been disposed. If a subledger becomes active again, set this field back to blank. If you want to use subledger information in the tables for reports but want to prevent transactions from posting to the master record, enter a value other than blank in this field.
Employee	A number that identifies an entry in the Address Book system. Enter the Address Book number of the employee assigned to the asset or the employee responsible for the asset. You can change the soft coding description on this field to another valid Address Book entry type. For example, to track where assets are purchased, you can change the field name to Supplier and enter supplier Address Book numbers for individual assets.

Inventory Number	For Inventory Management clients only. This number links an equipment number set up in the Inventory system to the same equipment number set up in the Fixed Assets system.
-------------------------	---

--- FORM SPECIFIC ---

This is a number assigned in the Inventory Management system that identifies equipment repair parts, parts lists, and routings that relate to this asset or piece of equipment. For example, the number could identify a replacement part for which inventory is maintained. This number could also identify the parts list and routing used to maintain this piece of equipment. The inventory number is informational only and is edited against the Inventory Master.

Entering Location Information

After you enter basic asset information, you can enter information about the asset's location and start date.

► To enter location information

From the Fixed Asset Master Information menu (G1211), choose Master Information.

1. On Work With Assets, complete any of the following fields, and click Find:

- Skip To Description
- Resp. Business Unit
- Skip To Asset
- Location

You can sequence the grid by either Asset Number or Asset Description.

When you are searching for an asset on the Work With Assets form, the Skip To Description field in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose an asset.
3. From the Row menu, choose Asset Location Info, then Location.
4. On Location Information, complete the following fields, and click OK:
 - Location
 - Current Item Qty
 - Original Item Qty

Master Information - [Location Information]

File Edit Preferences Window Help

OK Cancel Discard Abort Links Display Previous Next OLE Internet

Asset Location

Asset Number	1001	AA9 Motor Grader
Location	YARD	Yard
Start Date	4/13/97	
Current Item Qty	1,00	
Original Item Qty	1,00	
Equipment Status		
Column		Row

Field Descriptions

Description	Glossary
Location	<p>The current physical location of an asset. The location must be a valid business unit or job number in the Business Unit Master table (F0006)</p> <p>--- FORM SPECIFIC ---</p> <p>If there is more than one current location for an asset, the Location and Start Date fields are blank and the Location Description field indicates multiple current locations.</p> <p>Note: You can enter a location only when you create a master record. After you create the asset master record, you must use the Asset Transfer or one of the Transfer Processing programs to change the Location field.</p>
Current Item Qty	<p>This is the current number of units for an asset. The current item quantity is used in conjunction with the original quantity. The Current Item Quantity field should always reflect the current or remaining amount of units.</p> <p>--- FORM SPECIFIC ---</p> <p>The default value for this field is 1. If you dispose of a portion of an asset's original quantity, you should adjust the current quantity downward to reflect the amount actually remaining. If you change the current quantity for an asset, a window appears so that you can enter a location and effective date for the quantity change. If you split an asset, the system automatically updates this field.</p>

Original Item Qty	The original number of units for an asset. If assets are purchased and accounted for in quantities (more than one), you can specify the original quantity purchased. For example, if you purchase 100 office chairs, you would set up one asset item with an original quantity of 100. Then, as you disposed of office chairs, you would adjust the current quantity to reflect the current balance. This adjustment allows you to track assets purchased in bulk quantity on one master record.
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Assigning Category Codes to Assets

After you enter basic asset information, you can assign values to any of the category code fields. Use category codes to further identify, track, and report on an asset. In addition, you can further identify assets by specifying financing and tax information. You can use the Category Code Mapping program to automatically assign category code values to assets based on the cost code values for the business units assigned to those assets. If a category code has been mapped, it will not allow manual changes on the category code form.

The Accounting Class and Equipment Class category codes can be derived from the Default Depreciation Coding values.

Use the Depreciation Category Code to divide assets into depreciation classes. The depreciation information is defined in Default Depreciation Values.

► To assign category codes to assets

From the Fixed Asset Master Information menu (G1211), choose Master Information.

1. On Work With Assets, complete any of the following fields, and click Find:

- Skip To Description
- Resp. Business Unit
- Asset Description
- Asset Number

You can sequence the grid by either Asset Number or Asset Description.

When you are searching for an asset on the Work With Assets form, the Skip To Description field in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose an asset.
3. From the Row menu, choose Asset Master Information, then Category Codes 1 - 20.
4. On Asset Master - Category Code Revisions, complete the Category Code fields that you want to use.

Master Information - [Asset Master - Category Code Revisions]

File Edit Preferences Form Window Help

OK Cancel Discard Abort Links Addit... Previous Next OLE Internet

Category Codes			
Asset Number	1001	AA9 Motor Grader	
Acctg Class	30	Heavy Equipment	Cat. Code 11
Equip Class	3TM	MOTOR GRADERS	Cat. Code 12
Manufacturer	CAT	Caterpillar	Cat. Code 13
Model Year	05	2005	Cat. Code 14
Usage	HR	Hours	Cat. Code 15
Cat. Code 6		.	Cat. Code 16
Cat. Code 7		.	Cat. Code 17
Cat. Code 8		.	Cat. Code 18
Cat. Code 9		.	Cat. Code 19
Rate Group		.	Cat. Code 20

5. Click OK.
6. From the Form menu, choose Additional Information.
7. On Additional Asset Information, complete the following optional fields, and click OK:
 - Remark
 - Remarks Line 2
 - Remarks Line 3
 - Category Code 21
 - Category Code 22
 - Category Code 23
 - New or Used
 - Financing Method
 - State/Province
 - Tax Entity
 - Investment Tax Credit

Field Descriptions

Description	Glossary
Remarks Line 3	The system provides for three separate item numbers. <ol style="list-style-type: none">1. Item Number (short) - An eight-digit, computer assigned, completely non-significant item number.2. 2nd Item Number - The 25-digit, free form, user defined alphanumeric item number.3. 3rd Item Number - Another 25-digit, free form, user defined alphanumeric item number. This is used in a parts list as either a parent or component number. In the Equipment Management system, this item is used for memo purposes only.
New or Used	A code of N indicates a new asset. A code of U indicates a used asset. This code is used in computing the ITC limitation on the acquisition of used assets.
Financing Method	A user defined code (12/FM) that designates how a fixed asset was acquired. For example, financed or purchased outright.
Tax Entity	The address number of the tax authority to which property taxes are paid.
Investment Tax Credit	The amount of investment tax credit (ITC) to be considered in depreciation calculations.

See Also

- Setting Up Fixed Asset Constants* and *Setting Up Depreciation Default Values* for more information about setting up depreciation category codes

Deleting Asset Master Records

You can delete asset master records only under the following circumstances:

- Transactions have not been posted to the fixed assets Asset Account Balances table (F1202). After transactions have been posted to fixed assets, you cannot delete an asset even if the balance amounts are zero.
- The asset does not have associated amounts in Beginning Balance Setup. You must delete any asset amounts in Beginning Balance Setup before you can delete the asset master record.
- Any transactions that have not been posted to the Account Balances table (F0902) are deleted.
- Any transactions that have been posted to the Account Balances table (F0902) are voided. You cannot delete transactions that are posted to Account Balances.

► To delete an asset master record

From the Fixed Asset Master Information menu (G1211), choose Master Information.

1. On Work With Assets, click Find to view all assets. To restrict the assets that appear, click the tabs in the header area of the Work With Assets form, complete the appropriate information, and then click Find.

See [Locating Asset Information](#) for information about completing the tab information.

2. Choose the asset that you want to delete.
3. Click Delete.
4. Click OK.
5. On Work With Assets, click Find.

The asset that you deleted should not appear.

Processing Options for Asset Master Information (P1201)

Edits

1. Enter a '1' to require the entry of a unit number when doing an add.

Selection Value

Defaults

1. Enter a '1' to default the location from the responsible business unit.

Selection Value

2. Enter a '1' to default the location start effective date from the date acquired. This will only occur if the location start effective date is left blank. Leave blank to default the location start effective date from the system date.

Selection Value

3. Enter a '1' to default the cost account information from the parent asset when adding children assets.

Selection Value

4. Enter a '1' to automatically create asset account balances (F1202). Leave blank to not create asset account balances. Note: Account balances are needed to track cost, depreciation, etc. on an asset.

Selection Value

Export

1. Enter the transaction type for the export transaction. If left blank, interoperability processing will not be performed.

Transaction Type

2. Enter the outbound processor version to call when performing interoperability processing. If left blank, XJDE0002 will be used.

Version

What You Should Know About Processing Options

When the date acquired is greater than the system date, the system date will be used for the location start effective date. The location start effective date cannot be greater than the system date.

Locating Asset Information

Use the Work With Assets form to locate asset information. The Work With Assets form has tabs that you can use limit your search. When you click a tab, filtering fields appear. The

information that you enter in these fields narrows the asset search. You can sequence the detail asset information by either asset number or asset description.

► To locate asset information

From the Fixed Asset Master Information menu (G1211), choose Asset Search and Location.

1. On Work With Assets, complete the following fields:
 - Skip To Description
 - Resp. Business Unit
 - Location
2. Click the Additional Selections tab.
3. Complete the following optional fields:
 - Equipment Status
 - Company
 - Inventory Number
4. Click the following optional check boxes:
 - Display Children
 - Display Disposed
5. Click each of the Category Code tabs, and complete the appropriate category code fields.
6. Click Find.

Asset information appears in the detail area.

When you searching for an asset on the Work With Assets form, the Skip To Description field in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

Field Descriptions

Description	Glossary
Equipment Status	A user defined code (12/ES) that identifies the equipment or disposal status of an asset, such as available, down, or disposed.

Company	A code that identifies the company that owns or is assigned to an asset or group of assets. You set up companies in the system to represent a reporting level that has a complete balance sheet and any intercompany transactions with other companies. You can define a specific organization, entity, partnership, and so on, as a company. You use company numbers and names to define the companies in your system. NOTE: Use Company 00000 only for default values, such as dates and automatic accounting instructions (AAIs). You cannot use Company 00000 when entering transactions.
Inventory Number	For Inventory Management clients only. This number links an equipment number set up in the Inventory system to the same equipment number set up in the Fixed Assets system.
Display Children	A code that indicates whether you want children (components) to appear with their associated parent assets. Valid codes are: On Both children and parent assets appear Off Only parent assets appear
Display Disposed	A code that indicates whether you want disposed assets to appear. Valid values are: On All selected assets appear, regardless of their disposal status Off Disposed assets do not appear

Processing Options for Asset Search (P1204)

Defaults Tab

Use these processing options to define the defaults that are applied when you inquire on asset records.

1. Category Code 1 (Accounting Class)

Use this processing option to enter the default for the Asset Master Category

Code 1. A blank value will select all.

2. Category Code 2 (Equipment Class)

Use this processing option to enter the default for the Asset Master Category

Code 2. A blank value will select all.

3. Category Code 3

Use this processing option to enter the default for the Asset Master Category

Code 3. A blank value will select all.

4. Category Code 4

Use this processing option to enter the default for the Asset Master Category Code 4. A blank value will select all.

5. Category Code 5

Use this processing option to enter the default for the Asset Master Category Code 5. A blank value will select all.

6. Category Code 6

Use this processing option to enter the default for the Asset Master Category Code 6. A blank value will select all.

7. Category Code 7

Use this processing option to enter the default for the Asset Master Category Code 7. A blank value will select all.

8. Category Code 8

Use this processing option to enter the default for the Asset Master Category Code 8. A blank value will select all.

9. Category Code 9

Use this processing option to enter the default for the Asset Master Category Code 9. A blank value will select all.

10. Category Code 10

Use this processing option to enter the default for the Asset Master Category Code 10. A blank value will select all.

Versions Tab

Use these processing options to define the application versions to execute.

1. Scheduling Workbench Version (P48201)

Blank = ZJDE0001

Use this processing option to enter the version of Scheduling Workbench (P48201) to be used. If left blank, ZJDE0001 will be used.

2. Select Button Exit

1 = Asset Master

2 = Financing Information

3 = Insurance Information

4 = Beginning Balance Setup

5 = Asset Split

6 = Depreciation Information

7 = Single Asset Disposal

Use this processing option to assign a specific application to the Select button. You can choose a row and click the Select button, or double-click the row to quickly exit to the application you specify. Valid values are:

- 1 Exit to the Asset Master. This is the default value.
- 2 Exit to Financing Information.
- 3 Exit to Insurance Information.
- 4 Exit to Beginning Balance Setup.
- 5 Exit to Asset Split.
- 6 Exit to Depreciation Information.
- 7 Exit to Single Asset Disposal.

3. Asset Master Version (P1201)

Blank = ZJDE0001

Use this processing option to enter the version of the Asset Master (P1201) to be used. If left blank, ZJDE0001 will be used.

4. Single Asset Disposal Version (P12105)

Blank = ZJDE0001

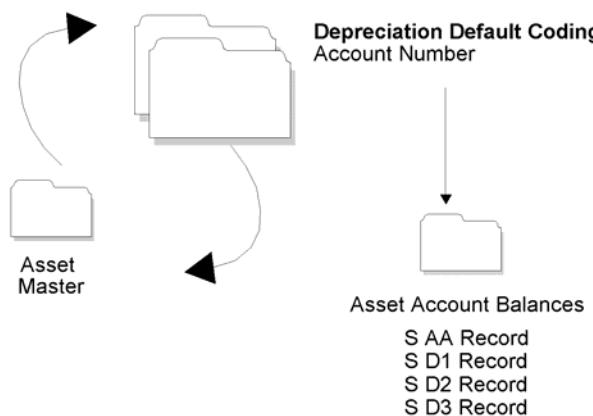
Verifying Depreciation Information

When you create asset master records, the system automatically assigns depreciation information to each asset. You define the default values that the system assigns to new assets when you set up the constants and depreciation default coding for your system.

Every asset that you set up in the system has one master record. In addition, the asset can have several different ledgers. Each ledger is represented by a separate balance record in the Asset Account Balances table (F1202). You can assign a different depreciation method to each ledger.

If you use subledgers, you must specify the same subledger for both the cost account and the accumulated depreciation account. If you specify a subledger on the depreciation account but do not specify a subledger for the cost account, the system will not recognize the accumulated depreciation when you run the depreciation program. When you use a subledger on the cost account, a separate accumulated depreciation account is created for each cost account that has a subledger.

The following illustration shows how Asset Master information flows through Depreciation Default Coding and is assigned to multiple ledgers in the Asset Account Balances table:



After you set up asset master records, you can review both master information and balance information on the Depreciation Information form. You might want to review Depreciation Information to verify that the depreciation rules that you have set up for the system are correct for individual assets. For example, you might want to verify the following information:

- Master record information, such as the business unit, object, and subsidiary accounts that the system uses to create journal entries
- All the ledgers assigned to the asset, such as budget and depreciation ledgers
- Depreciation methods for the asset

You can revise general ledger information only if you have not posted transactions to the accounts. If you want to revise cost account or accumulated depreciation account information after posting to the accounts, you can use the asset transfer programs.

When you enter master records for individual assets you can review the default depreciation information that the system automatically completed based on the information that you set up for depreciation default coding. Use the Depreciation Information form when you want to:

- View depreciation information for an asset for any fiscal year
- Override an asset's default depreciation information for current or future fiscal years
- Add new ledger types and depreciation methods to individual assets

► To verify depreciation information

On the Fixed Asset Master Information menu (G1211), choose Depreciation Information.

1. On Work With Assets, click Find to view all assets. To narrow your search, click the tabs in the header area of the Work With Assets form, complete the appropriate information, and click Find.

See [Locating Asset Information](#) for information about completing the tab information.

When you are searching for an asset on the Work With Assets form, the Skip To Description field in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose the asset.
3. From the Row menu, choose Asset Master Information, then Depr Information.
4. On Depreciation Information, complete the following field and click Find to indicate the year for which you want to verify depreciation information:
 - Fiscal Year

PeopleSoft.

The screenshot shows the PeopleSoft interface with the title "Active Foundation". The main window is titled "Depreciation Information". At the top, there are buttons for OK, Find, Delete, Cancel, Form, Row, and Tools. Below these are input fields for Asset Number (1004), Company (00050), Asset Cost Account (50.2070), Accum Depr Account (50.2170), Depr Exp Account (YARD.8336), and Revenue Account (YARD.8421). To the right of these fields are descriptions: "Developer PC Laptop" for Asset Cost Account, "Computer" for Company, "Accum Depr-Computer" for Accum Depr Account, "Depreciation - Computer Equip" for Depr Exp Account, and "Revenue" for Revenue Account. The Fiscal Year is set to 2005. Below this is a grid titled "Customize Grid" with columns for LT, Ledger Type Description, Depr Meth, Depr Method Description, Life Mos, Depr Info, Meth Comp, Start Depr, Meth %, Meth 9 Sch Ho, and Salvage Value. The grid contains several rows of depreciation methods, with the first row being selected (indicated by a checked checkbox in the LT column).

LT	Ledger Type Description	Depr Meth	Depr Method Description	Life Mos	Depr Info	Meth Comp	Start Depr	Meth %	Meth 9 Sch Ho	Salvage Value
<input checked="" type="checkbox"/> AA	General Ledger	01	Straight Line Depreciation	36		I	06/30/04			
<input type="checkbox"/> D1	Federal Tax-Book1	04	150% Declining Bal w/Cr	60 Y		I	06/30/04			
<input type="checkbox"/> D3	Earn. & Profit-MACRS	12	MACRS Standard Deprec	60 Y		C	06/30/04			
<input type="checkbox"/> D4	Alter. Minimum-200%	05	200% Declining Bal w/Cr	60 Y		I	06/30/04			
<input type="checkbox"/> D5	MACRS Alternative	13	MACRS Alternative Depre	60 Y		R	06/30/04			
<input type="checkbox"/>										

5. Verify the following account information fields:

- Asset Cost Account
- Accum Depr Account
- Depr Exp Account
- Revenue Account

If you use subledgers, the Asset Cost Account and Accumulated Depreciation Account must share the same subledger for depreciation to work correctly.

6. Verify the following depreciation information fields:

- LT
- Ledger Type Description
- Depr Meth
- Depr Method Description
- Life Mos
- Depr Info
- Meth Comp

- Start Depr
- Meth %
- Meth 9 Sch No
- Salvage Value

Field Descriptions

Description	Glossary
Fiscal Year	The four-digit fiscal year designation. You must always use the year in which the first period ends. For example, a fiscal year beginning October 1, 1998 and ending September 30, 1999 is fiscal year 1998.
Asset Cost Account	<p>A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:</p> <ul style="list-style-type: none"> ◦ Standard account number (business unit.object.subsidiary or a flexible format) ◦ Third G/L number (maximum of 25 digits) ◦ 8-digit short account ID number ◦ Speed code <p>The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program (P0000).</p>
LT	The user defined ledger type code (09/LT) that identifies the account ledger or book for the asset. You can maintain as many sets of depreciation books (ledger types) for an asset as you need so you can depreciate an asset in different ways for different purposes. For example, an asset might have a three-year life for tax purposes, but a five-year life for financial statement purposes. Each set of books can have different depreciation methods and depreciation values.

Depr Meth	<p>The user defined code (12/DM) that indicates the method of depreciation for the specified book. In addition to any user defined depreciation methods that you set up for your company, the following standard depreciation methods are available in the Fixed Assets system:</p> <ul style="list-style-type: none">00 No depreciation method used01 Straight Line Depreciation02 Sum of the Year's Digits03 125% Declining Balance to Cross-Over04 150% Declining Balance to Cross-Over05 Double Declining Balance to Cross-Over06 Fixed % on Declining Balance07 ACRS Standard Depreciation08 ACRS Optional Depreciation09 Units of Production Depreciation10 MACRS Luxury Cars - Domestic11 Fixed % Luxury Cars - Foreign12 MACRS Standard Depreciation13 ACRS Alternative Depreciation14 ACRS Alternate Real Property15 Fixed % of Cost16 Fixed % on Declining Balance to Cross-Over17 AMT Luxury Auto18 ACE Luxury Auto <p>Note: Any additional depreciation methods that you create for your organization must have an alpha code.</p>
Life Mos	<p>The life of an asset in months or periods. The system uses months or periods only to express the life of an asset. For example, if your company uses a 12-month calendar, then a five-year ACRS asset has a 60-month life. If your company uses a 13-month calendar, then a five-year ACRS asset has a 65-month life, and so on. You must specify a life month value for all user defined depreciation methods, and for all standard depreciation methods, except the standard methods 00, 06, 09, 11, and 15.</p> <hr/>

Depr Info	<p>A code for additional depreciation information. This code is used for investment tax credit (ITC) and averaging conventions. The system validates the code you enter in this field against user defined code table (12/AC).</p> <p>Valid codes are:</p> <ul style="list-style-type: none"> 0 No ITC Taken 1 Three Year Method (3 1/3%) 2 Five Year Method (6 2/3%) 3 Seven Year Method (10%) 4 ACRS Method with Basis Reduction (10% ITC) 5 ACRS Method without Basis Reduction (2% ITC or No ITC) A Actual Date of Depreciation Start Period H Half-Year M Mid-Month Convention Q Mid-Quarter Convention Y Mid-Year Convention P Middle of Period F First-half/Second-half W Whole Year N First Day of Next Period R First Day of Next Year S Actual Start Date for Primary Rule/First Day of Period for Secondary Rule <p>Note: Numeric codes apply to standard depreciation methods only. To determine the date for F (First-half/Second-half), use the following guidelines:</p> <ul style="list-style-type: none"> o If the asset was placed in service in the first half of the year, then the adjusted depreciation start date is the first day of the year. o If the asset was placed in service in the second half of the year, then the adjusted depreciation start date is the first day of the succeeding year. o The first half of the year expires at the close of the last day of the calendar month that is closest to the middle of the tax year. o The second half of the year begins the day after the expiration of the first half of the tax year.
Meth Comp	<p>A code that indicates the method of computation that the system uses to calculate depreciation based on the depreciation method you specify.</p> <p>Valid codes are:</p> <ul style="list-style-type: none"> C Current year to date. Calculates only the current year's depreciation. I Inception to date. Recalculates the entire depreciation amount from the start date through the current year. Prior-year depreciation is then subtracted to determine current year depreciation. This method results in a one-time current period correction for any errors in prior period depreciation. F Inception to date. Calculates inception to date for the first rule (if there are two rules) and uses a C for the second rule. P Current period. Calculates depreciation for the current period and then extrapolates the annual amount based on the cumulative percent from the period pattern and year-to-date posting. Any depreciation calculated for the current period is subtracted. R Remaining months. Depreciates the net book value as of the beginning of the current tax year over the remaining life of the asset. This results in the amortization of prior period calculation errors over the remaining life of the asset.
Start Depr	The date when the depreciation computations start for an asset. This date can be different from the date the asset was acquired.

Meth %	Enter the percentage you want the system to use when calculating depreciation. Use whole numbers. For example, enter 10 for 10%. The system uses a percentage when computing the following methods of depreciation: 06 Fixed % on Declining Balance. (This method of depreciation is commonly used by Canadian and utility companies.) 11 Fixed % Luxury Car - Foreign. 15 Fixed % of Cost. 16 Fixed % on Declining Balance to Cross-Over. The system also uses this field to compute any user defined depreciation method in which you specify a percentage.
Meth 9 Sch No	The alphanumeric code you assign to a units of production schedule. You must set up the schedules you want to use for method 09 (Units of Production Depreciation) in advance on the Units of Production Schedule form.
Salvage Value	The amount you expect to receive in cash or trade-in allowance when you dispose of an asset at the end of its useful life.

Entering Additional Asset Information

Additional asset information is detailed information about an asset that is included in the asset master record. This additional information further defines the assets in your system. Use this additional information to report and track information that is important to your company. For instance, you can add information about insurance coverage or financing for your assets.

Entering Insurance Information

You can record insurance information for an asset. The Fixed Assets system does not require insurance information, but this information can be helpful if you want to track the insurance company, policy number, renewal month, and so on, for an asset. The data that you enter on the Insurance Information form is informational only.

► To enter insurance information

From the Fixed Asset Master Information menu (G1211), choose Insurance Information.

1. On Work With Assets, click Find to view all assets. To narrow your search, click the tabs in the header area of the Work With Assets form, complete the appropriate information, and click Find.

See [Locating Asset Information](#) for information about completing the tab information.

When you are searching for an asset on the Work With Assets form, the Skip To Description field in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose the asset.
3. From the Row menu, choose Asset Master Information, then Insurance.

4. On Insurance Information, complete any of the following fields to record insurance information, and click OK:

- Insurance Company
- Insurance Policy Number
- Renewal Month
- Insurance Premium
- Insurance Value
- Replacement Cost
- Last Years Replacement Cost

Insurance Information	
Asset Number	1001 AA9 Motor Grader
Insurance Company	Hartford
Insurance Policy Number	A7-44612
Renewal Month	
Insurance Premium	412.12
Insurance Value	25,000.00
Replacement Cost	29,000.00
Last Years Replacement Cost	28,000.00

Field Descriptions

Description	Glossary
Insurance Company	The name of the company issuing a specific insurance policy for a piece of equipment or property.
Insurance Policy Number	The insurance policy number for the asset. This field is used for informational purposes only.

Renewal Month	The month in which the insurance policy is to be renewed.
Insurance Premium	The cost of the insurance premium.
Insurance Value	The declared value for insurance reporting purposes. You must use the query facility to prepare reports as prescribed by your insurance company.
Replacement Cost	The current or estimated replacement cost of the asset. Typically, replacement cost is established by objective means, such as an appraisal or an industry valuation guideline. Replacement costs are often used for insurance reporting and special financial statements.
Last Years Replacement Cost	The estimate cost to replace the asset if purchased in the prior year. You must use the query facility for reports.

Entering Financing Information

You can record financing information for an asset. The Fixed Assets system does not require finance information, but this information can be helpful if you want to track the financier, type of financing, monthly payments, purchase options, and so on for an asset. You can also track contract and expiration dates. The data you enter on the Financing Information form is informational only.

► To enter financing information

From the Fixed Asset Master Information menu (G1211), choose Financing Information.

1. On Work With Assets, click Find to view all assets. To narrow your search, click the tabs in the header area of the Work With Assets form, complete the appropriate information, and click Find.

See [Locating Asset Information](#) for information about completing the tab information.

When you are searching for an asset on the Work With Assets form, the Skip To Description field in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose the asset.
3. From the Row menu, choose Asset Master Information, then Finance.
4. On Financing Information, complete any of the fields to record financing information, and click OK:
 - Financing Method
 - Lessor, Renter or Mortgagor Address
 - Purchase Option

- Purchase Option Price
- Purchase Option Maximum Credit
- Purchase Option Credit Percentage
- Contract Date
- Date Expired
- Monthly Payment
- Explanation
- Explanation - Remark

PeopleSoft.

Select Workspace: Active Foundation

Active Foundation

Personalize Change Role Sign Out

Financing Information

OK Cancel Tools

Asset Number: 1001
A49 Motor Grader

Financing Method: Capitalized Lease

Lessor, Renter or Mortgagor Address: 1001 J.D. Edwards & Company

Purchase Option: Yes there is a purchase option

Purchase Option Price:

Purchase Option Maximum Credit:

Purchase Option Credit Percentage:

Contract Date: 01/01/03

Date Expired: 10/15/12

Monthly Payment: 995.00

Explanation:

Explanation - Remark:

Field Descriptions

Description	Glossary
Financing Method	A user defined code (12/FM) that designates how a fixed asset was acquired. For example, financed or purchased outright.
Lessor, Renter or Mortgagor Address	The address book number for the lessor, renter, or lending institution.

Purchase Option	A code that indicates if there is an option to purchase a leased or rented asset. This code is informational only. Valid values are: Y Yes, there is a purchase option for the asset N No, there is not a purchase option for the asset
Purchase Option Maximum Credit	The maximum monetary amount that applies toward the purchase, if applicable. That is, if a portion of the monthly payment is accrued as a credit towards the eventual purchase of the asset, this is the maximum amount of the credit. This concept is typically used with IBM rentals.
Purchase Option Price	The purchase price, if you have the option to purchase a leased or rented asset. This is informational only.
Purchase Option Credit Percentage	The fixed percentage of the monthly payment that applies to the purchase of the asset. You must enter a percent as a decimal. That is, 25% must be entered as .25.
Contract Date	The date the contract for the asset was put into effect.
Date Expired	The date the contract for the asset expired.
Monthly Payment	The amount of the monthly payment for the asset you are financing, renting, or leasing. This is informational only.
Explanation	A description, remark, name, or address.
Explanation - Remark	A name or remark that describes the purpose for using an account or conveys any other information that the user wants about the transaction

Entering Permit and License Information

Enter permit and license information to record permits, licenses, and certificates for equipment. You can also track renewal dates and multiple state licenses. For example, you can track certification information for equipment, such as bridge cranes, and license renewal information for equipment that you transport to areas under different licensing authorities.

► To enter permit and license information

From the Asset Master Information menu (G1211), choose Master Information.

1. On Work With Assets, click Find to view all assets. To narrow your search, click the tabs in the header area of the Work With Assets form, complete the appropriate information, and click Find.

See [Locating Asset Information](#) for information about completing the tab information.

When you are searching for an asset on the Work With Assets form, the Skip To Description field in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose the asset.

3. From the Row menu, choose Asset Master Information, then Licenses.
4. On Permit and License Information, click Find to review the existing permit and license information.

The screenshot shows a PeopleSoft application window titled "Permit / License Information". At the top, there is a toolbar with buttons for OK, Find, Delete, Cancel, Form, Row, Tools, and a search bar containing the text "Forklift". Below the toolbar is a grid table with the following data:

	ST	License Number	Renewal Date	License Fee	Issuing Agency	Issuing Agency Description	
<input checked="" type="checkbox"/>	TN	AA-45633	08/01/05	200.00	4349	Department of Taxation	<input checked="" type="checkbox"/>
<input type="radio"/>							

5. To enter new permit or license information, complete the following fields:
 - ST
 - License Number
 - Renewal Date
 - License Fee
 - Issuing Agency
6. Click OK.
7. To review the entry, click Find.
8. To return to Work With Assets, click Cancel.

Field Descriptions

Description	Glossary
ST	A user defined code (00/S) for the state or province. This code is usually a postal service abbreviation

License Number	The license number, used in combination with the license state, and renewal date fields, allows you to enter specific vehicle licensing data.
Renewal Date	The license renewal date, used in combination with the license state, number and agency fields, allows you to enter specific vehicle licensing data. You can then print a tickler report of license renewals by state using the License Renewal report (P12423).
License Fee	The license fee amount for this piece of equipment.
Issuing Agency	Identifies the agency responsible for issuing this license. This is an address book number, which allows for a telephone number and address information.
Issuing Agency Description	A user defined name or remark

Working with Message Logs

You can use the message log to enter short text messages that pertain to an asset, such as the notification of a particular problem with the asset. You can also set up tickler dates or units on which you want to receive a reminder message for the asset.

For example, you can indicate a unit meter reading or a specific date when you want to remember to make an appointment for the scheduled maintenance of an asset.

The system stores tickler dates and units in the account that you define for the AT00 automatic accounting instruction.

► To enter an asset message

From the Asset Master Information menu (G1211), choose Master Information.

1. On Work With Assets, click Find to view all assets. To narrow your search, click the tabs in the header area of the Work With Assets form, complete the appropriate information, and click Find.

See [Locating Asset Information](#) for information about completing the tab information.

When you are searching for an asset on the Work With Assets form, the Skip To Description field in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose the asset.
3. From the Row menu, choose Asset Master Information, then Message Log.
4. On Work With Message Log, click Add.
5. On Message Log, complete the following fields:
 - Message From
 - Message Type

- Tickler M/H
 - Tickler Date
6. In the Message area, enter a message.
 7. To save your entries, click OK.
 8. To return to Work With Assets, click Cancel, then Close.

Field Descriptions

Description	Glossary
Message From	The address book name of the person, department, and so forth, that sent the message.
Message Type	A user defined code (12/EM) that identifies the type of message, such as A for Actual Maintenance or T for Lease Terms. You use different message types for reporting and control purposes.
Tickler M/H	The meter reading, in units such as miles or hours, at which you want to receive a reminder message about an asset. If you use this field, you must run the Update Message Log program on a regular basis.
Tickler Date	The date that you want to receive a reminder message about an asset.

► To review asset messages

From the Asset Master Information menu (G1211), choose Master Information.

1. On Work With Assets, click Find to view all assets. To narrow your search, click the tabs in the header area of the Work With Assets form, complete the appropriate information, and click Find.

See [Locating Asset Information](#) for information about completing the tab information.

When you are searching for an asset on the Work With Assets form, the Skip To Description field in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose the asset.
3. From the Row menu, choose Asset Master Information, then Message Log.
4. On Work With Message Log, click Find.
5. To review a specific message, choose the message.
6. From the row menu, choose Message Log.
7. Review the message.
8. To return to Work With Assets, click Cancel, then Close.

Adding an Attachment

After you create a master record for an asset, you can add one or more of the following attachments:

- Text
- Image
- OLE
- Shortcut

These attachments are for internal reference only.

► To add an attachment

From the Asset Master Information menu (G1211), choose Master Information.

1. On Work With Assets, click Find to view all assets. To narrow your search, click the tabs in the header area of the Work With Assets form, complete the appropriate information, and click Find.

See [Locating Asset Information](#) for information about completing the tab information.

When you are searching for an asset on the Work With Assets form, the Skip To Description field in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose the asset.
3. From the Row menu, choose Attachments.
4. On Media Objects, choose Add and then one of the following options:
 - Text
 - Image
 - OLE
5. Attach the text or object.
6. From the File menu, choose Save & Exit to return to the Work With Assets form.

On the Work With Assets form, an icon appears next to the asset for which you created an attachment.

Accessing Equipment Information

If your asset is equipment, you can access equipment information that is managed by the Equipment/Plant Management system. On the Work With Assets form, choose an asset, and then perform one of the following actions from the Row menu:

- To populate the Work With Assets form with category codes 1-10 for a specific asset and to find other assets that have the same values, choose the asset, then choose Equipment Info, and then choose Like Equipment.
- To review work order information for an asset, choose the asset, then choose Equipment Info, and then choose WO Backlog.

- To review equipment backlog information for an asset, choose the asset, then choose Equipment Info, and then choose Equipment Backlog.
- To review preventive maintenance schedules for an asset, choose the asset, then choose Equipment Info, and then choose PM Schedule.
- To review preventive maintenance history for an asset, choose the asset, then choose Equipment Info, and then choose PM Backlog.

Entering Supplemental Information

Supplemental information is information about an asset that is not included in the standard master tables. Enter supplemental information to track, review, and report on additional information that is not contained in the asset master record. You can define and maintain any type of supplemental data you need by asset class. For example, you might set up supplemental data for motor graders. The data might include vibration readings, oil readings, condition reports, and so on.

Working with Supplemental Data in the *Address Book Guide* contains detailed information about entering supplemental data. You can use that information to enter supplemental data for the Fixed Assets system, but choose Data Entry from the Fixed Asset Master Information menu (G1211) instead of choosing Supplemental Data from the CIF Supplemental Data menu. *Working with Supplemental Data* contains some information that is specific to entering address book supplemental data. You can view supplemental data information that is specific to the Fixed Assets system by accessing F1 help on the Work with Supplemental Data form in Fixed Assets.

Before You Begin

- Before you can enter supplemental data, you must set up supplemental databases and supplemental data types. See [Setting Up Supplemental Databases](#) and [Setting Up Data Types](#) in the *Address Book Guide*.

Reviewing Supplemental Information

When you need to review supplemental information for an asset, you can quickly determine whether a particular supplemental data type contains information. On Work With Supplemental Data, a check mark appears in the leftmost field (unlabeled) next to rows for which supplemental data in code format has been entered. In addition, regardless of the data format, if narrative data exists for a supplemental data type, a paper clip icon appears when you place the mouse pointer over the field.

You can review a list of additional asset information based on a particular supplemental data type. For example, assume that you have set up a supplemental data type for capacity. You can review a list of all assets for which you have assigned the supplemental data type for capacity. You can use data selections to limit the amount of information displayed by the system. You can also review a list of the additional information by supplemental data type that you assigned to individual assets. For example, you can review information for all supplemental data types that you assigned to a particular motor grader. You can use data selections to limit the amount of information that the system displays.

► To review supplemental information by data type

From the Fixed Asset Master Information menu (G1211), choose Supplemental Data Inquiry by Data Type.

1. On Supplemental Inquiry by Data Type, complete the following field:

- Type Data
2. To limit the information displayed by the system, complete the following optional fields, and click Find:
- Effective Date
 - Ending Effective Date
 - Skip to UDC

Field Descriptions

Description	Glossary
Effective Date	A calendar date that is used generically to represent a point in time at which an activity, status, or condition becomes effective. For example, an effective date can be the point in time when a lease takes effect, a price or cost factor becomes effective, a currency value becomes effective, a tax rate becomes effective, or whatever is appropriate
Ending Effective Date	The date on which the item, transaction, or table becomes inactive or through which you want transactions to appear. This field is used generically throughout the system. It could be a lease ending date, a price or cost ending date, a currency ending date, a tax rate ending date, or whatever is appropriate
Skip to UDC	A list of valid codes for a specific user defined code list.

► To review supplemental information by asset

From the Fixed Asset Master Information menu (G1211), choose Supplemental Data Inquiry by Asset.

1. On Supplemental Inquiry by Asset, complete the following field:
 - Item Number
2. To limit the information displayed by the system, complete the following optional fields, and click Find:
 - Beginning Date
 - Ending Date

Field Descriptions

Description	Glossary
Item Number	An identification code for an asset that you can enter in one of the following formats: 1 Asset number (a system-assigned, 8-digit, numeric control number) 2 Unit number (a 12-character alphanumeric field) 3 Serial number (a 25-character alphanumeric field)
	Every asset has an asset number. You can use unit number and serial number to further identify assets, if necessary. If this is a data entry field, the first character you enter indicates whether you are entering the primary (default) format that is defined for your system, or one of the other two formats. A special character, such as / or *, in the first position of this field indicates which asset number format you are using. You assign special characters to asset number formats on the Fixed Assets system constants form
Beginning Date	Beginning date of a recurring scheduled job. (i.e. Every Monday, beginning Jan. 1)
Ending Date	Use this field to specify the ending date of a recurring scheduled job. For example, run every Wednesday until 12/15.

Working with Parent and Component Information

After you establish parent and component relationships in the asset master, you can review all the components for a specific asset. You can track up to 25 levels of component relationships for a parent asset. Review parent and component information so that you can:

- Report on asset costs at the parent or component level
- Track all components that have been assigned to a parent or the parents to which a specific component has been assigned

After you review an asset's parent and component information, you can revise the parent information for individual components and change the sequence of the components.

Reviewing Parent and Component Information

If you entered parent and component relationship information about an asset when you created the asset master record, you can use the Work With Parent History form to find an asset and review parent and component relationships. If the asset is a parent, you can review all the components related to that parent. If the asset is a component, you can review the parent for the component, as well as the other components associated with the parent.

You can also display all current or previous parents for a component or all current or previous components for a parent. Use date fields to limit your search to selected dates or leave the date fields blank to review the history of a component or parent.

From the Work With Parent History form, you can also:

- Review parent or component cost information
- Review parent or component meter readings
- Enter parent or component supplemental information

► **To review parent and component information**

From the Fixed Asset Master Information menu (G1211), choose Parent History Inquiry.

1. On Work With Parent History, complete the following field:

- Asset Number

2. Complete the following optional fields, and click Find:

- Date From
- Date Thru

Alternatively, to view parent or component formats, choose Parent Format or Component Format from the View menu.

The screenshot shows a Windows application window titled "Parent History Inquiry - [Work With Parent History]". The menu bar includes File, Edit, Preferences, Form, Row, View, Window, Help. The toolbar contains icons for Select, Find, Delete, Close, New, Dis..., and Abo. The main area has input fields for Asset Number (1300) and Date From/Thru. Below is a table listing components:

Component Number	Description	Begin Date	Ending Date
2277	Backhoe Bucket, 36"	3/17/04	
1300	Backhoe, Caterpillar 426	10/15/03	
2288	Backhoe Bucket, 48"	10/15/03	
2277	Backhoe Bucket, 36"	10/15/03	12/30/03

3. Review the parent and component relationship information.
4. After you locate and choose a parent or component detail, perform one of the following actions:

- To review parent or component cost information, choose Cost Summary from the Row menu. The Work With Cost Summary form appears. See [Reviewing Asset Costs](#).
 - To review parent or component meter readings, choose Meter Reading Inquiry from the Row menu. Review the meter information for the asset on the Meter Reading Inquiry form. To work with meter information, choose Meter Readings from the Form menu. The Meter Readings form appears. For information about using the Meter Readings form, see [Working With Meter Readings](#) in the *Equipment/Plant Management Guide*.
 - To enter parent or component supplemental information, choose Supplemental Data from the Row menu. The Work with Supplemental Data form appears. See [Entering Supplemental Information](#).
5. Perform one of the following actions to access other fixed assets information from the Work With Parent History form:
- To find an asset, choose Asset Search from the Form menu. The Work With Assets form appears. See [Locating Asset Information](#).
 - To see the parent information for the previous asset, choose Previous Asset from the Form menu. The Work With Parent History form reappears with the information about the previous asset that you reviewed.

Revising Parent and Component Information

After you review an asset's parent and component information, you can revise the parent information for individual components and change the sequence of the components.

► To revise parent information for a component

From the Fixed Asset Master Information menu (G1211), choose Parent History Inquiry.

1. On Work With Parent History, complete the following field, and click Find:
 - Asset Number
2. Choose the asset for which you want to revise the parent number, and then click Select.
3. On Asset Master Revisions, complete the following fields, and click OK:
 - Parent Number
 - Date Acquired

Field Descriptions

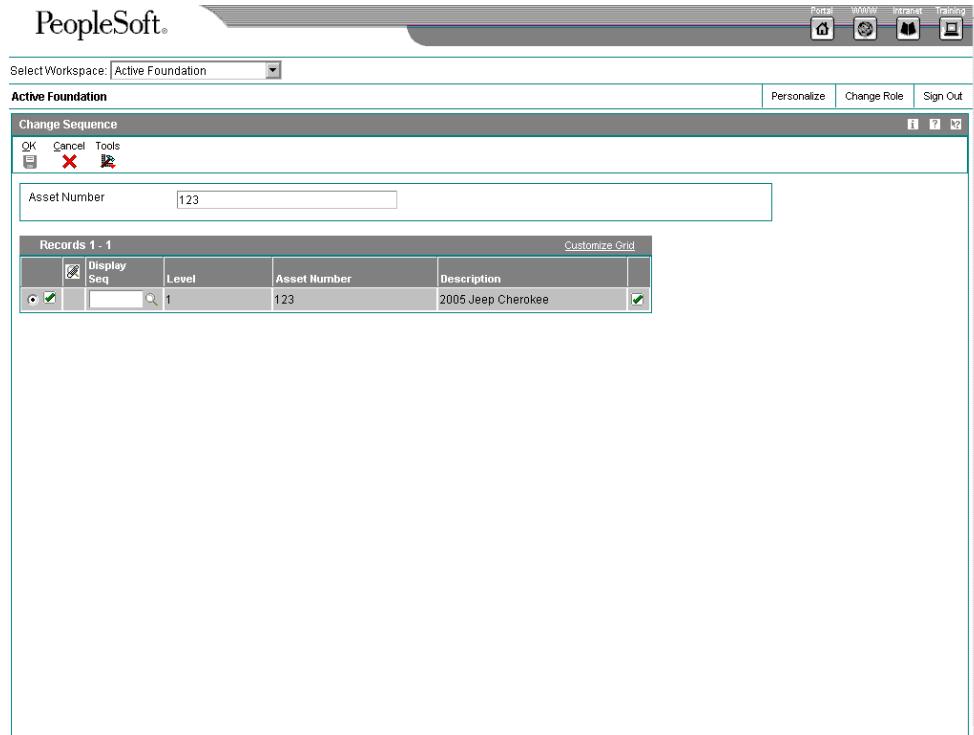
Description	Glossary
Parent Number	An identification code for an asset that you can enter in one of the following formats: 1 Asset number (a system-assigned, 8-digit, numeric control number) 2 Unit number (a 12-character alphanumeric field) 3 Serial number (a 25-character alphanumeric field)
	Every asset has an asset number. You can use unit number and serial number to further identify assets, if necessary. If this is a data entry field, the first character you enter indicates whether you are entering the primary (default) format that is defined for your system, or one of the other two formats. A special character, such as / or *, in the first position of this field indicates which asset number format you are using. You assign special characters to asset number formats on the Fixed Assets system constants form
	--- FORM SPECIFIC --- A number that identifies the immediate parent asset in a parent/component relationship. For example, a car phone and radar detector are components that belong to a car. If you leave this field blank, the system uses the asset's primary identification number. If you change the parent number, the system displays a window so you can enter the date on which you assigned the asset a new parent.
Date Acquired	Enter the date your company acquired the asset. The system uses this date as the date on which to start depreciation for the asset. If you want the system to calculate depreciation from a date other than the date acquired, you can change the start depreciation date on Depreciation and Accounting Values. You can also change the depreciation start date on the Depreciation Information form.

► To change the sequence of components

From the Fixed Asset Master Information menu (G1211), choose Parent History Inquiry.

1. On Work With Parent History, complete the following field, and click Find:
 - Asset Number
2. Choose the asset for which you want to revise the parent number, then click Select.
3. On Asset Master Revisions, choose Equipment Info from the Form menu, then Components and NBV.
4. On Work With Equipment Components, choose Change Sequence from the Form menu.
5. On Change Sequence, complete the following field for each component that you want to change, and click OK:

- Display Seq



Field Descriptions

Description	Glossary
Display Seq	A number that the system uses to sequence information.

Tracking the Location of an Asset

You can track physical asset movements and perform asset relocations. You also can review planned, current, and historical asset locations.

For example, if you want to know where an asset is scheduled to be on a certain date, you can review all the location information for the asset. You can also make any necessary changes to an asset location record or enter new location records. Finally, you can enter details about any of your revisions by entering location tracking text for the location information.

When you update the location information for an asset, the system automatically updates the following fields in the Asset Master table (F1201):

- Equipment Status

- Location and Start Date (if the current transfer beginning date is greater than the existing location start date and you have only one current location)

You can assign beginning location and start dates to assets only when you create master records or relocate the asset.

When you relocate an asset, consider the following system features:

Location dates	When you specify the dates for location information, note the following guidelines: <ul style="list-style-type: none"> • The system prevents you from entering location information if the relocation date is after the asset disposal date. • Any location information that you enter with a date after the system date must have a location code of Planned (P).
Multiple current locations	When the asset has multiple current locations, the Location and Start Date fields in the master record are blank. The system displays the message Multiple Current Locations in the location description line.
Consolidating assets in one location	The system automatically consolidates location records when you enter location information for multiple assets with identical billing information. For example, if you enter location information with identical relocation dates, times, and billing information for assets that are currently in multiple locations, the system creates one location record for all the assets.
Relocating partial quantities	When you relocate partial quantities of an asset, the system modifies the original location record to a history record for the full quantity. The system also creates a new current record to show the quantity that remains at the original location and a new current record for the quantity that you relocated.
Entering location information out of sequence	You enter location information out of sequence when you record the relocation of an asset from a location where it does not currently reside. The system issues a warning message. If you do not change the From Location field, the system sorts out the location records by date and determines whether to create a new location tracking line or to update an existing location record. For example, you might need to create location records out of sequence if the paperwork for the asset relocation is delayed. In this case, the paperwork might be entered after the asset is actually moved to the most current location.
Parent and component relationships	When you enter location information for an asset that is the parent of components, the system automatically relocates all components that are at the same location as the parent to the new location.

Transferring the Location of an Asset

You enter location information for an asset when you set up the asset master record. You can change the master record location information by using the Location Transfer program.

Before You Begin

- Verify that location information for an asset is available. See [Entering Location Information](#).

► **To transfer the location of an asset**

From the Transfers, Splits and Disposals menu (G1222), choose Location Transfer.

1. On Work With Locations, complete the following field, and click Find:
 - Asset Number
2. Select the asset that you want to transfer, and choose Location Transfer from the Row menu.
3. On Location Transfer, choose the asset you want to transfer, and complete the following fields:
 - To Location
 - Effective Date
 - Beginning Time
 - Transfer Number
 - From Location

The screenshot shows the PeopleSoft Location Transfer screen. At the top, there's a toolbar with icons for Home, View, Internet, and Training. Below that is a menu bar with 'Select Workspace' set to 'Active Foundation'. The main area has a title 'Location Transfer' with buttons for OK, Cancel, Form, Row, and Tools. The form contains fields for 'To Location' (50), 'Transfer Number' (1), 'Effective Date' (06/30/05), 'Beginning Time' (empty), and 'From Location' (70). Below the form is a grid titled 'Records 1 - 1' with columns: Equipment Number, Equipment Description, Location, Location Description, L, C, Begin Date, Begin Time, and Ending Date. The first record in the grid is partially visible, showing Equipment Number 50, Equipment Description, Location 50, Location Description, and L, C, Begin Date, Begin Time, and Ending Date fields.

4. Click OK.
5. To review location revision information for an asset, choose an asset and then choose Location Revisions from the Row menu.
6. On Location Revisions, review the location revision information for the asset.

7. To return to Location Transfer, click Cancel.
8. From the Location Transfer form, you can perform other tasks from the Form menu:
 - To review the billing rates for the asset, choose Billing Rates.
 - To locate and transfer another asset, choose Location Inquiry.
 - To review rental rules for an asset, choose Rental Rules.
 - To review meter readings for an asset, choose Meter Readings.
 - To update a meter reading for an asset, choose Update Meter.

Printing Location Information

From the Transfers, Splits, and Disposals menu (G1222), choose Print Location Information.

You can print the location information to review current, historical, and planned locations for selected assets. This report prints information from the Location Tracking table (F1204).

The report information is the same information that you can review on the Work With Locations form.

Processing G/L to Fixed Assets

You can generate fixed asset journal entries through any J.D. Edwards system that creates entries in the G/L transaction table, the Account Ledger (F0911). Systems that frequently generate journal entries that affect the Fixed Assets system are listed below:

- Accounts Payable
- General Accounting
- Inventory Management
- Procurement
- Equipment/Plant Management

The system identifies fixed asset journal entries based on the fixed asset range of accounts that you set up in the automatic accounting instructions (AAIs). Accounts that fall within the FX range of the AAIs include the following:

- Asset cost accounts
- Accumulated depreciation accounts
- Operating expense accounts
- Asset disposal accounts

In addition to determining which accounts fall into the fixed asset range, you can use subledger functionality to reflect another dimension of your costs. For example, you can use subledgers to show original cost, additions and, if necessary, restatement or revaluation cost. This functionality is useful when these components have different depreciation schedules.

After the system creates journal entries for the asset transactions that you enter, possibly including subledger information, you must post the entries first to the general ledger, and then to fixed assets. When you post to the general ledger, the system updates the Account

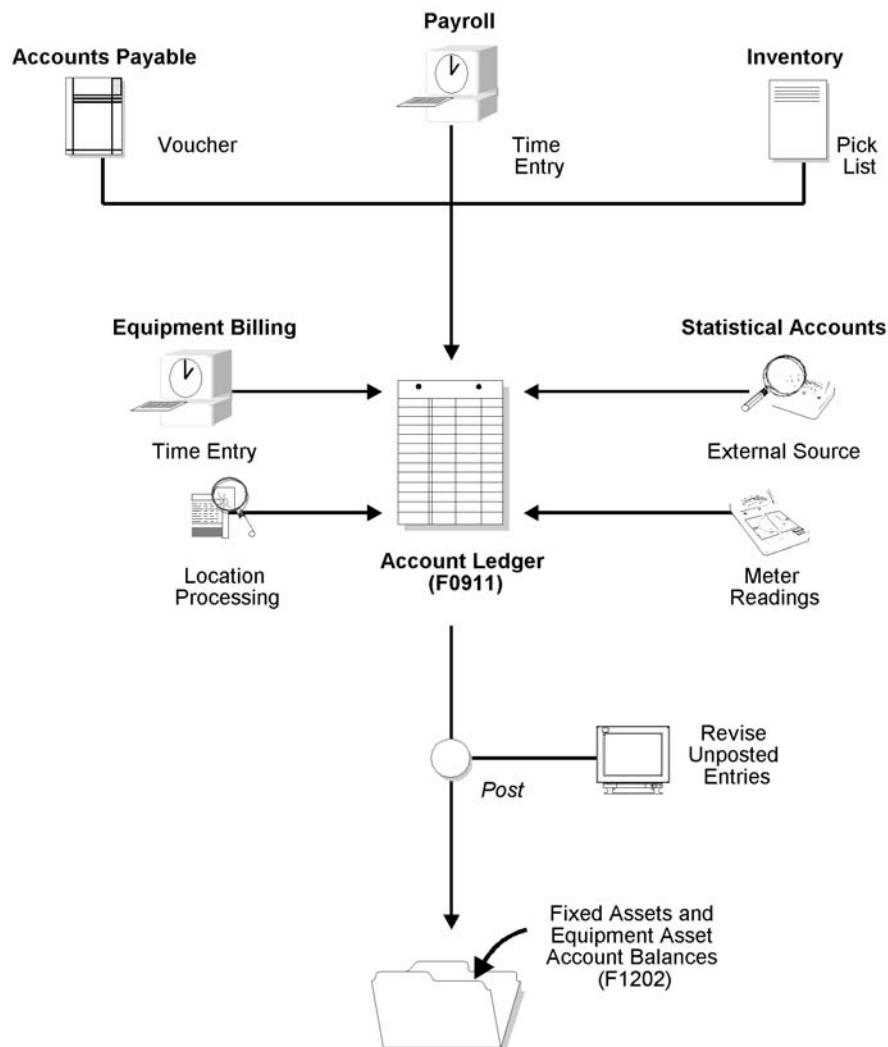
Balances table (F0902). When you post to fixed assets, the system updates the Asset Account Balances table (F1202).

Before posting journal entries to fixed assets, the system verifies that each entry includes:

- A general ledger post code of P, which means that the journal entry has been posted to the Account Balances table (F0902), except when posting ledgers with a transaction creation code of 2
- An account that falls within the fixed asset range of accounts set up in AAIs
- A fixed asset post code of blank to indicate that the system has not yet posted the journal entry to the Asset Account Balances table (F1202)
- A valid asset number
- A hold code of blank

When you post journal entries to fixed assets, the system updates the Asset Account Balances table and marks each transaction as posted.

The following graphic shows the type of journal entries that affect fixed assets, and how the system assigns entries to the Fixed Assets system:



Working with G/L Journal Entries

You can revise fixed asset journal entries that are posted to the general ledger before they are posted to fixed assets. For example, you might want to review journal entries to ensure that all of the fixed asset information is included, such as asset numbers. You also work with G/L journal entries if you want to keep any transactions that fall within the fixed asset (FX) range of AAIs from posting to fixed assets. An example of this type of journal entry would be for transactions that you record to make corrections to the general ledger.

Revising Unposted Journal Entries

Use Revise Unposted Entries to make specific changes to journal entries before they are posted to fixed assets. The following list provides examples of changes you can make:

- Revise or add an asset number to a journal entry
- Revise or add a description to further explain a journal entry
- Create a master record for journal entries that include an asset cost account for an asset that is new to the system
- Revise the hold or pass code on a journal entry to temporarily or permanently prevent it from posting to fixed assets
- Post individual journal entries interactively to final assets rather than in a batch job

Note

To ensure the integrity of your transaction records and audit trails, the system prevents changes to account information that has already been posted to the general ledger, such as:

- G/L account number
- Amount
- G/L date

Before You Begin

- ❑ Run the Identifying New Entries program to identify non fixed asset transactions so that they will not be processed in the Fixed Assets system. When non fixed assets are identified, the Revise Unposted Entries program can quickly locate fixed asset journal entries without having to search through all general ledger transactions. See [Running the Identify New Entries Program](#).

► To revise unposted journal entries

From the Posting G/L to Fixed Assets menu (G1212), choose Revise Unposted Entries.

1. On Work With Unposted Entries, complete any of the following fields to locate a transaction:
 - Account Number
 - BU and/or Object
 - Batch Number/Type

- Document No/Ty/Co
 - Asset Number
 - Company
 - Hold Code
 - Ledger Type
2. To limit the display of entries, click one of the following in the Fixed Assets Post/Past Code field:
- Unposted
 - Passed
 - All Entries
3. Click Find.

	Asset Number	Explanation	Amount	Doc Ty	Doc Number	G/L Date	H C	P C	Line Number	Ex
<input type="checkbox"/>		Replacement Blades	16,000.00 JE		3315	04/30/05				1.0 Sa
<input type="checkbox"/>		New Backhoe	5,800.00 JE		3316	05/15/05				1.0 Fi
<input type="checkbox"/>		Core Drilling Bit	8,500.00 OV		4176	06/30/05				1.0 Di
<input type="checkbox"/>		Hydraulic Press	5,000.00 OV		4177	06/30/05				1.0 Di
<input type="checkbox"/>		Heavy Equipment	169,683.52 PV		3104	04/30/05				1.0 Di
		Total	204,983.52							

4. To review or change a journal entry description, choose a journal entry, and then choose Revise Entries from the Row menu. Alternatively, click Select.
5. On Revise Unposted Entries, complete the following fields, and click OK:
- Asset Number

- Explanation - Remark
 - Post/Passed Code
 - F/A Hold Code
 - Bill Code
 - DOI
6. To return to Work With Unposted Entries, click Cancel.
7. On Work With Unposted Entries, click Find to see the journal entry change.
8. To review additional journal entry information, you can perform the following actions:
- To review or add an attachment for a journal entry, choose a journal entry, and then choose Attachments from the Row menu.

See [Adding an Attachment](#).

- When you attach generic text to a journal entry, the attachment persists through the posting process. You will be able to see the note through the Account Ledger Inquiry form after posting.
- To review an existing asset master record or create a new asset master record, choose a journal entry, and then choose Asset Master from the Row menu.
- To review the originating document, choose a journal entry, and then choose Original Source from the Row menu.
- To post a single journal entry or multiple selected entries, choose a journal entry, and then choose Post from the Row menu.

In order for a transaction to be posted, it must contain:

- A fixed asset Post/Passed Code value of blank
- A G/L post code value of P (except when you are posting ledgers with a transaction creation code of 2)
- A hold code value of blank

When you post journal entries interactively, the system does not automatically generate the Journal Entries report. You can run the Fixed Asset Transaction Ledger report to review the results of your interactive post, or you can review the results online using the Cost Summary form.

- To split a journal entry, choose a journal entry, and then choose Split from the Row menu.
- See [Splitting Unposted Journal Entries](#).
- To review an asset's balance portfolio, choose a journal entry, and then choose Cost Summary from the Form menu.
- To review order information for an asset, choose Order Details from the Form menu.

Field Descriptions

Description	Glossary
Account Number	<p>A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:</p> <ul style="list-style-type: none">o Standard account number (business unit.object.subsidiary or a flexible format)o Third G/L number (maximum of 25 digits)o 8-digit short account ID numbero Speed code <p>The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program (P0000).</p> <p>--- FORM SPECIFIC ---</p> <p>To limit your search to transactions with amounts distributed to a specific account, enter an account number. If you enter an account number in this field, do not enter information in the Business Unit or Object Account fields.</p>
BU and/or Object	<p>The accounting entity (business unit) that is responsible for the asset's cost or expense. You assign a business unit to an asset. The responsible business unit is used for responsibility reporting purposes.</p> <p>NOTE: You can enter numbers and characters in this field. The system right-justifies them (for example, CO123 appears as __ _ CO123). You cannot inquire on business units for which you have no authority.</p>
Batch Number/Type	<p>A number that identifies a group of transactions that the system processes and balances as a unit. When you enter a batch, you can either assign a batch number or let the system assign it using the Next Numbers program</p>

Asset Number	An identification code for an asset that you can enter in one of the following formats: 1 Asset number (a system-assigned, 8-digit, numeric control number) 2 Unit number (a 12-character alphanumeric field) 3 Serial number (a 25-character alphanumeric field)
	Every asset has an asset number. You can use unit number and serial number to further identify assets, if necessary. If this is a data entry field, the first character you enter indicates whether you are entering the primary (default) format that is defined for your system, or one of the other two formats. A special character, such as / or *, in the first position of this field indicates which asset number format you are using. You assign special characters to asset number formats on the Fixed Assets system constants form
	--- FORM SPECIFIC --- If you leave this field blank and the account falls within the cost account (FA) range in the AAIs, the system automatically creates a new asset master record when you run the batch Fixed Asset Post.
Hold Code	Enter a character in this field to temporarily keep a transaction from posting to the Fixed Assets system. You can update this code to any character other than X, or *. The X code is reserved for Fixed Assets Time Entry. The * code is reserved for selection of all hold codes in the Revise Unposted Entries program (P12102). When you run the Post Unposted F/A Entries program, the system only posts transactions with a FA Post Code (also known as alternate post code or batch rear end code) value of blank, a G/L post code value of P, and a hold code value of blank.
	--- FORM SPECIFIC --- This field appears twice on Work With Unposted Entries. Hold Code. Enter a value in this field to locate specific transactions. HC. The value in this field is informational only. Use Revise Unposted Entries to revise the hold code for individual records.
Post/Passed Code	The valid post codes for fixed asset transactions are as follows: Blank Unposted. Transaction has not yet been posted to the Item Balances table (F1202). P Pass. Transaction does not fall within the FX range of accounts as set up in automatic accounting instructions (AAIs) and will not post to fixed assets. You can manually update this field to P through the Revise Unposted Entries program (P12102). Use P in this field when the account number is within the fixed asset range of accounts, but you do not want the transaction to post to fixed assets. You can change this field from blank to P or from P to blank. * Posted. Transaction has been posted to the Item Balances table. You cannot change this value.

F/A Hold Code	Enter a character in this field to temporarily keep a transaction from posting to the Fixed Assets system. You can update this code to any character other than X, or *. The X code is reserved for Fixed Assets Time Entry. The * code is reserved for selection of all hold codes in the Revise Unposted Entries program (P12102). When you run the Post Unposted F/A Entries program, the system only posts transactions with a FA Post Code (also known as alternate post code or batch rear end code) value of blank, a G/L post code value of P, and a hold code value of blank.
Bill Code	A user defined code (98/BC) that identifies the billing status for the Joint Interest Billing (JIB) system. Valid codes include: blank Blank (the default value) indicates transactions that are billable if a valid Division of Interest (DOI) exists for the business unit, and if the object account is within the billable range of accounts. N Specifies a transaction is not billable regardless of the business unit, DOI, or account range. D Direct charges the owner specified in the subledger field at 100%. H Holds a billable transaction until the user wants to manually release the transaction by changing the Bill Code. M Manual DOI code assignment requires a valid DOI code to be input. During JIB Cost Allocations and Billing, this code is changed Based on the processing status. G/L file purging uses this code. NOTE: Direct charges are only allowed for entity type O (outsider).
DOI	A field used by Energy clients to indicate whether a property has different owners.

See Also

- Creating an Asset Master Record*
- Working with Basic Journal Entries* in the *General Accounting Guide* for information about revising unposted journal entries

Splitting Unposted Journal Entries

You can use the Revise Unposted Entries program to split a journal entry into two or more entries before you post to fixed assets. For example, you might split unposted journal entries when an accounts payable invoice for multiple assets is distributed to one account, but you would need to capitalize each asset separately.

For example, an invoice for computers can be distributed in the full amount to the G/L asset account for computers. However, you might want to capitalize each computer separately in fixed assets. You can split the original journal entry for computers into several assets, such as central processing unit, printer, monitor, and keyboard.

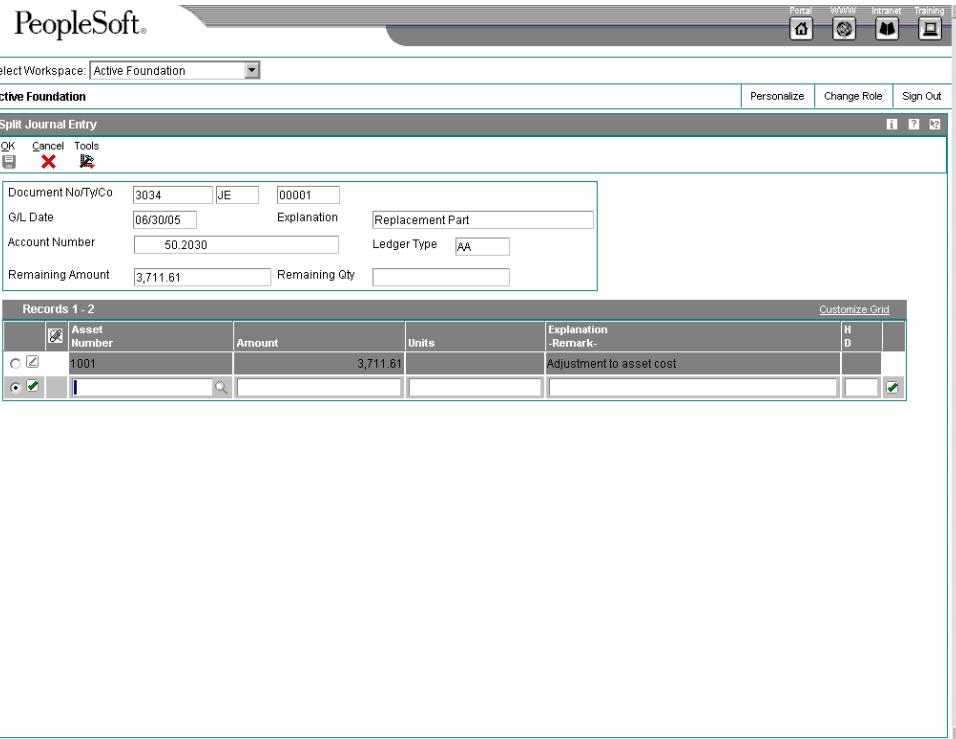
You cannot split a portion of a journal entry. When you split a G/L journal entry into two or more entries, the new totals must add up to the total amount of the original journal entry.

After you split a journal entry, you can review the transactions on Revise Unposted Entries.

► **To split unposted journal entries**

From the Posting G/L to Fixed Assets menu (G1212), choose Revise Unposted Entries.

1. On Work with Unposted Entries, complete any of the following fields to locate a journal entry:
 - Account Number
 - BU and/or Object
 - Batch Number/Type
 - Document No/Ty/Co
 - Asset Number
 - Company
 - Hold Code
 - LT
2. To limit the display of entries, click one of the following in the Fixed Assets Post/Past Code field:
 - Unposted
 - Passed
 - All Entries
3. Click Find.
4. Choose the journal entry that you want to split.
5. From the Row menu, choose Split.
6. On Split Journal Entry, complete the following fields, and click OK to split the journal entry:
 - Asset Number
 - Amount
 - Units
 - Explanation
 - H D



Field Descriptions

Description	Glossary
Amount	A number that identifies the amount that the system adds to the associated account number. For credits, enter a minus sign (-) either before or after the amount. Enter debits with no sign
Units	The quantity of something that is identified by a unit of measure. For example, it can be the number of barrels, boxes, cubic yards, gallons, hours, and so on
H D	Enter a character in this field to temporarily keep a transaction from posting to the Fixed Assets system. You can update this code to any character other than X, or *. The X code is reserved for Fixed Assets Time Entry. The * code is reserved for selection of all hold codes in the Revise Unposted Entries program (P12102). When you run the Post Unposted F/A Entries program, the system only posts transactions with a FA Post Code (also known as alternate post code or batch rear end code) value of blank, a G/L post code value of P, and a hold code value of blank.

Processing Options for Revise Unposted Entries (R12102)

Update

1. Enter '1' to allow the posting of cost to a different account than defined in the Asset Master. Leave blank (default) to prevent posting of cost to a different account defined in the Asset Master.

Allow Different Cost

Versions

1. Enter the version of Order Inquiry Details (P4310) to call when the form exit is selected. Leave blank (default) to call version ZJDE0006.

Version

Printing the Unposted Fixed Asset Transactions Report

From the Posting G/L to Fixed Assets menu (G1212), choose Unposted Fixed Asset Transactions.

You can print a journal entries report to review a list of all the transactions that have been posted to the general ledger and are eligible to post to fixed assets, but have not yet been posted to fixed assets. The FX range of AAIs identifies the beginning and ending range of asset accounts that can be posted to fixed assets.

The information in the report is the same information that you view on the Work with Unposted Entries form by choosing the Unposted option in the Fixed Asset Post/Passed Code field.

Caution

If you post a journal entry through the batch post process that does not include an asset number, the message *No Item Master Record* appears on the report. You should create a master record for the asset and attach the new asset number to the journal entry. If you attempt to interactively post a journal entry without an asset number, you will receive an error message.

Processing Options for Unposted F/A Transactions (R12301)

Display

1. Identify how to print Asset Number: 1 = Item Number (Default) 2 = Unit Number 3 = Serial Number
- Display Asset Number
-

Posting G/L Journal Entries to Fixed Assets

After you verify the information in the unposted fixed asset journal entries, you must post the entries to the Asset Account Balances table (F1202). All journal entries that are within the fixed asset (FX) range of AAIs must be posted to the Asset Account Balances table to update the Fixed Assets system with current transaction records and to maintain the integrity of the Fixed Assets system.

Posting Journal Entries to Fixed Assets

From the Posting G/L to Fixed Assets menu (G1212), choose Post G/L Entries to Assets.

After you verify the information in the unposted fixed asset journal entries, you must post the entries to the Asset Account Balances table (F1202). All journal entries that fall within the fixed asset (FX) range of AAIs must be posted to the Item Balances table to update the Fixed Assets system with current transaction records.

Before posting G/L journal entries to fixed assets, the system verifies that each entry includes the following:

- A G/L post code of P, which means that the records are posted to the Account Balances table (F0902) (except when posting ledgers with a transaction creation code of 2)
- An account within the FX range that you set up in the AAIs
- A fixed asset post code of blank
- A valid asset number
- A hold code of blank

When you run the Post G/L Entries to Assets program, the system posts all fixed asset journal entries to the Asset Account Balances table. The post program updates the Asset Account Balances table and marks each transaction as posted.

See Also

- *Revising Unposted Journal Entries* for information about posting journal entries interactively

Processing Options for Post G/L Entries to Assets (R12800)

Print Tab

Use these processing options to determine certain output aspects of the Fixed Asset Post report.

1. Asset Number Format

1 = Asset number

2 = Unit number

3 = Serial number

Use this processing option to specify how you want the asset number to print on the report. Valid values are:

- 1 Asset Number. This is the default.
- 2 Unit Number
- 3 Serial Number

2. Print Exception Report

Blank = Do not print the exception report

1 = Print the exception report

Use this processing option to identify whether you would like to print the Exception Report (R12800E). Valid values are:

Blank Do not print the Exception Report. This is the default.

1 Print the Exception Report.

Process Tab

Use these processing options to determine the process control options when running the Fixed Asset Post.

1. Equipment Subledger

Blank = Use the G/L asset number

1 = Use the asset number from the subledger type E

Use this processing option to determine how to update the journal entry's asset number. If the asset number is blank and an equipment subledger (subledger type E) exists, you can use that subledger number as the journal entry's asset number. Otherwise, you can use the G/L asset number when posting to Fixed Assets. Valid values are:

Blank Use the G/L asset number.

1 Use the asset number from the subledger type E.

2. Asset Master Cost Account

Blank = Prevent posting to a different cost account

1 = Allow posting of cost to a different account

Use this processing option to allow the posting of cost to a different account defined in the Asset Master. Valid values are:

Blank Prevent posting of cost to a different account defined in the Asset Master. This is the default.

1 Allow posting of cost to a different account defined in the Asset Master.

Verifying the Post Process

After the post process is complete, the system generates two reports:

- Post G/L Entries to Fixed Assets report
- Fixed Assets Detail Error report (if specified in the processing options)

You can review these reports to verify the results of the post.

You can also verify the results of the post to fixed assets online. To review posted fixed asset transactions and the effects of the post on other account information, access the following forms:

Asset Search and Location	Review new assets and corresponding master records that are generated by the post. This is particularly useful if you split a general ledger transaction before running Post G/L Entries to Assets.
Cost Summary	Review how the new transactions affect cost accounts and balances.
Assembly Components and NBV	Review how parent/component relationships are affected by the post. You can also see any changes to the net book value of an asset.

Post G/L Entries to Fixed Assets Report

This report indicates whether journal entries were successfully posted and identifies any automatic processes that occurred during the post.

Two informational messages can appear in the Message Area column on this report:

Asset Number Assigned	If you did not assign an asset number to an unposted journal entry, this message indicates that the system has automatically assigned an asset number based on the FA range in the AAIs. This can be done only in the batch post process.
Asset Master Record Created	This message indicates that the system created an asset master record and its corresponding balance record for a posted transaction. If you do not create these records for an asset before running the post program, the system automatically creates them under the following circumstances: <ul style="list-style-type: none">• The asset number is blank in the Account Ledger table (F0911)• The cost object account falls within the FA range of AAIs• You use the Post G/L Entries to Assets program to run the post The system creates asset masters and balance records based on the values that you enter in Depreciation Account Rules and Ledger Depreciation Rules.

Fixed Assets Detail Error Report

The Fixed Assets Detail Error report identifies all journal entries that were not posted and provides an explanation. The Fixed Assets Detail Error report also identifies any automatic processes that might have occurred during the post.

Several error messages can appear in the Message Area column on this report:

Unable to Post - Depreciation Defaults Missing	This message indicates that the Depreciation Defaults have not been set up for this ledger type.
Ledger Type Invalid	This message indicates that the ledger type does not exist in the Ledger Type Master table (F0025).
Unable to Post - Record is not in the Item Master Table	This message indicates that you did not assign an asset number to an unposted journal entry and the system was unable to assign a number automatically.
Unable to Post - Default Co or Accounts Invalid	This message indicates that the company for the asset, cost account, or accumulated depreciation accounts does not match or that the account for the record is not valid.
Unable to Post - Currency Codes are Different	This message indicates that the currency code for the company does not match the currency code for the asset.
Unable to Post - Cost Account Differs from that of Asset	This message indicates that the cost account for the record to be posted differs from the cost account assigned to this asset in the Asset Master table (F1201). You can use a processing option to allow posting of the cost to an account that is different from the account that is designated in the Asset Master.
Unable to Post - Asset is Disposed	This message indicates that the date for disposal of the asset has passed and you can no longer post to it.

Correcting Fixed Asset Balances

If the balance in the Asset Account Balances table (F1202) is correct, but the balance in the general ledger is incorrect, you must update the general ledger. If the balance in the general ledger is correct, but the balance in the Asset Account Balances table is incorrect, you must update the Asset Account Balances table. For example, you transfer an asset's cost account to another cost account. After posting the information, you realize it should have stayed in the original account. To correct this error, you must create the appropriate adjusting journal entries, post them to the general ledger, and then post them to the Asset Account Balances table in the Fixed Assets system.

See Also

- ❑ *Running Integrity Reports* for more information about out-of-balance records in the general ledger or fixed assets
- ❑ *Working with G/L Journal Entries* for more information about creating journal entries

Correcting General Ledger Balances

If the balance in the Asset Account Balances table for fixed assets is correct, but the balance in the general ledger is incorrect, you must create a journal entry to update the general ledger.

► To correct general ledger balances

From the *Journal Entry, Reports, & Inquiries* menu (G0911), choose *Journal Entry*.

1. To correct the balance in the general ledger, enter the adjusting journal entry.

See [Entering Basic Journal Entries](#) in the *General Accounting Guide* for information about entering adjusting journal entries.

2. From the *Posting G/L to Fixed Assets* menu (G1212), choose *Revise Unposted Entries*.
3. On *Work With Unposted Entries*, click *Find* to view unposted journal entries.
4. Click the adjusting journal entry, and choose *Revise Entries* from the *Row* menu.
5. On *Revise Unposted Entries*, complete the following field to keep the transaction from posting to *Fixed Assets*, and click *OK*:
 - Post/Passed Code

Field Descriptions

Description	Glossary
Post/Passed Code	The valid post codes for fixed asset transactions are as follows: Blank Unposted. Transaction has not yet been posted to the Item Balances table (F1202). P Pass. Transaction does not fall within the FX range of accounts As set up in automatic accounting instructions (AAIs) and will not post to fixed assets. You can manually update this field to P through the Revise Unposted Entries program (P12102). Use P in this field when the account number is within the fixed asset range of accounts, but you do not want the transaction to post to fixed assets. You can change this field from blank to P or from P to blank. <ul style="list-style-type: none">• Posted. Transaction has been posted to the Item Balances table. You cannot change this value.

Correcting Fixed Asset Balances

If the balance in the general ledger is correct, but the balance in the *Asset Account Balances* table is not, you must post an adjusting journal entry to the general ledger and *Asset Account Balances* table in the *Fixed Assets* system. Then, you must void the entry in the general ledger.

Alternatively, you can post an adjusting journal entry to the general ledger that debits and credits the same account without affecting the balance. Then, on *Revise Unposted Entries*, you can choose the *Passed* option in the *Post/Passed Code* field for one of the transactions, and post the remaining debit or credit to the *Asset Account Balances* table (F1202).

► To correct fixed asset balances

From the *Journal Entry, Reports, & Inquiries* menu (G0911), choose *Journal Entry*.

1. To correct the balance in the general ledger, enter the adjusting journal entry.

See [Entering Basic Journal Entries](#) in the *General Accounting Guide* for information about entering adjusting journal entries.

2. Post the adjusting journal entry to the general ledger.

See [Posting Journal Entries](#) in the *General Accounting Guide* for information about posting adjusting journal entries to the general ledger.

3. Post the adjusting journal entry to the Fixed Assets system.

See [Posting Journal Entries to Fixed Assets](#) for information about posting adjusting journal entries to the Fixed Assets system.

4. To return the general ledger to the correct balance, void the general ledger entry.

See [Revising and Voiding Posted Journal Entries](#) in the *General Accounting Guide* for information about voiding journal entries.

5. From the Posting G/L to Fixed Assets menu (G1212), choose Revise Unposted Entries.

6. On Work With Unposted Entries, click Find to view unposted journal entries.

7. Click the adjusting journal entry, and choose Revise Entries from the Row menu.

8. On Revise Unposted Entries, complete the following field to pass the transaction to keep the adjusting journal entry from posting to Fixed Assets again, and click OK:

- Post/Passed Code

Correcting Depreciation Entries

If you enter an adjusting journal entry to correct a depreciation error, the journal entry might correct the depreciation in the current period, but the error will recur when you run the programs to calculate depreciation in the next period.

You can use journal entries to correct depreciation errors only when the Method of Computation is P or C. If you use Method of Computation P, the system calculates depreciation only for the current period. If you use Method of Computation C, the system allows journal entry corrections at the end of the fiscal year, after depreciation has been calculated. Before making a correction for Method P, depreciation must be calculated and posted in the period that the correction is being made in.

Note

If depreciation is calculated after a correction is made within the same period, the correction will be reversed out.

To correct depreciation errors that have been posted to the general ledger, you must void and post the voided entry to the general ledger, and then post the voided entry to the Fixed Assets system, or make a correcting entry.

To correct depreciation errors that have not been posted to the general ledger, you must post the final depreciation to the general ledger, which might result in posting to an invalid account that will need to be reopened so that posting can occur. Void the general ledger entry, and then post the voided entry back to the Fixed Assets system. Alternatively, make an adjusting entry and post it back to Fixed Assets. Be sure to correct the errors in the Fixed Assets system so that the errors do not recur.

If a depreciation entry is voided and corrections are made in the Fixed Assets system, then depreciation will need to be recalculated.

Note

Do not void summarized journal entries. If you need to make corrections to summarized journal entries, you must enter a detailed journal entry and post the entry to the general ledger and the Fixed Assets system.

Reviewing Asset Costs

Review asset costs when you want to see inception-to-date, year-to-date, and period-to-date account balances for individual assets.

Cost accounts, or object accounts, each represent a type of cost. Examples of costs accounts include the following:

- Labor
- Parts
- Materials

Cost accounts can also represent a type of asset.

When you review costs by cost accounts, you get a financial perspective of business costs. View costs by cost account when you want to access:

- All account balances relating to a specific asset
- Asset acquisition costs, depreciation amounts, revenue, maintenance expense, operating expense, and so on, for a specific period
- Abbreviated income statement and balance sheet information for an asset

Detailed transactions (F0911 records) appear only under the following circumstances:

- Account balances were not updated directly by a conversion program that did not create detailed transactions to support the balances.
- Transactions are not summarized by the G/L Summarization program.

► To review asset costs

From the Cost Information and Reports menu (G1213), choose Cost Summary.

1. On Work with Cost Summary, complete the following required field to locate a specific asset:

- Asset Number
2. To specify the costs that you want to review, complete the following optional fields:
- Skip to Account or Code
 - From Date/Period
 - Thru Date/Period
 - Ledger Type
- Set a processing option to specify the ledger type default.
3. To further specify the costs that you want to review, click the Additional Selections tab.
4. Complete the following optional fields:
- Units/Unit Cost
 - Detail/Summary
 - Subledger
 - Sub Type

	Account	Code	Account Description	Inception To Date	Year To Date	Period To Date	Business Unit	Subledger	Sub Type
<input checked="" type="radio"/>	2040		Vehicles	32,000.00	32,000.00			50	
<input type="radio"/>	2140		Accum Depr-Vehicles	5,333.33-	5,333.33-	888.89-		50	
<input type="radio"/>			Net Book Value	26,666.67	26,666.67	888.89-			
<input type="radio"/>	8330		Depreciation - Vehicles	5,333.33	5,333.33	888.89	YARD		
<input type="radio"/>			Revenue Earned	5,333.33	5,333.33	888.89			
			Total	32,000.00	32,000.00				

Set processing options to display amounts or statistical units.

5. Click the following optional check boxes:

- Total by Account (Object)
 - Total by Code (Subsidiary)
6. To review the posted transactions for an individual account balance, choose an account, and then choose Asset Ledger from the Row menu.
 7. On Work with Asset Ledger Inquiry, to see transaction details, choose Account Ledger from the Row menu .
 8. On Work with Account Ledger, choose Details from the Row menu.
 9. To return to Work With Cost Summary:
 - On Account Ledger Detail, click Cancel.
 - On Work With Account Ledger, click Close.
 - On Work With Asset Ledger Inquiry, click Close.
 10. To review or add an attachment for a transaction, choose Attachments from the Row menu.
- See [Adding an Attachment](#).
11. To review open purchase orders, choose Open Orders from the Form menu.
 12. To review asset revaluation information, choose Asset Revaluation from the Form menu.

Field Descriptions

Description	Glossary
Asset Number	<p>An identification code for an asset that you can enter in one of the following formats:</p> <p>1 Asset number (a system-assigned, 8-digit, numeric control number)</p> <p>2 Unit number (a 12-character alphanumeric field)</p> <p>3 Serial number (a 25-character alphanumeric field)</p> <p>Every asset has an asset number. You can use unit number and serial number to further identify assets, if necessary. If this is a data entry field, the first character you enter indicates whether you are entering the primary (default) format that is defined for your system, or one of the other two formats. A special character, such as / or *, in the first position of this field indicates which asset number format you are using. You assign special characters to asset number formats on the Fixed Assets system constants form</p>
From Date/Period	<p>This entry field designates either a period within the current fiscal year or a specific date.</p> <p>To designate a period of the current fiscal year for the selected company, enter a number from 1 to 14. For example, enter 10 for period 10 of the current year.</p> <p>To designate a date, use your company's fiscal date pattern. For example, enter 01/01/99 for the fiscal date of January 1, 1999.</p>

Thru Date/Period	This entry field designates either a period within the current fiscal year or a specific date. To designate a period of the current fiscal year for the selected company, enter a number from 1 to 14. For example, enter 10 for period 10 of the current year. To designate a date, use your company's fiscal date pattern. For example, enter 01/01/99 for the fiscal date of January 1, 1999.
Skip to Account or Code	The portion of a general ledger account that divides the cost code (for example, labor, materials, and equipment) into subcategories. For example, you can use a cost code to divide labor into regular time, premium time, and burden. Note: If you are using a flexible chart of accounts and the object account is set to 6 digits, J.D. Edwards recommends that you use all 6 digits. For example, entering 000456 is not the same as entering 456 because, if you enter 456, the system enters three blank spaces to fill a 6-digit object
Ledger Type	The user defined ledger type code (09/LT) that identifies the account ledger or book for the asset. You can maintain as many sets of depreciation books (ledger types) for an asset as you need so you can depreciate an asset in different ways for different purposes. For example, an asset might have a three-year life for tax purposes, but a five-year life for financial statement purposes. Each set of books can have different depreciation methods and depreciation values.
Units/Unit Cost	<p>--- FORM SPECIFIC ---</p> <p>The system assigns a default ledger type of AA (Actual Amounts) for this field.</p> <p>A code that determines whether the system displays amounts or statistical units. You can use statistical units to track equipment information for a piece of equipment. Valid values are:</p> <ul style="list-style-type: none"> N Display currency amounts. This is the default value. Y Display statistical units such as hours. The statistical units you define for this code are stored in the AT00 automatic accounting instruction. A Display statistical units such as those used to indicate fuel consumption. The statistical units you define for this code are stored in the FMA automatic accounting instruction. B Display statistical units such as miles. The statistical units you define for this code are stored in the FMB automatic accounting instruction. Equipment can accumulate usage amounts based on hours, miles, fuel, and so on. When you display equipment costs by units or unit cost, the first account listed shows the number of units that have accumulated for that piece of equipment. The remaining account balances reflect actual amounts divided by the total units or a per unit cost for each account.

Detail/Summary	A code that you enter with one of the following values: D No summarization O Object account level of summarization when sequencing by object R Subsidiary account level of summarization when sequencing by subsidiary S Complete summarization by Automatic Accounting Instruction object account When sequencing by object account, D and O are valid values. S is valid only for Fixed Assets. When sequencing by subsidiary account, D is a valid value. R is valid only for Equipment Management. Note: If you wish to see the transaction ledger for a particular account, you cannot summarize. If you are displaying miles or units, these amounts are always summarized.
Subledger	A code that identifies a detailed, auxiliary account within a general ledger account. A subledger can be an equipment item number or an address book number. If you enter a subledger, you must also specify the subledger type
Sub Type	A user defined code (00/ST) that is used with the Subledger field to identify the subledger type and how the system performs subledger editing. On the User Defined Codes form, the second line of the description controls how the system performs editing. This is either hard-coded or user defined. For example: A Alphanumeric field, do not edit N Numeric field, right justify and zero fill C Alphanumeric field, right justify and blank fill

Processing Options for Fixed Assets Cost Summary (P122101)

Defaults Tab

Use these processing options to define the defaults that are applied when you inquire on asset balance records.

1. Ledger Type

Blank = AA

Use this processing option to enter the ledger type to default to. Leave blank to default to the AA ledger. This is the default value. For a list of valid values, click the visual assist button next to this field.

2. Detail or Summary

D = No summarization

O = Summarize by object

R = Summarize by subsidiary

S = Summarize by AT AAI object

Use this processing option to specify how to summarize asset balances. Leave blank to default to D (No Summarization). Valid values are:

- D No Summarization. This is the default.
- O Summarize by Object. Valid when sequencing by object.
- R Summarize by subsidiary. Valid when sequencing by subsidiary.
- S Summarize by AT AAI Object.

Note: Do not drill down into Asset Ledger Inquiry unless D (No Summarization) is chosen.

3. Display Amounts or Statistical Units

N = Amounts

A = Statistical units - FMA AAI

B = Statistical units - FMB AAI

Y = Statistical units - AT00 AAI

Use this processing option to display amounts or statistical units. Leave blank to default to N (Amounts). Valid values are:

- N Amounts. This is the default.
- A Statistical Units - FMB AAI.
- B Statistical Units - FMB AAI.
- Y Statistical Units - AT00 AAI.

Process Tab

Use these processing options to specify what type of information will be processed when calculating asset balance records.

1. Object or Subsidiary Totals

Blank = By account code (object)

1 = By repair code (subsidiary)

Use this processing option to display the asset totals by account code (object) or repair code (subsidiary). Valid values are:

Blank Display by Account Code (Object).

1 Display by Repair Code (Subsidiary).

2. Primary Product

1 = Equipment

2 = CSMS

Use this processing option to enter the primary products for this version.

Valid values are:

1 Equipment

2 CSMS

Versions Tab

Use this processing option to define the application version to execute.

1. Open Order Inquiry Version (P4310)

Blank = ZJDE0006

Use this processing option to enter the Open Order Inquiry (P4310) version for the related exit. If left blank, ZJDE0006 will be used.

Periodic

Asset Depreciation

The Fixed Assets system provides flexibility for defining depreciation methods. You have the option of creating a new user defined depreciation method, using a predefined method, or modifying a predefined method to create a new user defined method. The predefined depreciation methods are discussed in [*Predefined Depreciation Methods*](#). The formulas for these predefined depreciation methods are included in [*Formula Elements*](#).

After you set up depreciation rules and establish master information, depreciation information, and account balances for the assets in your system, you can calculate asset depreciation.

Understanding Asset Depreciation Methods

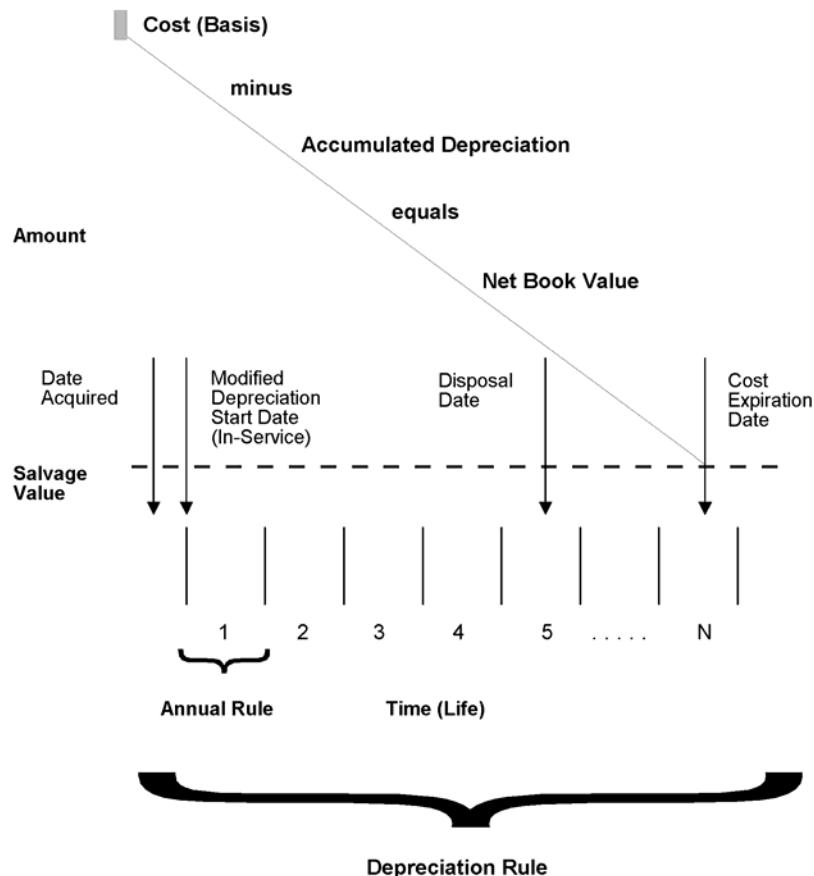
When you create a master record, the system automatically assigns the depreciation method based on the depreciation default value that you set up. The system performs depreciation calculations based on the established depreciation rules for each depreciation method.

Although the J.D. Edwards Fixed Assets system provides a wide range of standard depreciation methods, you might need a specific depreciation algorithm. You can modify a standard depreciation method, or you can create your own depreciation method. The predefined standard depreciation methods are discussed in [*Predefined Depreciation Methods*](#).

An organization that operates in a multisite, multinational, or multicurrency environment is likely to require a broad sample of the variations of the elements of depreciation. With asset depreciation, you can access all the elements of the depreciation equation. You can use these elements to define depreciation methods to meet your unique depreciation needs.

Elements of Asset Depreciation

The following graphic shows the elements of asset depreciation:



The following elements used with depreciation rules control how the system calculates depreciation:

Cost

Costs can be divided in different ways for different assets according to the nature of the assets, such as buildings, equipment, vehicles, and so forth. Cost also occurs for a single asset in multiple books or ledgers for such purposes as financial accounting, consolidated reporting, management and cost accounting, and regulatory purposes.

Cost can affect depreciation in many different ways. For example:

- Several elements of asset cost might exist in a single book or ledger.
- Several elements of cost might exist at one specific time or spread out over time.
- Cost might exist concurrently in multiple currencies.

Time (life years)

The life of an asset is represented in the depreciation process as a subdivision of time. Different depreciation methods might use different subdivisions of time. For example, the subdivision of time might be:

	<ul style="list-style-type: none"> • The same as the fiscal year of your organization • Related to the date when the cost for the asset is incurred • Related to the year of a political or regulatory entity
Accumulated depreciation	At any time during the life of an asset, the total of all depreciation taken is referred to as accumulated depreciation.
Net book value	<p>At any time during the life of an asset, the current or net book value is equal to the cost less the accumulated depreciation.</p> <p>For example, at the beginning of an asset's life, when no depreciation has been taken, the net book value is equal to the original cost. At the end of the asset's life, when all possible depreciation has been taken, the net book value is equal to the salvage value of the asset, if any.</p>
Salvage value and depreciable basis	<p>At the end of the life of an asset, when it is no longer suitable for use within your organization, residual value might exist. This value, whether it is realized from the market or from scrapping and salvaging, is referred to as the salvage value.</p> <p>Depreciation will stop at the salvage value. For example, if the cost of an asset was 1000 USD, and the salvage value is 25 USD, accumulated depreciation will never go beyond 975 USD so that there will be a residual value of 25 USD. Typically, the amount that is amortized over the life of an asset excludes the salvage value amount.</p> <p>The salvage value is used in the depreciation process to arrive at the depreciable basis of that asset, or the cost less the salvage value.</p>
Remaining basis	Remaining basis is the amount to which an asset will depreciate in the final year of the asset's life. It is defined as cost less accumulated depreciation less salvage value.
Dates	<p>Depreciation takes place over time. Consequently, many instances occur in the depreciation process in which different dimensions of time (dates) are important. Dates that might especially affect the depreciation process include:</p> <ul style="list-style-type: none"> • Asset acquisition dates • Depreciation start dates • Asset disposal dates • Cost expiration date <p>Frequently, depreciation conventions require a modification of one or more of these dates.</p>
Annual rules	Each year of an asset's life can be subject to different allowances or requirements. For example, the first and last years of an asset's life can be subject to different regulatory requirements.

Depreciation Concepts

The Fixed Assets system uses account rules and depreciation rules. Account rules define the association between cost accounts and the related accumulated depreciation and depreciation expense accounts. Depreciation rules define the algorithm that the system applies to the cost of an asset over the course of the asset's life every time you compute depreciation.

Depreciation rules are the key to asset depreciation. To understand depreciation rules, you need to understand the following concepts:

Cost	The cost for an asset is the focal point of the depreciation equation. The system uniquely identifies each cost for an asset.
Dates	Depreciation rules are date sensitive. When you set up depreciation rules, you must specify the dates when the rule is effective.
Limits and bases	The amount that you depreciate an asset can be subject to limits and bases. The limits and bases might be sensitive to particular dates. For example, the entire depreciation formula might be appropriate to a specific period of time or to a specific portion of the life of the asset.
Formulas	The depreciation formula might be as simple as a single percentage of the cost that applies to each year throughout the life of the asset. Or the formula might relate to the utilization of the asset. The potential for formula variations is virtually infinite. For example: <ul style="list-style-type: none">• Salvage value can be a factor in the depreciation formula.• The formula might provide occasions where the depreciation stops and then resumes.• Multiple depreciation formulas can relate to the same cost, possibly in different years or in different ledgers.
Apportionment - periodic and cumulative	The system stores the cost apportionments in the Asset Account Balance table (F1202). The apportionment of the cost over time is stored as a cumulative balance in the accumulated depreciation records. The periodic apportionment of the cost is stored in the depreciation expense records. Each depreciable cost has at least one cumulative record and one periodic record for each year of the life of an asset.
Reporting years	The reference points in time can be a variable in the depreciation process. For example, a single legal entity might be required to determine and report depreciation according to different patterns of dates. Also, the fiscal years of entities might change.
General ledger accounts	Each asset balance record is associated with an asset master record. The nature of an account refers to the type of cost. Asset costs are typically classified into categories, such as real property, machinery, equipment, and so on. The balance sheet business unit includes the cost and accumulated depreciation for the asset. For depreciation expense, the business unit might be an operating department, a project, or a location.
Depreciation accounts	Two accounts are especially important in the depreciation process: <ul style="list-style-type: none">• Depreciation Expense - As you compute depreciation for the basis of an asset, the system records the result as an expense of each of the years benefited by the cost.• Accumulated Depreciation - You need to know the original cost of an asset. The system records the expiration of the cost in an account that can be considered a part of the cost account. This contra account is called the Accumulated Depreciation account.

In some cases, the depreciation mechanism might require multiple accumulated depreciation and depreciation expense accounts.

Asset account type	The system uses a character code to uniquely identify each asset balance record that is related to depreciation. The character code indicates whether a record is a cost, accumulated depreciation, or depreciation expense. Other accounts that are not related to the depreciation process, but are important to the depreciation equation, such as disposal accounts, are also identified by the system with an asset account type. Asset account type codes enable the system to identify and access specific records easily. Valid values are:
	<ul style="list-style-type: none">• 1 Cost• 2 Accumulated Depreciation• 3 Secondary Accumulated Depreciation• 4 Depreciation Expense• 5 Depreciation Expense - Secondary• 6 Depreciation Expense - Tertiary• 7 Net Book Value - Disposal• 8 Disposal Clearing• 9 Disposal Proceeds
Asset	The system associates cost with an asset. You use category codes to classify assets within an accounting category and a depreciation category.
Annual depreciation amount	The system accesses various depreciation rules for an asset by codes in the Asset Account Balances table. The codes identify depreciation method, computation direction, and so on, for each depreciation rule that you use. Based on the specific depreciation rule, the system calculates depreciation on an annual basis. The system stores the annual depreciation amount for an asset in the associated Asset Balance Accumulated Depreciation record. After the system calculates the annual depreciation amount, it then deals with the initial term apportionment. Any special conventions are applied based on the options that you define for the specific rule.
Periodic depreciation journal entries	The annual depreciation amount is subject to spread patterns of percentages that determine how the annual depreciation is to be apportioned to periods within a year. The system applies any conventions that relate to special apportionment during the first, last, and disposal years. The system creates general ledger journal entries based on the rules established for each ledger. Based on the account rules, the system updates the Asset Account Balance records for the depreciation expense and accumulated depreciation expense.

Depreciation Rule Components

The depreciation rules are defined in three components. Within these components you use the elements of depreciation. The depreciation rule components are listed below:

- Header
- Rule conventions
- Annual rules

Header

Key to identifying the depreciation rule, the header information includes information such as:

- Depreciation method
- Initial term apportionment
- Compute direction (also called the method of computation)
- Life (periods)
- Relevant dates
- Rule description
- Date pattern reference

Rule Conventions

The rule conventions define certain parameters within which the rules operate, such as:

- Depreciation expense business unit
- First year spread
- Last year spread
- Disposal year
- Secondary account percentage
- Life year reference
- Allow over depreciation
- Allow negative depreciation

Annual Rules

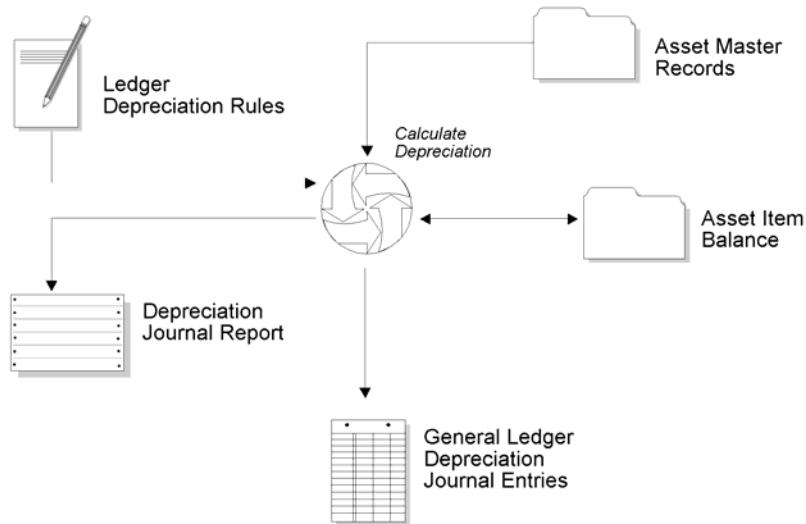
The annual rules define the specifics of how the depreciation is actually calculated. For a given depreciation rule, one or more annual rules might exist. For a given year, primary and secondary rules might exist. Annual rule specifics include:

- Beginning and ending years for each annual rule
- Placed in service months
- Annual multipliers
- Spread patterns
- Formula codes for depreciation, basis, lower limit, upper limit, and salvage value

Depreciation Calculation - Process Flow

The system calculates depreciation for an asset cost based on the depreciation rules that you define. The rules relate to the category of the asset cost. The system determines which depreciation rule to use. The system associates accounting and depreciation categories in the asset master record and the cost account in the cost item balance record with the corresponding information in the depreciation rule.

The following graphic illustrates the depreciation calculation process:



Entering Units of Production

You enter units of production to provide the system with current production information to compute depreciation based on the units of production method (Standard Depreciation Method 09). Enter units of production only if your company uses units of production to compute depreciation. If you do not use units of production to compute depreciation, you do not need to enter units of production.

You can use the Units of Production Schedule form to track your original estimate of the total number of units in the reserve base, the total of your prior year revisions to the original estimate, and current year revisions to the original estimate. You can change these amounts as your estimates for production change throughout the year. When you run the annual close, the system automatically rolls the totals to prepare for the new year of estimates and revisions.

You must enter units of production before you run the Compute Depreciation program. The system calculates the units of production depreciation for a period only if you update the year-to-date production amount for the period.

Before You Begin

- Set up the units of production schedule. See [Working with Units of Production Schedules](#).

► To enter units of production

From the Advanced Operations menu (G1231), choose Units of Production Schedule.

1. On Work with Units of Production Schedule, click Add to add a unit of production schedule.
2. On Production Schedule Revisions, complete the following fields:
 - Schedule Number
 - Ledger Type
 - Unit of Measure
 - Units - Original
 - Units - Prior Year Revisions
 - Units - Current Year Revisions
 - Prior Years Production
 - Y-T-D Production

The screenshot shows the 'Production Schedule Revisions' dialog box from the PeopleSoft application. The dialog has several sections with input fields:

- Schedule Number:** GRADER
- Ledger Type:** AA
- Description:** Motor Grader Hours
- Unit of Measure:** HR Hour
- Units - Original:** 10,000.00
- Units - Prior Year Revisions:** (empty)
- Units - Current Year Revisions:** (empty)
- Prior Years Production:** 4,500.00
- Depreciable Unit Base:** 5,500.00
- Y-T-D Production:** 5,500.00
- Current Unit of Production Factor:** 1.00000000

At the top left of the dialog are buttons: OK, Cancel, and Tools. At the top right are buttons: Personalize, Change Role, and Sign Out.

3. Click OK.
4. To return to Work with Units of Production Schedule, click Cancel.

5. On Work with Units of Production schedule, complete the following fields, and click Find to locate a unit of production schedule:
 - Schedule No/Method 9
 - Ledger Type
6. Choose a schedule.
7. From the Row menu, choose Production Schedule.
8. On Production Schedule Revisions, review or change the following fields:
 - Schedule Number
 - Ledger Type
 - Unit of Measure
 - Units - Original
 - Units - Prior Year Revisions
 - Units - Current Year Revisions
 - Prior Years Production
 - Y-T-D Production
9. Click OK.
10. To return to Work with Units of Production Schedule, click Cancel.

Field Descriptions

Description	Glossary
Schedule Number	The alphanumeric code you assign to a units of production schedule. You must set up the schedules you want to use for method 09 (Units of Production Depreciation) in advance on the Units of Production Schedule form.
Ledger Type	The user defined ledger type code (09/LT) that identifies the account ledger or book for the asset. You can maintain as many sets of depreciation books (ledger types) for an asset as you need so you can depreciate an asset in different ways for different purposes. For example, an asset might have a three-year life for tax purposes, but a five-year life for financial statement purposes. Each set of books can have different depreciation methods and depreciation values.
--- FORM SPECIFIC ---	
Each schedule you create is a combination of a unique schedule number and a ledger type.	
Units - Original	The original estimate of the total number of units in the reserve base. The system uses this number to calculate the depreciable unit base.

Units - Prior Year Revisions	The cumulative prior year revisions to the estimate of total units in the reserve base (Units-Original). The system uses this number to calculate the depreciable unit base.
Units - Current Year Revisions	The current year revisions to the estimate of the total number of units in the reserve base (Units-Original). The system uses this number to calculate the depreciable unit base.
Prior Years Production	The number of units produced in all prior years. This number determines when an asset is fully depreciated. The system uses this number to calculate the depreciable unit base.
Y-T-D Production	Units that were produced year-to-date. You must manually update this field. The system uses the value in this field to calculate the Current Unit of Production Factor.

Calculating Asset Depreciation

Run the Compute Depreciation program to calculate depreciation for your assets. The Compute Depreciation program calculates asset depreciation year-to-date, through the "as of" date that you specify. You can compute depreciation for each period, quarter, or year.

You can run the Compute Depreciation program in preliminary or final mode. J.D. Edwards strongly recommends that you run a preliminary depreciation for proofing purposes before you run the actual or final depreciation.

Before You Begin

- You must run the annual close for the previous year account balances before the system can generate depreciation journal entries for a new fiscal year. See [Closing Annual Account Balances](#).

See Also

- [Verifying Depreciation Information](#)
- [Understanding Asset Depreciation Methods](#)
- [Asset Depreciation](#)
- [Setting Up User Defined Depreciation](#)

Running the Compute Depreciation Program

From the Depreciation menu (G1221), choose Compute Depreciation. Alternatively, to compute depreciation by period, from the Year End Processes menu, choose Compute Depreciation by Period.

Run the Compute Depreciation program in preliminary mode so that you can check for errors and make any necessary corrections.

When you run Compute Depreciation in final mode, the system creates fixed asset and general ledger journal entries. The system automatically posts the fixed asset journal entries and then submits the general ledger journal entries for posting.

You can approve and post the general ledger journal entries, or you can set up your system to automatically post the entries when you run the depreciation program. For the system to automatically post depreciation journal entries to the general ledger, you must:

- Set Management Approval of Input to No (N) in General Accounting Constants
- Indicate a post version in the processing options for the Compute Depreciation program

The Compute Depreciation program calculates and stores the annual depreciation amount for each asset in the Asset Account Balances table (F1202). The program refers to the Spread Pattern table that relates to the depreciation rule and applies the Year-to-Date Percentage to the annual depreciation amount. The resulting calculation is the depreciation amount for the current period.

Generating the Depreciation Journal Report

The system generates a Depreciation Journal report for each preliminary and final depreciation computation that you run. To control the amount of detail information that prints on the report, use processing options and data selection. Use the report as an auditing tool to determine whether user defined rules and formulas reflect accurate asset depreciation information.

Each depreciation method prints on a separate page and includes the following three types of information:

Account class and depreciation information	Identifies account classes and the depreciation methods that you assigned to each class in Depreciation Default Coding. Use this section of the report to review how the program made specific depreciation calculations.
Asset numbers and journal entry amounts	Lists each asset that you assigned to the account class and the depreciation for the period calculated by the specific depreciation method. Depending on the processing options and data selections that you choose, you can review the specific depreciation formulas and element values that the depreciation calculation program used to arrive at the final depreciation amount for an individual asset.
Company totals	Prints the total amounts for accumulated depreciation and depreciation expense accounts by ledger and company. This section of the report also lists account numbers and subledger information.

See Also

- *R12855, Depreciation Journal* in the *Reports Guide* for a report sample

Processing Options for Depreciation Journal (R12855)

Process Tab

For information about a processing option, right-click the processing option field and choose What's This from the menu. Or, click the processing option field, and press F1.

These processing options enable you to:

- Specify the depreciation period or date through which depreciation will be calculated

- Print assets based on current period adjustments
- Summarize accumulated depreciation and depreciation expense account information
- Prevent the system from creating actual amount transaction records
- Indicate whether you want to use flex accounting

These processing options also enable you to specify whether you want to run this program in preliminary or final mode.

When you run this program in preliminary mode, the system:

- Validates the information that you enter in the processing options.
- Validates the accounts to which the system will post the depreciation journal entries.
- Prints a report that shows the amounts that will post to each depreciation account when you run the final depreciation. This report also shows calculated results including costs, accumulated depreciation, and year-to-date depreciation for the assets you specify.

When you run this program in final mode, the system:

- Validates the information that you enter in the processing options.
- Validates the accounts to which the system will post the depreciation journal entries.
- Prints a report that shows the amounts posted to the depreciation accounts for each asset number. If there is an error, the depreciation process does not create journal entries for that particular asset and you will see an error message on the report.
- Updates the Asset Account Balances table (F1202).
- Creates fixed asset journal entries for the accumulated depreciation and depreciation expense accounts affected by the depreciation. These journal entries have a document type of DP (depreciation) and a batch type of X.
- Creates journal entries based on the value in the Transaction Creation field on the Fixed Asset Ledger Type Rules form. The system creates unposted journal entries if the Transaction Creation field contains a value of 2. The system creates posted journal entries if the Transaction Creation field contains a value of 1 or 3 for audit trail purposes.
- Allows you to submit depreciation journal entries for batch processing in order to post to the journal entries to General Accounting using the Versions processing option on the Versions tab.

1. Process Mode

Blank = Preliminary mode

1 = Final mode

Use this processing option to specify the mode in which you want to run this program. Valid values are:

Blank Run the program in preliminary mode. You should run the program in

preliminary mode before running it in final mode. If the system finds errors, you will see an error message on the preliminary report. You should correct errors that appear on the report and rerun the program in preliminary mode.

Running this program in preliminary mode does not create journal entries or update any tables. You can run this program in preliminary mode as many times as required.

- 1 Run the program in final mode. When you run this program in final mode, the system posts accumulated depreciation and depreciation expense journal entries to the Asset Balances table (F1202) and create journal entries in the Account Ledger table (F0911). The system also submits the depreciation journal entries to the general ledger post program based on a version for the general ledger post.

Note: This processing option retains the value previously specified. For example, if you ran this program in final mode the last time you used it, the program will run in final mode again unless you change the value of this processing option.

2. Depreciation Period or Through Date

3. Select Assets to Print

Blank = Print all assets

1 = Print assets with balance adjustments for the current period or date

Use this processing option to print all of the assets in your current selection or limit assets based on balance adjustments. Valid values are:

Blank Print all assets.

- 1 Print only assets with balance adjustments for the current period or date.

4. Summarize Transactions

Blank = Do not summarize account information

1 = Summarize account information

Use this processing option to specify whether you want the system to summarize accumulated depreciation and depreciation expense account information. Valid values are:

Blank Do not summarize account information.

1 Summarize account information.

Note: If you summarize your accumulated depreciation and depreciation expense account information, the system will not record transaction detail by Asset Number. This transaction detail information (F0911 transactions) supports the information in the Asset Balances table (F1202). Consequently, you will not be able to use the Fixed Asset Repost program (R12910).

5. Create Transaction Records

Blank = Create transaction records for the AA ledger

1 = Do not create transaction records for the AA ledger

Use this processing option to specify whether you want the system to create transaction records (F0911 records) for the AA ledger. Valid values are:

Blank Create transaction records for the AA ledger.

1 Do not create transaction records for the AA ledger.

Note: If you do not create transaction records for the AA ledger, you will have no information to support the information in the Asset Balances table (F1202). Consequently, you will not be able to use the Fixed Asset Repost program (R12910).

6. Flex Accounting

Blank = Do not use flex accounting

1 = Use flex accounting

Use this processing option to indicate whether you want to use flex accounting. Valid values are:

Blank Do not use flex accounting.

1 Use flex accounting.

7. Page Break Suppress

Blank = Allow page breaks and show header information.

1 = Eliminate page breaks and header detail information

Use this processing option to specify whether to allow page breaks. Valid values are:

Blank

Allow page breaks.

1

Do not allow page breaks. If you enter 1, the header will not print and account information will be reduced to ledger type, depreciation expense account, and accumulated depreciation account

Print Tab

These processing options determine how the asset number appears on the report, and whether depreciation expense details, calculated amount details, formula calculations and expressions, and summarized subledger totals appear on the report.

1. Asset Number Format

1 = Asset Number

2 = Unit Number

3 = Serial Number

Use this processing option to specify how you want the asset number printed on the report. Valid values are:

1. Asset Number
2. Unit Number
3. Serial Number

2. Depreciation Expense Details

Blank = Do not print depreciation expense details

1 = Print depreciation expense details

Use this processing option to specify whether you want depreciation expense details printed on the report. Valid values are:

- Blank Do not print depreciation expense details on the report.
- 1 Print depreciation expense details on the report.

3. Calculated Amount Details

Blank = Do not print calculated amount details

1 = Print calculated amount details

Use this processing option to specify whether you want calculated depreciation amount, basis amount, lower limit, upper limit, salvage value, and

apportionment percent details printed on the report. Valid values are:

Blank Do not print calculated amount details on the report.

1 Print calculated amount details on the report.

4. Formula Calculations and Expressions

Blank = Do not print calculations and expressions

1 = Print calculations and expressions

Use this processing option to specify whether you want calculations and expressions for the depreciation, basis, lower limit, upper limit, and salvage value formulas printed on the report. Valid values are:

Blank Do not print calculations and expressions on the report.

1 Print calculations and expressions on the report.

5. Summarize Subledger Totals

Blank = Print totals for every subledger

1 = Print summarized subledger totals

Use this processing option to specify whether you want to summarize subledger totals on the report. Valid values are:

Blank Print totals for every subledger on the report.

1 Print summarized subledger totals on the report.

Versions Tab

This processing option enables you to specify the Post General Journal version you want the system to run automatically.

1. General Ledger Post Version (R09801)

If you are running this program in final mode, use this processing option to specify the General Ledger Post (R09801) version you want the system to run automatically. For example, you can run ZJDE0016. This processing option works only under the following conditions:

- o You have set Management Approval to No (N) on System Constants.
 - o You enter a version that has already been added.
-

Reviewing and Approving the Depreciation Journal

After you enter journal entries, you can verify their accuracy before posting them to the Account Balances table (F0902).

Reviewing the Depreciation Journal

You can review information at different levels before posting depreciation journal entries.

When you review journal entries for posting, you can display a list of batches based on the batch type, number, date, status, or your user ID. For example, you might want to review all batches with a posting status of pending.

If the batch review security feature is activated, the system might not list all batches that have been entered. Instead, the system lists only the batches that you are authorized to review and approve.

After you review a list of batches, you can access transaction detail within a specific batch of journal entries. For example, you can review the number of journal entries within a batch. You can also select a specific journal entry for review.

If you use batch control, the system shows the differences between what you expected to enter and what you actually entered. These differences are shown for both the input total and the number of documents. If you do not use batch control, the system subtracts your actual entries from zero, resulting in negative amounts in the fields that display the differences.

You can change the associated explanations and the G/L distributions of an unposted journal entry. You cannot change the following key fields:

- Document Type

- Document Number
- Document Company
- G/L Date
- Currency Code
- Ledger Type

The review program displays and updates information in the following tables:

- Batch Control (F0011)
- Account Ledger (F0911)

Consider the following features when you review journal entry information:

Blank amounts The Amount field appears blank on General Journal Review if the journal entries are in balance.

Revising a posted batch If you add, change, or void a transaction within a batch that has been posted, the system changes the batch status from posted to the default entry status (pending or approved). You must post the batch again. The system posts only the changed transactions.

Adding journal entries to a batch To add a journal entry to a batch, choose a journal entry in that batch on General Journal Review, and click Add.

► To review a list of depreciation batches

From the Depreciation menu (G1221), choose Depreciation Journal Review.

1. On Work With Batches, display all batches for all users, or complete the following fields to limit your search:
 - Batch Number
 - Batch Type

Depreciation Journal Review - [Work With Batches]

File Edit Preferences Form Row Window Help

Select Find Close Seg... New... Dis... Abo Links Create OLE... Internet

Batch Number / Type * X Depreciation - Journal Entries

Unposted Batches Posted Batches All Batches

Batch Type	Batch Number	Batch Date	Batch Status	Status Description	Difference Documents	Difference Amount	User ID
X	4394	2/11/99	D	Posted	1-	236.600	JR174377
X	4395	2/11/99	D	Posted	2-	1.498.124	JR174377
X	4396	2/11/99	D	Posted	2-	1.498.120	JR174377
X	4397	2/11/99	D	Posted	2-	1.498.123	JR174377
X	4398	2/11/99	D	Posted	2-	1.498.122	JR174377
X	4399	2/11/99	D	Posted	2-	1.498.121	JR174377
X	4400	2/11/99	D	Posted	2-	1.492.227	JR174377
X	4414	2/12/99	D	Posted	1-	1.483.333	JR174377
X	4415	2/12/99	D	Posted	1-	370.834	JR174377
X	4501	2/19/99	D	Posted	1-	1.428.817	JR174377

2. Click one of the following options:
 - Unposted Batches
 - Posted Batches
 - All Batches
3. Click Find.
4. In the detail area of the form, review the list of batches.

Field Descriptions

Description	Glossary
Batch Number	A number that identifies a group of transactions that the system processes and balances as a unit. When you enter a batch, you can either assign a batch number or let the system assign it using the Next Numbers program

Batch Type	A code that specifies the system and type of transactions entered in a batch. The system assigns the value when you enter a transaction. Valid values are set up in user defined code table 98/IT. You cannot assign new values. All batch types are hard coded.
-------------------	--

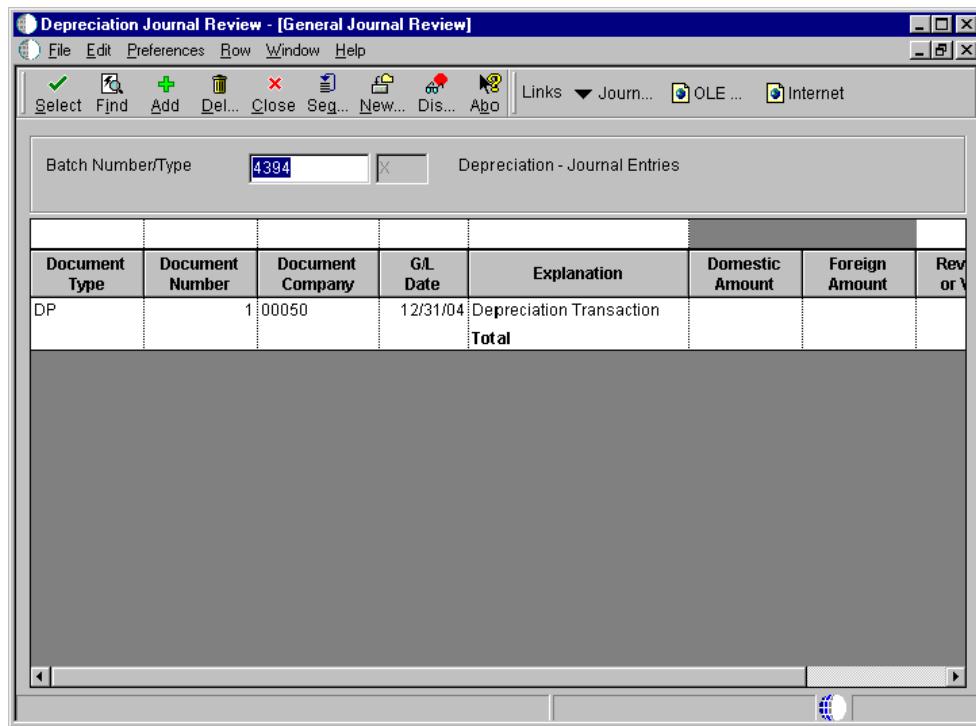
--- FORM SPECIFIC ---

To limit your search to specific transactions, such as G for general accounting entries or V for accounts payable vouchers, enter the transaction batch type in this field. If you want to see a specific batch, you must enter both the batch number and type.

► **To review and revise depreciation journal entry detail**

From the Depreciation menu (G1221), choose Depreciation Journal Review.

1. On Work With Batches, display all batches for all users, or complete one or more of the following fields to limit your search:
 - Batch Number
 - Batch Type
2. Choose one of the following options:
 - All Batches
 - Unposted Batches
 - Posted Batches
3. Click Find.
4. Choose a batch and click Select to access the appropriate batch review form.



5. On the review form, choose an individual document to review, and click Select.
6. On the detail form, enter any necessary changes, and click OK.
7. To return to Work With Batches, click Cancel, and then click Close.

See Also

- Revising an Unposted Journal Entry* and *Revising a Posted Journal Entry* in the *General Accounting Guide* for more information about revising journal entries
- Approving Batches of Journal Entries for Posting* for more information about batch approval

Approving Batches of Journal Entries for Posting

After you enter and review a batch of journal entries, you might need to approve it before posting can occur. This depends on whether your company requires management approval before posting a batch. You can revise the batch job before you post it. Based on your company requirements, as defined in the general accounting constants, the system assigns either a pending or an approved status to the batch.

You can approve an out-of-balance batch job. You also can prevent an approved batch from posting.

► To approve a batch for posting

From the Depreciation menu (G1221), choose Depreciation Journal Review.

1. On Work With Batches, display all batches for all users, or complete one or more of the following fields to limit your search:

- Batch Number
 - Batch Type
2. Choose one of the following options:
- All Batches
 - Unposted Batches
 - Posted Batches
3. Click Find.
4. Choose the appropriate batch.
5. From the Row menu, choose Batch Approval.
6. On Batch Approval, click the Approved Option.
7. Click OK.
8. On Work With Batches, click Find and verify that the following field has been updated to A:
- Batch Status

Field Descriptions

Description	Glossary
Batch Status	<p>A user defined code (98/IC) that indicates the posting status of a batch. Valid values are:</p> <ul style="list-style-type: none"> Blank Unposted batches that are pending approval or have a status of approved. A Approved for posting. The batch has no errors, and is in balance, but has not yet been posted. D Posted. The batch posted successfully. E Error. The batch is in error. You must correct the batch before it can post. P Posting. The system is posting the batch to the general ledger. The batch is unavailable until the posting process is complete. If errors occur during the post, the batch status is changed to E (error). U In use. The batch is temporarily unavailable because someone is working with it, or the batch is hung in use because a power failure occurred while the batch was open.

--- FORM SPECIFIC ---

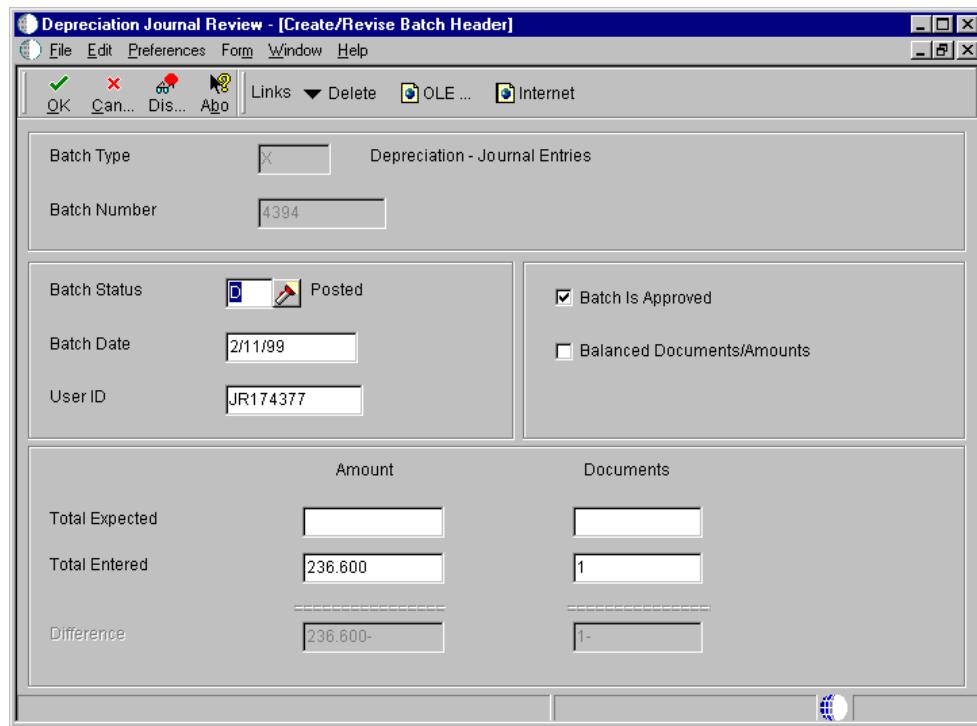
Click one of the following options to show records by batch status:

- o Unposted Batches
 - o Posted Batches
 - o All Batches
-

► **To revise a batch job for posting**

From the Depreciation menu (G1221), choose Depreciation Journal Review.

1. On Work With Batches, complete one or more of the following fields:
 - Batch Number
 - Batch Type
2. Choose one of the following options:
 - All Batches
 - Unposted Batches
 - Posted Batches
3. Click Find.
4. Choose the appropriate batch.
5. From the Row menu, choose Revise.
6. On Create/Revise Batch Header, click the box for the following option to approve an out-of-balance batch job for posting:
 - Batch Is Approved
7. To prevent an approved batch job from posting, remove the information in the following field:
 - Batch StatusAn empty Batch Status field identifies the batch job as pending.
8. Click OK.



Processing Options for Batch Type (P0011)

Batch Type

Enter the Batch Type to be displayed.

Batch Type

Posting Depreciation to the General Ledger

If you have depreciation batches that did not post during the depreciation process, you must manually post the depreciation journal entries to the general ledger. If you have many depreciation entries that did not post, and you have corrected them, you can use the General Ledger Post Report to automatically post all the journal entries that have a status of Approved.

Before You Begin

- Verify that the batch has an approved status. See [Approving Batches of Journal Entries for Posting](#).
- Ensure that the job queue allows only one job to process at a time.

Posting a Journal Entry Manually

You must manually post any depreciation journal entries to the general ledger that you approve on Depreciation Journal Review.

► To post a journal entry manually

From the Depreciation menu (G1221), choose Depreciation Journal Review.

1. On Work With Batches, display all batches for all users, or complete one or more of the following fields to limit your search:
 - Batch Number
 - Batch Type
2. Click one of the following options:
 - All Batches
 - Unposted Batches
 - Posted Batches
3. Click Find.
4. Choose the appropriate batch.
5. From the Row menu, choose Post by Batch.

Posting Multiple Batches of Journal Entries

From the Depreciation menu (G1221), choose General Ledger Post Report.

The General Ledger Post Report program is a global post for all depreciation batches that have a status of Approved. Set a processing option for the Compute Depreciation program to automatically submit a general ledger post for depreciation journal entries. Usually the batch will post with no user intervention required. The only time you need to use the General Ledger Post Report program is when the batch does not post.

Caution

You should not enter a batch number, user ID, or batch date on the processing option when you run the General Ledger Post Report to post a batch of journal entries. If you leave these fields blank, all batches will post. If you enter one of these fields and then do not clear it after you have posted a batch, the next batch will not automatically post unless the batch data matches the information in the Batch Number, User ID, and Batch Date fields.

Run only one post program at a time.

Consider the following features when you post a batch of journal entries:

Posting an alternate currency ledger	If you use the alternate currency ledger (XA), set the appropriate processing option to update the ledger and produce a separate posting journal.
Making changes during the posting process	While the post is running, do not change accounts, AAIs for the General Accounting system, intercompany settlements in the general accounting constants, or processing options for the post program.
Specifying batches to be posted	Highlight a blank line for your data selection entry. Do not delete or type over the existing specifications for the posting status (A) and the batch type (G).
Customizing the post program	This program performs a number of complex tasks. J.D. Edwards strongly recommends that you do not customize the programming for it.

Verifying the Post of Journal Entries

After posting your journal entries, verify that your batches of journal entries posted successfully. If any batches did not post, you must correct all errors and set the batch to approved status before the system will post the batch. The system creates a variety of reports to help you verify the posting information.

Reviewing Your Electronic Mail for Error Messages

After you run the post program, review your electronic mail in Address Book for error messages (sometimes called action messages). You can access General Accounting forms from these error messages, which allow you to locate problems and make changes interactively.

Reviewing the General Ledger Post Report

To verify the transactions that were posted to the Account Balances and the Account Ledger tables, review the General Ledger Post report. It lists only those batches that posted successfully.

A General Ledger Post Report that contains only heading information indicates that the Post program could not post any batches and has sent messages to your electronic mail.

If you enter journal entries with multiple currencies, the General Ledger Post Report lists both the CA ledger and converted AA amounts for foreign currency transactions. Additionally, it lists the currency code of the CA ledger amount and the domestic currency of the company for the AA ledger amount.

If you use detailed currency restatement, the system produces separate reports for the XA, YA, and ZA ledgers.

On the reports generated for batches with multiple currencies, the CA amounts represent the foreign side of the entry. The AA amounts represent the domestic side of the entry. Both the CA and the AA ledgers must be in balance.

Reviewing the Post Detail Error Report

If a balancing error occurs, the system generates a report. If you are using multiple currencies, the report lists AA and CA ledger information. If an out-of-balance journal entry is in error, correct the error and post the batch again.

In some cases, you might need to post an out-of-balance journal entry. For example:

- A power failure occurred during entry or posting.
- A valid, one-sided journal entry was entered to correct a conversion error that was made during setup.

See Also

- *Revising Batches to Post Out-of-Balance* in the *General Accounting Guide* for information about how to post an out-of-balance batch

Processing Options for General Ledger Post Report (R09801)

Print

1) Enter which Account Number to print on the report. '1' = Structured Account; '2' = Short Account ID; '3' = Unstructured Account; '' = Default Account Format.

Account Format

Versions

1) Enter a version of the Detailed Currency Restatement (R11411) to execute. If left blank, Detailed Currency Restatement entries will not be created. (i.e. ZJDE0001)

Detailed Currency Restatement Version

2) Enter a version of the Fixed Asset Post (R12800) to execute. If left blank, Fixed Asset Post will not be executed. (i.e. ZJDE0001)

Fixed Asset Post Version

3) Enter a version of the 52 Period Post (R098011) to execute. If left blank, 52 Period Post will not be executed. (i.e. ZJDE0001)

52 Period Post Version

Edits

1) Enter a '1' if you wish to update Account ID, Company, Fiscal Year, Period Number, Century, and Fiscal Quarter in records being posted, prior to editing and posting the records.

Update Transaction

Taxes

1) Enter when to update the Tax File (F0018). '1' = V.A.T. or Use Tax only; '2' = for all Tax Amounts; '3' = for all Tax Explanation Codes; '' = no update to Tax File (Default).

Update Tax File

2) Adjust V.A.T. Account for Discount Taken. The Tax Rules file must be set to Calculate Tax on Gross Amount, including Discount and Calculate Discount on Gross Amount, including Tax. Tax explanation must be a 'V'.

'1' = Update VAT only; '2' = Update VAT, Ext. Price and Taxable. (for discounts taken)

3) Adjust V.A.T Account for Receipt Adjustments and Write Offs. Tax explanation must be a 'V'.

'1' = Update VAT only; '2' = Update VAT, Ext. Price and Taxable. (for receipt adjustments and write offs)

Process

1) Enter a '1' if you wish to explode parent item time down to the assembly component level. Component billing rates will be used. (This applies to batch type 'T' only.)

Explode parent item time.

Cash Basis

1) Enter a '1' to create and post Cash Basis accounting entries. (Applies to batch types G, K, M, W, RB only.)

Obsolete

2) Enter units ledger type for Cash Basis Accounting entries. (Default of blank will use "ZU" ledger type.)

Units Ledger Type

3) Enter a version of "Create Cash Basis Entries" (R11C850) to execute. (Default of blank will use version ZJDE0001.)

Obsolete

Reviewing Depreciation Information Online

Use the Online Depreciation Schedule program to review a list of assets and their corresponding depreciation expense and net book value amounts for each ledger.

You can also use this program as a tool to review your entries and help you reconcile differences between the Asset Account Balances table (F1202) and the Account Balances table (F0902).

► To review depreciation information online

From the Cost Information Reports menu (G1213), choose On-Line Depreciation Schedule.

1. On On-line Depreciation Schedule, complete one of the following fields:
 - Asset Cost Account
 - Responsible Bus. Unit
 - Location
 - Accounting/Equip Class
 - Asset Number
2. To further define your search, click the Company/Dates tab and complete any of the following fields:
 - Company Number
 - Thru Date/Period
 - Ledger Type
 - Subledger
 - Subledger/Type
 - Asset Number
3. To narrow your search to disposed and non-disposed assets, click one of the following options:
 - Disposed
 - Non-disposed

PeopleSoft.

Asset Number	Asset Description	Cost	Accumulated Depreciation	Net Book Value	YTD Depreciation	Gi Dr
1002	Chrysler Minivan				6,778.23	
	Total				6,778.23	

4. Click Find.

Field Descriptions

Description

Glossary

Asset Cost Account

A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:

- o Standard account number (business unit.object.subsidiary or a flexible format)
- o Third G/L number (maximum of 25 digits)
- o 8-digit short account ID number
- o Speed code

The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program (P0000).

Responsible Bus. Unit

The accounting entity (business unit) that is responsible for the asset's cost or expense. You assign a business unit to an asset. The responsible business unit is used for responsibility reporting purposes. NOTE: You can enter numbers and characters in this field. The system right-justifies them (for example, CO123 appears as ___ CO123). You cannot inquire on business units for which you have no authority.

Location

The current physical location of an asset. The location must be a valid business unit or job number in the Business Unit Master table (F0006)

Accounting/Equip Class	<p>A user defined code (12/C1) that determines the accounting class category code. You use this accounting category code to classify assets into groups or families, for example, 100 for land, 200 for vehicles, and 300 for general office equipment.</p> <p>J.D. Edwards recommends that you set up major class codes that correspond to the major general ledger object accounts in order to facilitate the reconciliation to the general ledger.</p> <p>Note: If you do not want to use the major accounting class code, you must set up a value for blank in the user defined code table.</p>
Asset Number	<p>An identification code for an asset that you can enter in one of the following formats:</p> <ul style="list-style-type: none"> 1 Asset number (a system-assigned, 8-digit, numeric control number) 2 Unit number (a 12-character alphanumeric field) 3 Serial number (a 25-character alphanumeric field) <p>Every asset has an asset number. You can use unit number and serial number to further identify assets, if necessary. If this is a data entry field, the first character you enter indicates whether you are entering the primary (default) format that is defined for your system, or one of the other two formats. A special character, such as / or *, in the first position of this field indicates which asset number format you are using. You assign special characters to asset number formats on the Fixed Assets system constants form</p>
Company Number	<p>A code that identifies the company that owns or is assigned to an asset or group of assets. You set up companies in the system to represent a reporting level that has a complete balance sheet and any intercompany transactions with other companies. You can define a specific organization, entity, partnership, and so on, as a company. You use company numbers and names to define the companies in your system.</p> <p>NOTE: Use Company 00000 only for default values, such as dates and automatic accounting instructions (AAIs). You cannot use Company 00000 when entering transactions.</p>
Thru Date/Period	<p>This entry field designates either a period within the current fiscal year or a specific date.</p> <p>To designate a period of the current fiscal year for the selected company, enter a number from 1 to 14. For example, enter 10 for period 10 of the current year.</p> <p>To designate a date, use your company's fiscal date pattern. For example, enter 01/01/99 for the fiscal date of January 1, 1999.</p>
Ledger Type	<p>The user defined ledger type code (09/LT) that identifies the account ledger or book for the asset. You can maintain as many sets of depreciation books (ledger types) for an asset as you need so you can depreciate an asset in different ways for different purposes. For example, an asset might have a three-year life for tax purposes, but a five-year life for financial statement purposes. Each set of books can have different depreciation methods and depreciation values.</p>

Subledger	A code that identifies a detailed, auxiliary account within a general ledger account. A subledger can be an equipment item number or an address book number. If you enter a subledger, you must also specify the subledger type
Sub Type	<p>A user defined code (00/ST) that is used with the Subledger field to identify the subledger type and how the system performs subledger editing. On the User Defined Codes form, the second line of the description controls how the system performs editing. This is either hard-coded or user defined. For example:</p> <p>A Alphanumeric field, do not edit</p> <p>N Numeric field, right justify and zero fill</p> <p>C Alphanumeric field, right justify and blank fill</p>

Fixed Asset Journal Entries

You can use the Fixed Assets system to record asset splits, transfers, and disposals in your accounting ledgers. When you indicate which assets you want to be affected by a split or transfer, the system automatically creates the necessary journal entries.

When you run the Compute Depreciation and the Asset Transfer programs in final mode, the system automatically posts transactions to the Asset Account Balances table (F1202). You can review and, if necessary, make changes to the journal entries and then post them to the Account Balances table (F0902). When you run the Disposal program, the system creates transactions that you must approve before posting to the Account Balances table (F0902) and then the Asset Account Balances table (F1202). When you run the asset split program, the system automatically posts transactions to the Account Balances table (F0902), then you must post to the Asset Account Balances table (F1202).

Splitting Fixed Assets

You can split an existing asset into one or more new assets. The asset does not have to have a quantity greater than one. You can split assets by units, monetary value, or percentage. Percentages calculated for the asset split are based on the cost account as of the date of the split.

Use the Asset Split program to perform the following tasks:

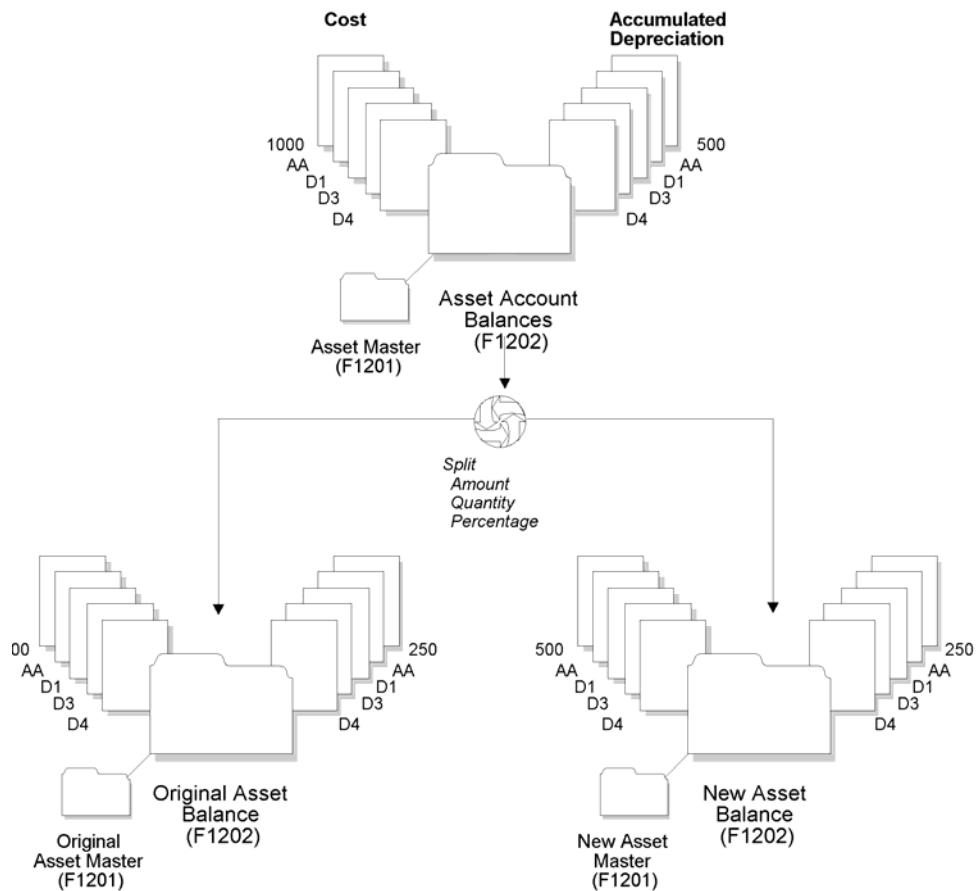
- Split an asset entered as a bulk quantity into smaller lots or units. You do not have to have an asset quantity greater than one in order to split the asset.
- Remove a portion of an asset to create two independent assets.
- Split a component (part) of an asset in order to dispose of it.
- Split a component (part) of an asset in order to transfer it.
- Correct an asset that was entered as one item but should have been entered as multiple assets.

- Split an asset retroactively, which occurs as of a specified date.
- Split a secondary accumulated depreciation account.

When you complete the asset split process, the system automatically updates and creates the necessary asset records and accounts, as follows:

- Creates asset master records for the new assets generated during the split based on the original asset master record.
- Updates the Current Item Quantity field on the original asset master record.
- Creates location tracking records for the new assets based on the original asset master record.
- Updates the Quantity field on the original asset's location tracking record.
- Creates F1202 records for the depreciation methods and ledger types for the new assets based on the original asset record.
- Creates journal entries for both the original asset and the new assets based on the original asset's costs and accumulated depreciation account numbers. The system creates these posted entries to the Account Balances table (F0902) for each ledger type.
- Creates a subledger account for the new assets based on the subledger for the original asset.
- Submits the journal entries for posting to the Asset Account Balances table for document type Asset Split (AS).

The following graphic illustrates how the Asset Split program works:



Entering Asset Split Information

You must enter asset split information to indicate which assets you want to divide. You do not have to have an asset quantity greater than one in order to split the asset. When you split an asset, the journal entries for the split post to the same cost and accumulated depreciation account as the original asset. After you accept an asset split transaction, you cannot delete the split.

You can perform an asset split only if the asset has a single current location.

The system uses a percentage to calculate cost and accumulated depreciation for the split information that you enter on Asset Split. The system calculates this percentage regardless of the method of split that you specify. When you exit the program, the system updates asset records based on the percentage. If you review the asset split journal entries that the system creates, you might notice a rounding difference between the amounts that you entered and the amounts that post to cost and accumulated depreciation.

To maintain the integrity of your fixed asset records, the system prevents asset splits after the date that you dispose of the asset. You can split an asset only before its disposal date.

For retroactive splits, the amount defined as available for the split will equal the amount as of the specified G/L date. With retroactive splits, both the display amount and the amount in the journal entry will equal the specified G/L date.

If you set up an alternative date pattern, the Asset Split program (P12106) uses the date pattern that you specify. See [Setting Up Date Pattern Override](#).

► To enter asset split information

From the Transfers, Splits and Disposals menu (G1222), choose Asset Split.

1. On Work With Assets, click Find to view all assets. To limit your search, click the tabs in the header area of the Work With Assets form and complete the appropriate information.

See [Locating Asset Information](#) for information about completing the tab information.

When you are searching for an asset on the Work With Assets form, the Skip To Description and Skip to Asset fields in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated or if the language preference is activated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose the asset that you want to split.
3. From the Row menu, choose Asset Split.
4. On Asset Split, complete the following fields, and click OK to create a batch for the split journal entries:
 - Explanation
 - G/L Date
 - Method (A / U / %)

The system assigns a batch number that remains the same until you leave the Asset Split program. You can include journal entries related to multiple asset splits in a single batch.

The current information for the asset appears.

5. To establish information for the new asset, complete one of the following fields:

If the method is either A or blank:

- Asset Cost

If the method is U:

- Asset Quantity

If the method is %:

- Percent

Use the percentage method to fully deplete an original asset cost and split it into one or more new assets. When you deplete the original asset 100%, you prevent it from having any remaining balance amounts due to rounding.

6. Complete the following field:
 - New Asset Description
7. Complete the following optional fields:
 - Asset Number
 - Serial Number
 - Unit Number

To maintain the integrity of your fixed asset records, the system prevents an asset from being split into an existing asset number. When you split an asset, the system assigns the new asset a number from Next Numbers, or you can assign an asset number to the new asset.

The screenshot shows the 'Asset Split' dialog box within a PeopleSoft application window. The dialog has tabs for 'OK', 'Cancel', 'Form', and 'Tools'. The main area contains fields for 'Batch Number' (empty), 'Explanation' (Split Jeep), 'Gift Date' (empty), 'Method (A / U / %)' (U), 'Asset Number' (123) with a tooltip '2005 Jeep Cherokee', and sections for 'Beginning:' and 'Remaining:' with 'Cost' and 'Quantity' fields. Below the dialog is a grid titled 'Records 1 - 1' with columns for Asset Cost, Asset Quantity, Percent, New Asset Description, Asset Number, Unit Number, and Seq Nu. A checked row is visible in the grid.

8. Click OK.
9. To accept the transaction, click Yes.

After you accept an asset split transaction, you cannot delete the split.

The program edits the information and clears the form. The system creates posted journal entries for the split to the Account Balances table (F0902). When you click Cancel, the system submits the batch for posting to fixed assets with the document type AS (Asset Split).

10. To view the transactions, choose Split Inquiry from the Form menu on Split Asset.
11. View the transactions on Work With Journal Entries.
12. To return to Work With Assets, click Close, and then on Asset Split, click cancel.

Field Descriptions

Description	Glossary
Explanation	A description, remark, explanation, name, or address.
G/L Date	A date that identifies the financial period to which the transaction will be posted. You define financial periods for a date pattern code that you assign to the company record. The system compares the date that you enter on the transaction to the fiscal date pattern assigned to the company to retrieve the appropriate fiscal period number, as well as to perform date validations.
Method (A / U / %)	<p>A code that determines which method the system uses when it allocates costs and units during an asset split.</p> <p>Valid values are:</p> <ul style="list-style-type: none"> A Assigns the currency amount that you enter for the new assets. The system creates a ratio based on the amount that you enter for the new assets and the amount that remains for the original asset. The ratio determines the number of units that will be distributed to the new and original assets. U Assigns the unit amount that you enter for the new assets. The system creates a ratio based on the units that you enter for the new assets and the units that remain for the original asset. This ratio determines the currency amount distributed to the new and original assets. % Distributes the cost and units based on the percentage amount you enter. Blank Distributes the cost and units based on the cost and unit amounts you enter. The system does not perform any ratios.
Asset Cost	The original acquisition cost of an asset.
Asset Quantity	The original number of units for an asset. If assets are purchased and accounted for in quantities (more than one), you can specify the original quantity purchased. For example, if you purchase 100 office chairs, you would set up one asset item with an original quantity of 100. Then, as you disposed of office chairs, you would adjust the current quantity to reflect the current balance. This adjustment allows you to track assets purchased in bulk quantity on one master record.
--- FORM SPECIFIC ---	
The number of units to split to the new item or asset. If the value in the Method field is U or blank, enter a unit amount. If the value is \$ or %, leave this field blank. The system calculates the amount and percentage based on the current item quantity you enter.	

Percent	The percentage relationship of the cost of an asset to the total cost of the asset from which it is being split.
New Asset Description	A user defined name or remark
Serial Number	A 25-character alphanumeric number that you can use as an alternate identification number for an asset. You can use this number to track assets by the manufacturer's serial number. You are not required to use a serial number to identify an asset. Every serial number that you enter must be unique
Unit Number	A 12-character alphanumeric code used as an alternate identification number for an asset. This number is not required, nor does the system assign a number if you leave the field blank when you add an asset. If you use this number, it must be unique. For equipment, this is typically the serial number.

Posting Journal Entries for Asset Splits

When you accept the asset split transaction, the system creates posted asset split journal entries to the Account Balances table (F0902).

When you click Cancel, the system submits the batch for posting to the Asset Account Balances table (F1202). When you split an asset, the journal entries for the split post to the same cost and accumulated depreciation accounts as the original asset. The system calls a separate version of the Asset Balances post program that posts journal entries with the document type AS (Asset Split).

See Also

- Posting Journal Entry Batches* in the *General Accounting Guide*

Transferring Fixed Assets

From the Transfers, Splits and Disposals menu (G1222), choose one of the following asset transfer programs:

- Single Asset Transfer
- Mass Transfer

Use the transfer procedure to record assets that are transferred from one business unit or account to another. You can transfer assets based on the entire account structure (business unit, object, and subsidiary) or a portion of the account structure. For example, if you move a computer from one department to another department in your company, you use the transfer program to create the journal entries that reflect the move.

When information for a large block of assets changes, you can also use the transfer program to make global changes to the information with or without transferring the assets. When you make global changes to asset information using the Asset Transfer program, you enter new values only in the fields for the values that you want to change. Any fields that you leave blank are not affected by a change. If you want to change the value for a subsidiary or subledger to blank, you must enter *blank in the field. For example, you can change the responsible business unit for a fleet of trucks without actually moving them. You can use the transfer program to change the following asset information:

- Responsible business unit
- Work center
- Property tax entity
- Property tax state
- Tax rate/area
- Location (if the asset has only one current location)
- Start date
- Category codes

You can use the transfer program to change a specific category code value for all the assets within a company or asset class without having to change each master record individually, or you can change all the category codes in the Asset Master table (F1201).

If you set up an alternative date pattern, the transfer program uses the date pattern that you specify. See [Setting Up Date Pattern Override](#).

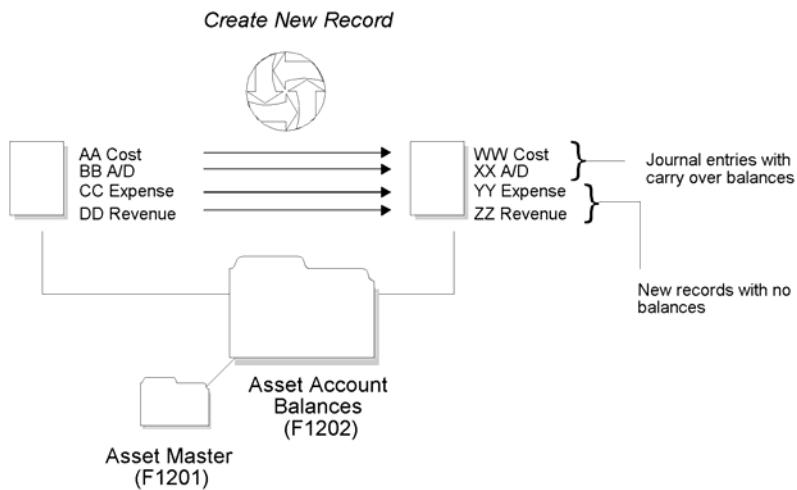
Asset Transfers

When you complete the asset transfer process, the program automatically creates the appropriate journal entries with a document type of Asset Transfer (AT). The Asset Transfer program posts the journal entries for asset transfers to the Fixed Assets Asset Account Balances table (F1202) before posting to the Account Balances table (F0902).

Note

When transferring fixed assets, do not use a posting edit code of S on accounts that will be posted to Fixed Assets. If you use a posting edit code of S, you will not be able to post detail information to the Account Balances table (F0902) and the Asset Account Balances table (F1202) in a summarized format. When you run a fixed asset transfer, the resulting journal entries are prohibited from posting to the Account Balances table because the detail is missing subledgers. If you use a posting edit code S, you must include subledger information in the Account Balances table.

When a transfer occurs in the same month in which there is an existing depreciation expense balance, the depreciation expense will be apportioned to the new account based on the transfer date.



You can use the transfer program to change depreciation expense and revenue information in the asset master. The program can update this information, but it does not move the balances or create journal entries unless you transfer during the middle of the month. To transfer depreciation expense and revenue amounts at the end of the period, you must use journal entries.

You can use the transfer program to transfer secondary and tertiary accumulated depreciation accounts.

You can transfer assets individually or in mass quantities. The transfer program is the same for both single and mass transfers. You use data selection to indicate which asset or assets you are transferring.

Caution

To maintain the integrity of your fixed asset records, the system prevents asset transfers after the date that you dispose of the asset. You can transfer an asset only before its disposal date.

Note

Do not use the Mass Asset or Single Asset Transfer programs to enter asset location information for billing purposes. Use only the Location Transfer program to transfer assets with associated billing information.

Processing Options for Asset Transfer (P12108)

Process Tab

These processing options enable you to:

- Specify the date you want to transfer the asset
- Specify the accounts to which you are transferring the asset
- Indicate whether you want to use flex accounting

- Change asset master information and asset master category code information

These processing options also enable you to specify whether you want to run this program in preliminary or final mode.

A preliminary asset account transfer performs the following tasks:

- Edits the transfer to information that you enter in the appropriate processing options
- Prints a report that shows the journal entries that the system creates when you run the final transfer

A preliminary asset information change performs the following tasks:

- Edits the new item master information you enter in the processing options
- Prints a report that shows the original item master information and the new information that the system creates when you run the final transfer

A final asset account transfer performs the following tasks:

- Edits the transfer to information that you enter in the appropriate processing options
- Creates journal entries for the asset accounts that are affected by the asset transfer
- Prints a report showing the journal entries
- Updates the item master information in the Asset Master table (F1201)
- Posts the journal entries to the Asset Account Balances (F1202) table, depending on the type of transfer

A final asset information change performs the following tasks:

- Edits the new asset information that you enter in the appropriate processing options
- Prints a report that shows the original asset master information and the new asset information that the system creates
- Updates the asset master information records in the Asset Master table (F1201)

1. Process Mode

Blank = Preliminary mode

1 = Final mode

Use this processing option to specify the mode in which you want to run this program. Valid values are:

Blank Run the program in preliminary mode. You should run the program in preliminary mode before running it in final mode. The program will produce a report, which will help you ensure that the transfer journal entries created for a preliminary asset account transfer

and asset information changes are correct. Running the program in preliminary mode does not update accounts.

- 1 Run the program in final mode. When you transfer an asset in final mode, this program automatically updates the records in the Item Balances table (F1202). You must then post the transfer journal entries to the general ledger. If the transfer journal entries are incorrect, you must correct the errors through the general ledger.

2. Transfer Date

Use this processing option to specify the date in which you want to transfer this asset. Final depreciation must be posted through this date.

3. Asset Cost Account

a. Asset Cost Business Unit

Use this processing option to specify the Asset Cost Business Unit to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Asset Cost Business Unit will remain the same.

b. Asset Cost Object

Use this processing option to specify the Asset Cost Object to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Asset Cost Object will remain the same.

c. Asset Cost Subsidiary

Use this processing option to specify the Asset Cost Subsidiary to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Asset Cost Subsidiary will remain the same. Type *BLANK in this field to change the subsidiary to blank.

4. Accumulated Depreciation Account

a. Accum Depr Business Unit

Use this processing option to specify the Accumulated Depreciation Business Unit to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Accumulated Depreciation Business Unit will remain the same.

b. Accum Depr Object

Use this processing option to specify the Accumulated Depreciation Object to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Accumulated Depreciation Object will remain the same.

c. Accum Depr Subsidiary

Use this processing option to specify the Accumulated Depreciation Subsidiary to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Accumulated Depreciation Subsidiary will remain the same. Type *BLANK in this field to change the subsidiary to blank.

5. Cost and Accumulated Depreciation Account

a. Cost and Accum Depr Subledger

Use this processing option to specify the Cost and Accumulated Depreciation Subledger to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Cost and Accumulated Depreciation Subledger will remain the same. Type *BLANK in this field to change the subledger to blank.

b. Cost and Accum Depr Subledger Type

Use this processing option to specify the Cost and Accumulated Depreciation Subledger Type to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Cost and Accumulated Depreciation Subledger Type will remain the same.

6. Depreciation Expense Account

a. Depr Expense Business Unit

Use this processing option to specify the Depreciation Expense Business Unit to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Depreciation Expense Business Unit will remain the same.

b. Depr Expense Object

Use this processing option to specify the Depreciation Expense Object to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Depreciation Expense Object will remain the same.

c. Depr Expense Subsidiary

Use this processing option to specify the Depreciation Expense Subsidiary to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Depreciation Expense Subsidiary will remain the same. Type *BLANK in this field to change the subsidiary to blank.

d. Depr Expense Subledger

Use this processing option to specify the Depreciation Expense Subledger to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Depreciation Expense Subledger will remain the same. Type *BLANK in this field to change the subledger to blank.

e. Depr Exp Subledger Type

Use this processing option to specify the Depreciation Expense Subledger Type to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the

Depreciation Expense Subledger Type will remain the same.

7. Asset Revenue Account

a. Asset Revenue Business Unit

Use this processing option to specify the Asset Revenue Business Unit to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Asset Revenue Business Unit will remain the same.

b. Asset Revenue Object

Use this processing option to specify the Asset Revenue Object to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Asset Revenue Object will remain the same.

c. Asset Revenue Subsidiary

Use this processing option to specify the Asset Revenue Subsidiary to which you are transferring the asset. You must enter a valid value in this field in order for a transfer to occur. Leave this field blank if the Asset Revenue Subsidiary will remain the same. Type *BLANK in this field to change the subsidiary to blank.

8. Explanation

When you transfer an asset in final mode, this program creates journal entries for the asset accounts that are affected by the asset transfer. Use this processing option to enter the explanation for these journal entries.

9. Asset Master Changes

a. Responsible Business Unit

Use this processing option to change Responsible Business Unit information. You must enter a valid value in this field in order for the information to change. Leave this field blank if the Responsible Business Unit will remain the same.

b. Property Tax Entity

Use this processing option to change Property Tax Entity information. You must enter a valid value in this field in order for the information to change. Leave this field blank if the Property Tax Entity will remain the same.

c. Property Tax State

Use this processing option to change Property Tax State information. You must enter a valid value in this field in order for the information to change. Leave this field blank if the Property Tax State will remain the same.

d. Location

Use this processing option to change location information. You must enter a valid location value in this field. Leave this processing option blank if you do not want to change the location

10. Asset Master Category Code Changes

An "*" asterisk in the Catagory Codes changes codes to blank.

a. Category Code 01

Use this processing option to change Category Code 01 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 01 information will remain the same.

b. Category Code 02

Use this processing option to change Category Code 02 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 02 information will remain the same.

c. Category Code 03

Use this processing option to change Category Code 03 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 03 information will remain the same.

d. Category Code 04

Use this processing option to change Category Code 04 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 04 information will remain the same.

e. Category Code 05

Use this processing option to change Category Code 05 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 05 information will remain the same.

f. Category Code 06

Use this processing option to change Category Code 06 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 06 information will remain the same.

g. Category Code 07

Use this processing option to change Category Code 07 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 07 information will remain the same.

h. Category Code 08

Use this processing option to change Category Code 08 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 08 information will remain the same.

i. Category Code 09

Use this processing option to change Category Code 09 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 09 information will remain the same.

j. Category Code 10

Use this processing option to change Category Code 10 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 10 information will remain the same.

k. Category Code 11

Use this processing option to change Category Code 11 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 11 information will remain the same.

l. Category Code 12

Use this processing option to change Category Code 12 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 12 information will remain the same.

m. Category Code 13

Use this processing option to change Category Code 13 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 13 information will remain the same.

n. Category Code 14

Use this processing option to change Category Code 14 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 14 information will remain the same.

o. Category Code 15

Use this processing option to change Category Code 15 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 15 information will remain the same.

p. Category Code 16

Use this processing option to change Category Code 16 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 16 information will remain the same.

q. Category Code 17

Use this processing option to change Category Code 17 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 17 information will remain the same.

r. Category Code 18

Use this processing option to change Category Code 18 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 18 information will remain the same.

s. Category Code 19

Use this processing option to change Category Code 19 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 19 information will remain the same.

t. Category Code 20

Use this processing option to change Category Code 20 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 20 information will remain the same.

u. Category Code 21

Use this processing option to change Category Code 21 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 21 information will remain the same.

v. Category Code 22

Use this processing option to change Category Code 22 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 22 information will remain the same.

w. Category Code 23

Use this processing option to change Category Code 23 information. You must enter a valid value in this field in order for the information to change.

Leave this field blank if Category Code 23 information will remain the same.

11. Flex Accounting

Blank = Do not use flex accounting

1 = Use flex accounting

Use this processing option to indicate whether to use flex accounting. Valid values are:

Blank Do not use flex accounting.

1 Use flex accounting.

Versions Tab Use this processing option to specify how you want the asset number printed on the report. Valid values are:

1. Asset Number.
2. Unit Number.
3. Serial Number.

This processing option enables you to specify the Post General Journal version you want the system to run automatically.

1. General Ledger Post Version (R09801)

If you are running this program in final mode, use this processing option to specify the Post General Journal (R09801) version you want the system to run automatically. This processing option works only under the following conditions:

- o Final depreciation must be posted through the date specified in the Transfer Date processing option on the Process tab.
- o You have set Management Approval to No (N) on System Constants.
- o You enter a version that has already been added.

Print Tab

These processing options determine how the asset number appears on reports and where page breaks occur.

1. Asset Number Format

1 = Asset Number

2 = Unit Number

3 = Serial Number

Use this processing option to specify how you want the asset number printed on the report. Valid values are:

1. Asset Number.
2. Unit Number.
3. Serial Number.

2. Page Breaks

Blank = Skip to a new page when the asset number changes

1 = Do not skip to a new page when the asset number changes

Use this processing option to indicate whether you want the report to skip to a new page when the asset number changes. Valid values are:

Blank Skip to a new page when the asset number changes.

1 Do not skip to a new page when the asset number changes.

Disposing of Fixed Assets

You can use the disposal programs in the Fixed Assets system to record asset disposals. You can also record new asset costs in the event of a trade-in.

When you dispose of an asset, you can indicate a specific method of disposal, such as scrapped, theft, or charity. The system updates the asset master record with the disposal date (unless you enter a date in the asset master record) and indicates the method of disposal in the Equipment Status field. The system also creates the journal entries for the disposal.

The system creates disposal journal entries only for the Actual Amounts (AA) ledger unless you specify additional ledgers in the processing options. You must post the disposal journal entries to the general ledger and fixed assets.

When you dispose of an asset, the system must access the following accounts in order to create the appropriate journal entries:

- Accumulated Depreciation and Cost. You set up these accounts when you create the asset master record.
- Net Book Value, Cash Clearing, Cash Proceeds. You set up these accounts when you set up the Disposal Account Rule Table.

If you define a secondary accumulated depreciation account (from the SDA AAI) for an asset, the disposal program handles the balance for that account.

The disposal programs create journal entries for accounts based on the depreciation account rules that you set up. These rules can be very simple or complex based on your company's needs. These rules replace information originally contained in the FDS series of automatic accounting instructions (AAIs).

You can use the disposal programs for secondary accumulated depreciation accounts.

If you set up an alternative date pattern, the disposal program uses the date pattern that you specify. See [Setting Up Date Pattern Override](#).

Fixed Asset Disposals

If you must dispose of more than one ledger, a second currency ledger for instance, you can indicate which ledgers to include. In addition, different account information can be specified to preserve the cost and accumulated depreciation accounts and to use a reserve account in their place. Different account information can also be used to comply with charitable deduction reporting requirements in some countries. If necessary, you can dispose of a single subledger for one or more assets.

Tax ledgers are not disposed but are carried to the end of the current year. When you do a final close, tax ledgers do not create balance forward records for the following year.

You do not have to remove the disposal date from the asset master record before you run disposal. You can leave the disposal date blank for the disposal program, and the system uses the date from the asset master. If both the asset master record and the disposal program have blank dates, the system uses the G/L date. If you do use the disposal date in the disposal program and a date exists in the asset master record, you get a message that the date exists in the asset master. The date in the asset master record is not overwritten. The disposal date and equipment status will be updated only if you are disposing of records in the AA ledger.

You can void disposal entries. Use the Single Asset Disposal program to void disposal journal entries that the system creates in the Mass Disposal program. When you void disposal journal entries, the system automatically updates the Disposal Date and Equipment Status in the Asset Master table (F1201).

Simple Disposal

Item number 27830 has the following current account information:

60,000	Asset Cost
- 45,000	Accumulated Depreciation
<hr/>	
15,000	Net Book Value

Disposal entries are created as follows:

Account number	Account Description	Debit	Credit
50.2030	Cost		60,000
50.2130	Accumulated Depreciation	45,000	
Yard.9112	Net Book Value	15,000	

Disposal with Cash Proceeds

Item number 27828 has the following current account information:

50,000 Asset Cost

-25,000 Accumulated Depreciation

25,000 Net Book Value

This asset is being sold for 10,000.

The following entries need to be created:

- Record and post the cash to G/L and Fixed Assets (Cash Receipt Journal Entry).

Account number	Account Description	Debit	Credit
50.1110. BEAR	Cash	10,000	
YARD.9113	Cash/Clearing Account		10,000 (Item number 27828)

- Disposal entries are created as follows:

Account number	Account Description	Debit	Credit
50.2030	Cost	50,000	
50.2130	Accumulated Depreciation	25,000	
YARD.9112	Net Book Value	25,000	
YARD.9111	Proceeds from sale of assets		10,000
YARD.9113	Cash/Clearing Account	10,000	

An entry to the Gain/Loss account 9110 will not be made. However, when you run financial transactions, the balances on accounts 9112, 9111, and 9113 will be rolled into account 9110 per the level of detail rollup.

For example, the following table illustrates the results of using the Accounts by Business Units program to inquire on the YARD business unit:

Account	Subsidiary Description	LOD
9110	Gain on sale of assets	5
9111	Proceeds from asset disposal	6
9112	Net book value of assets disposed	6
9113	Cash proceeds clearing account	6

In this example, the following exists (<10,000> original entry + 10,000 entry made during disposal):

25,000	YARD 9112
<10,000>	YARD.9111
0	YARD.9113
<hr/>	
15,000 LOSS	

Trade-In

Item number 27830 has the following current account information:

60,000	Asset Cost
- 45,000	Accumulated Depreciation
<hr/>	
15,000	Net Book Value

The following entries need to be created:

- A new Asset Master Record, number 27836.
- Disposal entries are created as follows:

Account number	Account Description	Debit	Credit
50.2030	Cost		60,000 (Item number 27830)
50.2130	Accumulated Depreciation	45,000 (Item number 27830)	
50.2030	Cost	15,000 (Item number 27836)	

Note

The debit amount to the Cost Account of the new asset is the NBV (Net Book Value) of the Original Asset.

Disposal with Trade In and Cash Proceeds

Item number 27828 has the following current account information:

50,000	Asset Cost
-25,000	Accumulated Depreciation
<hr/>	
25,000	Net Book Value

This asset is being sold for 10,000.

The following tasks need to be completed:

- Record and post the cash to G/L and Fixed Assets (Cash Receipt Journal Entry):

Account number	Account Description	Debit	Credit
50.1110.BEAR	Cash	10,000	
YARD.9113	Cash/Clearing account	10,000 (Item number 27828)	
			• A new Asset Master Record, Item number 27836.
			• Disposal entries are created as follows:
Account number	Account Description	Debit	Credit
50.2030	Cost		50,000 (Item number 27828)
50.2130	Accumulated Depreciation	25,000 (Item number 27828)	
50.2030	Net Book Value	25,000 (Item number 27836)	
YARD.9111	Proceeds from sale of assets		10,000 (Item number 27828)
YARD.9113	Cash/Clearing Account	10,000 (Item number 27828)	

Before You Begin

Verify that the following tasks are complete:

- Disposal account rules are set up.
- Depreciation is recorded through the disposal date of the asset.
- Cash receipts from disposal proceeds are posted to fixed assets.
- Accounts payable vouchers for trade-ins are posted to fixed assets.

Performing Single Asset Disposals

You can use Single Asset Disposals to dispose of assets individually. Dispose of assets individually to record the gains and losses that result from a disposal, and to record the new asset cost if a trade-in occurs. You can also use Single Asset Disposals to void or delete a disposal entry for a particular asset whether it was disposed of by the Mass Disposals or Single Asset Disposals procedures.

The system creates disposal journal entries based on the disposal type that you specify when you enter disposal information. You can use Single Asset Disposals to perform four types of disposals:

Simple disposal (with no proceeds) Use simple disposal when the disposal does not involve proceeds. For example, use this disposal type if you dispose of an asset and do not receive cash for the asset because it was destroyed, given to charity, and so on.

The system uses the business unit in the Net Book Value account that you set up in the Disposal Account Rules table. If the business unit in that account rule is blank, the system uses the responsible business unit from the asset's master record.

Disposal with cash proceeds	Use a disposal with cash proceeds when you receive cash for an asset. When you specify this disposal type, the system debits the Cash/Clearing account and credits the Proceeds from Sale account. If you use this disposal type, you must attach the asset item number to the cash receipt entry for the Cash/Clearing Account and post this entry to Fixed Assets before disposing of the asset. The system uses the business unit from the respective disposal account rules for Net Book Value, Cash/Clearing, or Proceeds from Sale accounts. If the business unit in any of these rules is blank, the system uses the responsible business unit from the asset's master record.
Disposal with trade-in	Use a disposal with trade-in when you trade an asset in for another asset and no cash proceeds exist. When you use this type of disposal, you must enter the new asset's master information before you run the Single Asset Disposals program to dispose of the asset that you trade in.
Disposal with cash proceeds and trade-in	Use a disposal with cash proceeds and trade-in when a disposal involves a combination of both cash and trade-in on an asset. Before you run the Single Asset Disposals program to dispose of the asset that you traded in, do the following: <ul style="list-style-type: none"> • Enter the master record information for the new asset. • Post the accounts payable entry to the general ledger and fixed assets if you paid additional cash for the new asset. When you receive cash for an asset, you debit the cash account and credit the Cash/Clearing account. Then, when you dispose of the asset using the Single Asset Disposals program, the system debits the Cash/Clearing account and credits the Proceeds from Sale account.

► To enter disposal information

From the Transfers, Splits and Disposals menu (G1222), choose Single Asset Disposal.

1. On Work With Assets, click Find to view all assets. To limit your search, click the tabs in the header area of the Work With Assets form and complete the appropriate information.

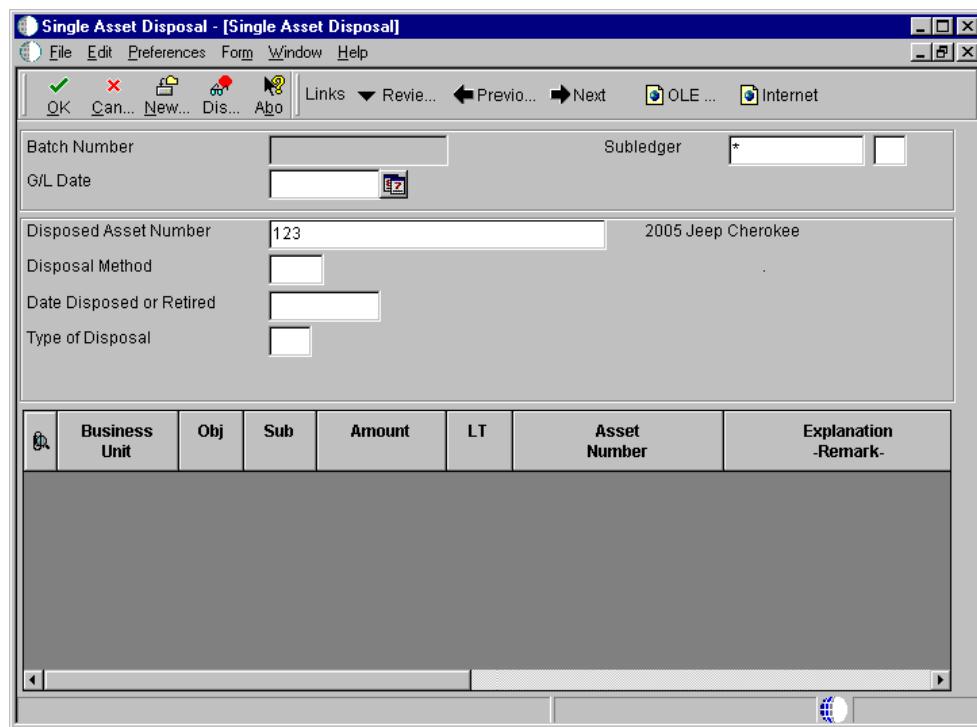
See [Locating Asset Information](#) for information about completing the tab information.

When you are searching for an asset on the Work With Assets form, the Skip To Description and Skip to Asset fields in the header area and the query by example fields in the detail area will not display data if asset descriptions have been translated or if the language preference is activated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose the asset that you want to dispose.
3. From the Row menu, choose Asset Disposal.
4. On Single Asset Disposal, complete the following required field to add a new batch for the disposal journal entries:
 - Date Disposed or Retired
5. Complete the following required fields:

- G/L Date
 - Disposal Method
 - Type of Disposal
6. Complete the following optional fields:
- Subledger
 - Sub Type

If you specify a subledger and subledger type in the disposal information, the asset disposal updates only the specified subledger. You can choose whether to update the disposal date or leave it blank.



7. Click OK.

Note

The batch number assigned by the system remains the same until you leave the asset disposal program. You can include journal entries that relate to multiple asset disposals in a single batch.

-
8. To accept the transactions, complete the following field:
- Is this Information Correct? (Y/N)
9. If you are disposing of a single subledger, complete the following field:

- Should the Date Disposed be Updated? (Y/N)

The system creates the disposal journal entries.

Field Descriptions

Description	Glossary
Date Disposed or Retired	The date the asset was disposed.
G/L Date	A date that identifies the financial period to which the transaction is to be posted. The general accounting constants specify the date range for each financial period. You can have as many as 14 periods. Generally, period 14 is used for audit adjustments. The system validates this field for PBCO (posted before cutoff), PYEB (prior year ending balance), and so on
Disposal Method	A user defined code (12/ES) that identifies the equipment or disposal status of an asset, such as available, down, or disposed.
Type of Disposal	The type of disposal determines what journal entries the system creates. There are four types of disposals. Valid codes are: <ul style="list-style-type: none"> 1 Simple disposal, no trade in and no cash proceeds 2 Disposal with cash proceeds 3 Disposal with trade-in 4 Disposal with trade-in & cash proceeds
Subledger	A code that identifies a detailed, auxiliary account within a general ledger account. A subledger can be an equipment item number or an address book number. If you enter a subledger, you must also specify the subledger type
Sub Type	A user defined code (00/ST) that is used with the Subledger field to identify the subledger type and how the system performs subledger editing. On the User Defined Codes form, the second line of the description controls how the system performs editing. This is either hard-coded or user defined. For example: <ul style="list-style-type: none"> A Alphanumeric field, do not edit N Numeric field, right justify and zero fill C Alphanumeric field, right justify and blank fill

► To review and revise disposal entries

From the Transfers, Splits and Disposals menu (G1222), choose Single Asset Disposal.

1. On Work With Assets, click Find to view all assets. To limit your search, click the tabs in the header area of the Work With Assets form and complete the appropriate information.

See [Locating Asset Information](#) for information about completing the tab information.

When you are searching for an asset on the Work With Assets form, the Skip To Description and Skip to Asset fields in the header area and the query by example

fields in the detail area will not display data if asset descriptions have been translated or if the language preference is activated. However, the Description - Compressed field will display data if the descriptions have been translated and you can conduct your search through this field.

2. Choose the asset that you want to dispose.
3. From the Row menu, choose Asset Disposal.
4. On Single Asset Disposal, choose Review Entries from the Form menu to review the journal entries for the assets.
5. On Single Asset Disposal, choose Void Entry from the Form menu to void a journal entry.
6. On Void/Delete Disposal Entries, choose the journal entry that you want to void.
7. From the Row menu, choose Void/Reverse JE.
8. On Void Journal Entry, change the following field, if needed:
 - G/L Date
9. Click OK.
10. On Asset Master Update, complete the following fields:
 - New Equipment Status
 - Effective Date
11. To save your entries, click OK.
12. To return to Work With Assets, click Close, then Cancel, then Close.

Posting the Disposal Entries

You must manually post single disposal journal entries to the general ledger and fixed assets. To perform this task, run the following posts:

- Disposal Post to G/L
- Post G/L Entries to Assets

Note

The default version of the Post G/L Entries to Assets program posts all unposted fixed asset entries. To post only disposal entries, you must create your own version of the post program and attach it to the menu option.

See Also

- Setting Up Disposal Account Rules*
- Posting Journal Entries in the General Accounting Guide*
- Posting Journal Entries to Fixed Assets*

Performing Mass Asset Disposals

Use Mass Asset Disposals to accomplish the following:

- Dispose of multiple assets instead of a single asset.
- Use data selections to indicate the assets that you want to dispose of.
- Post the disposal entries to the general ledger automatically. The Mass Asset Disposals program performs this post automatically unless you specify Batch Approval in your system's setup.

The system creates disposal journal entries based on the disposal type that you specify when you enter disposal information. You can use Mass Asset Disposals to perform two types of disposals:

Simple disposal (with no proceeds) Use simple disposal when the disposals do not involve proceeds. For example, use this disposal type if you want to dispose of assets and do not receive cash for them because they were destroyed, given to charity, and so on.

The system uses the business unit in the Net Book Value account that you set up in the Disposal Account Rule table. If the business unit in that account is blank, the system uses the responsible business unit from the asset master records.

Disposal with cash proceeds Use a disposal with cash proceeds when you receive cash for disposed assets. When you specify this disposal type, the system debits the Cash/Clearing account and credits the Proceeds from Sale account. If you use this disposal type, you must attach asset numbers to the cash receipt entries for the Cash/Clearing account and post this entry to Fixed Assets before disposing of the asset.

The system uses the business unit from the disposal account rule for Net Book Value, Clearing, or Proceeds from Sale accounts. If the business unit in any of these rules is blank, the system uses the responsible business unit from the asset master records.

You can use processing options to run a preliminary or final mass disposal. The preliminary disposal does not create disposal journal entries. Run a preliminary disposal for proofing purposes before you run the final disposal.

Preliminary disposal The preliminary disposal performs the following tasks:

- Edits the disposal information that you selected
- Prints a report that shows the journal entries that the system will create when you run a final disposal

Final disposal The final disposal performs the following tasks:

- Edits the disposal information that you selected
- Creates journal entries for the accounts affected by the disposals
- Prints a report that shows the journal entries
- Updates the Date Disposed and Equipment Status fields in master records for the disposed assets if you are disposing of records in the AA ledger
- Shows a zero cost basis for the disposed assets
- Submits the journal entries for posting to the general ledger if the processing options are used

Note

If the system finds any errors during the final disposal process, it does not create journal

entries for the assets in error. Instead, the system prints an error message on the final report. Correct these errors and rerun the final disposal.

► To enter mass disposal information

From the Transfers, Splits, and Disposals menu (G1222), choose Mass Asset Disposal.

1. On Work With Batch Versions, choose the batch version. From the Row menu, choose each of the following options and complete the appropriate information:
 - Processing Options
 - Data Selection
 - Data Sequencing
 - Version Detail
2. Use Data Selections to indicate which assets you want to affect by the disposal. Company and item number are required data sequence items for the mass disposal procedure.

Posting Journal Entries for Mass Disposals

From the Transfers, Splits, and Disposals menu (G1222), choose Post G/L Entries to Fixed Assets.

If your system requires batch approval, you must post the disposal journal entries manually to the general ledger before you run Post G/L Entries to Assets.

If your system does not require batch approval, it automatically performs the post to the general ledger. You must run only the Post G/L Entries to Assets to post journal entries for mass disposals to fixed assets.

Note

The processing option for the G/L post submittal works only under the following conditions:

- You run the depreciation program in final mode
 - You have Management Approval set to No (N) on System Constants
-

See Also

- Posting G/L Journal Entries to Fixed Assets*
- Posting Journal Entries in the General Accounting Guide*

Processing Options for Mass Disposals (R12104)

Process

1. Enter "1" for Final Mode or leave blank for Preliminary Mode.

Preliminary or Final Processing

2. Enter Ledger Types to be disposed. If none are selected, entries will only be created for the "AA" ledger.

Ledger Type

Ledger Type

Ledger Type

Ledger Type
3. Enter the specific Subledger/Subledger Type to be disposed, if left blank all Subledger/SubledgerTypes will be disposed. If *BLANK is entered in the Subledger, only the blank subledger, and blank subledger type will be disposed.
Subledger - G/L
Subledger Type
4. Enter Disposal Date.
Date - Disposed or Retired
5. Enter G/L Date for journal entry if different than Disposal Date.
G/L Date
6. Enter the Disposal Method.
Equipment Status
7. Enter description to be used for the journal entry explanation.
Name - Remark Explanation
8. Enter '1' to use flex accounting. If left blank, flex accounting will not be used.

Selection value
Print
1. Identify how to print asset number. Enter "1" for Asset Number, "2" for Unit Number, "3" for Serial Number
Asset Number Format
Versions
1. Enter a G/L Post (R09801) version number to be executed automatically if processing in Final Mode (for example: ZJDE0029).
Version

Asset Revaluation

After you set up revaluation codes and revaluation indexes, you can calculate asset revaluation.

Understanding Asset Revaluation

Revaluation is the process by which the costs of assets are restated in terms of current worth. The basic concept behind revaluation is that of comparability. The question is whether, over time, you can make a meaningful comparison between financial statements when such factors as the rate of inflation and the current cost of assets are considered.

A number of theories of revaluation exist. Two of the more prominent theories are constant currency accounting and current cost accounting.

Constant Currency Accounting

Under constant currency accounting, the effect of inflation is the major factor taken into consideration for asset revaluation. Inflation trends upward, though it can vary widely from country to country, from virtually insignificant, single-digit rises to three- and even four-digit rates. Comparing costs from one year to the next in a hyperinflationary economy is meaningless unless the currency fluctuation is factored in. In some countries, you are

required to adjust costs as the value of the currency changes. Even without a government mandate, you might want to revalue assets for reporting purposes.

Current Cost Accounting

The current cost accounting model relies primarily on the assumption that, apart from any currency changes, the price of assets can change significantly compared to the general price level. Within this model, the cost of replacing assets is of particular concern. One of the questions that this brings up is whether a company has sufficient insurance coverage to replace a given asset with one that is comparable.

For example, a manufacturing facility purchased several years ago for 1,000,000 USD could most likely not be replaced for that same 1,000,000 USD today if it burned down. While inflation might account for some of the difference, the current cost of building supplies and labor might have risen beyond the rate of inflation. Conversely, if a personal computer, originally purchased three years ago for 4,000 USD is stolen, a comparable replacement can be found for less than that original cost, because the cost of computer-related equipment has been decreasing. If a company revalues its assets for insurance purposes, it can ensure adequate coverage when such dramatic losses occur.

J.D. Edwards has chosen to create a highly flexible approach to revaluation. The revaluation of large numbers of assets is most often accomplished through the use of indexes. These indexes are obtained from sources external to the company, whether from governments or other organizations. They can be expressions of change over periods as short as a single day or as long as several years. The indexes can be applied to only current year balances or to prior year balances. The application of these indexes to the proper selection of assets to revalue through a method of calculation can yield significant results, whether your aim is to revalue for insurance purposes, to meet government reporting requirements, or to report to management for future planning.

Revaluation Indexes

A revaluation index is a value that has been determined by an agency outside your company, governmental or private, that reflects a change in cost that can be applied to your assets. The change might relate to currency fluctuations or the price of certain kinds of assets in the marketplace, or some combination of factors. Depending on your approach to revaluation, or government regulations concerning revaluation, you might need only a single index or you might need several tables of indexes. These are entered into the system manually and then applied to your assets in the method that you select.

Revaluation Calculation Methods

The two revaluation calculation methods that you can choose when you run your revaluation are:

- Revaluation Year Balances
- Inception-to-Date

While both methods revalue both your cost and your accumulated depreciation amounts, the way that the posted balances are handled differentiates them.

Revaluation Year Balances

When you select Revaluation Year Balances, the system revalues the current year-to-date balance separately and then revalues the beginning balance. Unless you specify otherwise,

the system updates the cost, primary accumulated depreciation, and secondary accumulated depreciation accounts. The following is an example of the revaluation process for year balances:

1. The current year-to-date amounts for both primary and secondary accumulated depreciation are revalued and the adjustment amount is calculated.
2. The beginning balances in both the depreciation accounts are revalued and their adjustment amounts calculated.
3. The adjustments for both the year-to-date and the beginning balances are added together and one journal entry is created for the ledger that you have specified in the processing options.
4. Offsetting journal entries are also created for posting to the current year offset account (to offset the year-to-date balance adjustment) and prior year offset account (to offset the beginning balance adjustment) you set up in the FR AAIs.

Revaluation for the asset cost is treated similarly except that only a single offset exists.

Inception-to-Date

When you select the Inception-to-Date calculation method, account balances for every year are revalued. For example, year-to-date activity in the asset cost account is revalued for each year and the adjustment amount is calculated for each year. The adjustment amounts are then summed and a journal entry is created for that amount to post to the ledger specified in the processing options. The offsetting entry is created for posting to the cost offset account that you set up in the FR AAIs. Both primary and secondary accumulated depreciation are treated similarly except for the offsets.

If you need to track both current adjustments and prior year adjustments, you must set up offset accounts for both the FR2 (current year accumulated depreciation) and FR3 (prior year accumulated depreciation) AAIs. Offsetting journal entries are created automatically for these two offset accounts.

Revaluation by Index or Factor

For either of the revaluation methods, you can specify whether to use the values entered in your index tables as true indexes or as factors. The two approaches yield different results, and the values in your index tables would likely be different depending on the approach taken or mandated. For example, assume that an asset purchased in June 1999 at a cost of 25,000 USD must be revalued in June of 2000. Use the following index table:

June 1999	137.251
July 1999	140.049
August 1999	142.370
September 1999	145.317
October 1999	145.307
November 1999	151.964
December 1999	156.915

January 2000	162.556
February 2000	166.350
March 2000	170.012
April 2000	174.012
May 2000	178.032
June 2000	180.931

Index Revaluation

In index revaluation, the values for June 1999 and June 2000 are combined into a fraction, using June 1999 as the denominator. This fraction is then multiplied by the original cost of the asset. The equation would look like:

$$\text{Cost} * (\text{June 2000 value}/\text{June 1999 value}) = \text{Revalued cost}$$

or

$$25,000 * (180.931/137.251) = 32,956.23$$

Factor Revaluation

In factor revaluation, the values in the index table become simple multipliers. The values in the table would be considered valid as of June 2000 and the revaluation factor is then derived from the acquisition date. This number is then multiplied by the original cost. The following is an example equation:

$$\text{Cost} * \text{June 2000 value} = \text{Revalued cost}$$

or

$$25,000 * 180.931 = 4,523,275.00$$

Calculating Revaluation

From the Asset Revaluation menu (G1234), choose Revaluation Journal.

Use the Revaluation Journal program to revalue your assets. The program can be run in preliminary mode to view the projected revaluation amounts or in final mode to update the Asset Master (F1201), Asset Account Balances (F1202), and Account Ledger (F0911) tables with these amounts. Unless you specify otherwise, the system updates the cost, primary accumulated depreciation, and secondary accumulated depreciation accounts. You determine which assets or asset groups to revalue through data selection. Set processing options to specify the from and to ledger types, subledgers, and subledger types.

To create an unrecognized gain or loss, you can designate a subledger to post the revaluation adjustment. With this method, you can preserve your historical cost while continuing to revalue your assets.

To calculate an inception to date revaluation, Asset Account Balances (F1202) table records must exist for every year of the life of every asset that is included in the revaluation.

To revalue assets by set amounts or allocations, you must either manually create journal entries or use a report writer to create them.

The Revaluation Journal is printed asset by asset under each company. If you revalue large numbers of assets, the report can be long. You can maintain the report as a spool file unless you are required to print a report.

Use processing options to limit the effect of revaluation to updating either or both the Last Year Cost and the Replacement Cost fields in the Asset Master table (F1201).

See Also

- R12845, Asset Revaluation Journal* in the *Reports Guide* for a report sample

Processing Options for Asset Revaluation Journal (R12845)

Process

1. Leave blank for Preliminary Mode or enter '1' for Final Mode. (Default is Preliminary)
2. Enter the Journal Entry Date.
3. Enter the 'From' Ledger Type. (Default is 'AA')
4. Enter the 'From' Subledger. (Leave blank to default to All)
5. Enter the 'From' Subledger Type. (Leave blank to default to All)
6. Enter the 'To' Ledger Type. (Leave blank to use the Ledger Type from the Revaluation Source)
7. Enter the 'To' Subledger. (Leave blank to use the Subledger from the Revaluation Source)
8. Enter the 'To' Subledger Type. (Leave blank to use the Subledger Type from the Revaluation Source)
9. Enter the Method of Calculation:1 = Balances of Revaluation Year (Default) 2= Inception-to-Date (Period Amounts from all selected years applied to Index/Factor in effect at End of Each year, summed to derive current year).
10. Enter Revaluation Code. (12/RI)
11. Enter the Revaluation As of Date. (Default is G/L Date)
12. Enter which Effective Date to use: 1=Date Acquired (Default) 2=Depreciation Start Date
3=Revaluation Date
13. Determine the multiplier used in calculation: 1=index formula (Default) (index as of revaluation date / index as of effective date) 2=factor
14. Enter '1' to replace Item Master last year cost with current year replacement cost.
15. Enter '1' to replace Item Master current year replacement cost with revaluation amount.
16. Enter '1' to use flex accounting. If left blank, flex accounting will not be used.

Print

1. Suppress printing of Audit Info. Blank-Print file changes and calculations 1-Print only file changes
2. Enter a '1' to suppress page break on each Asset Number.

Versions

1. Enter the G/L Post version to be executed automatically if processing in Final Mode. ('ZJDE0044' for example)
-

What You Should Know About Processing Options

Source and destination selections If no source or destination selections are used, the asset will be adjusted to the same ledger type, subledger, and subledger type.

Using the To Subledger If you use the To Subledger, you must also use the To Subledger Type.

Working with Revaluation Journal Entries

When you run the Revaluation Journal program in final mode, the system automatically posts journal entries to the general ledger. If a journal entry did not post, you can review and revise the journal entry, review and revise the batch information, and approve the batch of journal entries for posting to the general ledger.

Reviewing a List of Revaluation Batches

Use the Revaluation Journal Review form to review a list of revaluation batches that did not automatically post to the general ledger. You can display a list of batches based on the batch type, number, date, or status, or your user ID. If the batch review security feature is activated, the system might not list all batches that have been entered. Instead, the system lists only the batches that you are authorized to review and approve.

► To review a list of revaluation batches

From the Asset Revaluation menu (G1234), choose Revaluation Journal Review.

1. On Work With Batches, display all batches for all users or complete the following fields to limit your search:
 - Batch Number / Type
2. Click one of the following options:
 - All Batches
 - Unposted Batches
 - Posted Batches
3. Click Find.
4. In the detail area of the form, review the list of batches.

Field Descriptions

Description	Glossary
Batch Number / Type	A number that identifies a group of transactions that the system processes and balances as a unit. When you enter a batch, you can either assign a batch number or let the system assign it using the Next Numbers program

Revising the Revaluation Journal Entry Detail

After you review a list of batches, you can access transaction detail within a specific batch of journal entries. For example, you can review the number of journal entries within a batch. You can also select a specific journal entry to revise.

► To revise revaluation journal entry detail

From the Asset Revaluation menu (G1234), choose Revaluation Journal Review.

1. On Work With Batches, display all batches for all users, or complete one or more of the following fields to limit your search:
 - Batch Number
 - Batch Type
2. Click one of the following options:
 - All Batches
 - Unposted Batches
 - Posted Batches
3. Click Find.
4. Choose a batch and click Select to access the appropriate batch review form.
5. On the review form, choose an individual document to review, and click Select.
6. On the detail form, enter any necessary changes, and click OK.
7. To return to Work With Batches, click Cancel, and then click Close.

Approving a Batch for Posting

After you enter and review a batch of journal entries, you might need to approve it before posting can occur. This depends on whether your company requires management approval before posting a batch. Based on your company's requirements, as defined in the general accounting constants, the system assigns either a pending or an approved status to the batch.

► To approve a batch for posting

From the Asset Revaluation menu (G1234), choose Revaluation Journal Review.

1. On Work With Batches, display all batches for all users, or complete one or more of the following fields to limit your search:
 - Batch Number
 - Batch Type
2. Choose one of the following options:

- All Batches
 - Unposted Batches
 - Posted Batches
3. Click Find.
 4. Choose the appropriate batch.
 5. From the Row menu, choose Batch Approval.
 6. On Batch Approval, click the Approved option.
 7. Click OK.
 8. On Work With Batches, click Find and verify that the following field has been updated to A:
 - Batch Status

Field Descriptions

Description	Glossary
Batch Status	<p>A user defined code (98/IC) that indicates the posting status of a batch. Valid values are:</p> <ul style="list-style-type: none"> Blank Unposted batches that are pending approval or have a status Of approved. A Approved for posting. The batch has no errors, and is in balance, but has not yet been posted. D Posted. The batch posted successfully. E Error. The batch is in error. You must correct the batch before it can post. P Posting. The system is posting the batch to the general ledger. The batch is unavailable until the posting process is complete. If errors occur during the post, the batch status is changed to E (error). U In use. The batch is temporarily unavailable because someone is working with it, or the batch is hung in use because a power failure occurred while the batch was open.

--- FORM SPECIFIC ---

Click one of the following options to show records by batch status:

- o Unposted Batches
 - o Posted Batches
 - o All Batches
-

Revising a Batch for Posting

Use the Revaluation Journal Review to approve an out-of-balance batch job and to prevent an approved batch from posting.

► To revise a batch for posting

From the Asset Revaluation menu (G1234), choose Revaluation Journal Review.

1. On Work With Batches, complete one or more of the following fields:
 - Batch Number
 - Batch Type
2. Choose one of the following options:
 - All Batches
 - Unposted Batches
 - Posted Batches
 -
3. Click Find.
4. Choose the batch.
5. From the Row menu, choose Revise.
6. On Create/Revise Batch Header, click the box for the following option to approve an out-of-balance batch job for posting:
 - Batch Is Approved
7. To prevent an approved batch job from posting, remove the information in the following field:
 - Batch Status

An empty Batch Status field identifies the batch job as pending.

Posting Revaluation to the General Ledger

If you have revaluation batches that did not post during the revaluation process, you must manually post the revaluation journal entries to the general ledger. If you have many revaluation entries that did not post, and you have corrected them, you can use the General Ledger Post Report to automatically post all the journal entries that have a status of Approved.

Before You Begin

- ❑ Verify that the batch has an approved status.
- ❑ Ensure that the job queue allows only one job to process at a time.

Posting a Batch Journal Entry Manually

You must manually post any revaluation journal entries to the general ledger that you approve on Revaluation Journal Review.

► To post a batch journal entry manually

From the Asset Revaluation menu (G1234), choose Revaluation Journal Review.

1. On Work With Batches, display all batches for all users, or complete one or more of the following fields to limit your search:
 - Batch Number
 - Batch Type
2. Click one of the following options:
 - All Batches
 - Unposted Batches
 - Posted Batches
3. Click Find.
4. Choose the appropriate batch.
5. From the Row menu, choose Post by Batch.

Posting Multiple Batches of Journal Entries

From the Asset Revaluation menu (G1234), choose Revaluation Post to G/L Report.

The General Ledger Post Report program is a blanket post for all revaluation batches that have a status of Approved. The Compute Revaluation program automatically submits a general ledger post for revaluation journal entries if it is run in final mode. Usually the batch will post with no user intervention required. The only time that you need to use the General Ledger Post Report program is when the batch does not post.

Caution

You should not enter a batch number, user ID, or batch date on the processing option when you run the General Ledger Post Report to post a batch of journal entries. If you leave these fields blank, all batches will post. If you complete one of these fields and then do not clear it after you have posted a batch, the next batch will not automatically post unless the batch data matches the information in the Batch Number, User ID, and Batch Date fields.

Consider the following features when you post a batch of journal entries:

Posting an alternate currency ledger If you use the alternate currency ledger (XA), set the appropriate processing option to update the ledger and produce a separate posting journal.

Making changes during the posting process While the post is running, do not change accounts, AAIs for the General Accounting system, intercompany settlements in the general accounting

constants, or processing options for the post program.

Specifying batches to be posted	Highlight a blank line for your data selection entry. Do not delete or type over the existing specifications for the posting status (A) and the batch type (G).
Customizing the post program	This program performs a number of complex tasks. J.D. Edwards strongly recommends that you do not customize the programming for it.

Verifying the Post of Journal Entries

After posting your journal entries, verify that your batches of journal entries posted successfully. If any batches did not post, you must correct all errors and set the batch to approved status before the system will post the batch. The system creates a variety of reports to help you verify the posting information.

Reviewing Your Electronic Mail for Error Messages

After you run the post program, review your electronic mail in Address Book for error messages (sometimes called action messages). You can access General Accounting forms from these error messages, which allow you to locate problems and make changes interactively.

Reviewing the General Ledger Post Report

To verify the transactions that were posted to the Account Balances and the Account Ledger tables, review the General Ledger Post report. It lists only those batches that posted successfully.

A General Ledger Post Report that contains only heading information indicates that the Post program could not post any batches and has sent messages to your electronic mail.

If you enter journal entries with multiple currencies, the General Ledger Post Report lists both the CA ledger and converted AA amounts for foreign currency transactions. Additionally, it lists the currency code of the CA ledger amount and the domestic currency of the company for the AA ledger amount.

If you use detailed currency restatement, the system produces separate reports for the XA, YA, and ZA ledgers.

On the reports generated for batches with multiple currencies, the CA amounts represent the foreign side of the entry. The AA amounts represent the domestic side of the entry. Both the CA and the AA ledgers must be in balance.

Reviewing the Post Detail Error Report

If a balancing error exists, the system generates a report. If you are using multiple currencies, the report lists AA and CA ledger information. If an out-of-balance journal entry is in error, correct the error and post the batch again.

In some cases, you might need to post an out-of-balance journal entry. For example:

- A power failure occurred during entry or posting.
- A valid, one-sided journal entry was entered to correct a conversion error that was made during setup.

See Also

- Revising Batches to Post Out-of-Balance* in the *General Accounting Guide* for information about how to post an out-of-balance batch

Year-End Processes

The Fixed Assets system includes annual processing programs that you can run at the end of the fiscal year. Use these programs to create new records for a new fiscal year.

If your company uses depreciation method 09 to depreciate assets by units of production, you must run the Units of Production Close after you close your annual account balances. Do not run this close program unless you use method 09 to calculate depreciation.

Run year-end processing programs after you run your final depreciation for the year. You must run the annual close for current year account balances before you can run depreciation calculations for the next fiscal year.

Closing Annual Account Balances

From the Year End Processes menu (G1225), choose Asset Account Balance Close.

Run Asset Account Balance Close to create the next year's balance records with cumulative and net balance forward amounts. The Asset Account Balance Close program also carries forward depreciation information to the next fiscal year. You must run Asset Account Balance Close for the current year before the system can generate depreciation journal entries for the next fiscal year.

When you run the close, new balance records are created in the Asset Account Balances table (F1202) for each of the following:

- Asset
- Fiscal year
- Ledger type
- Subledger
- Account (business unit/object/subsidiary)

If you have assets with accounts in several companies, include all appropriate accounts and companies when you make your selections. If you close only some accounts for the asset, or if you do not close all of an asset's companies, the close information might be inaccurate.

To include a range of companies in your annual close, ensure that the companies share the same fiscal year pattern.

You can track cost and unit information for disposed assets by setting a processing option to specify the ledgers to which you want to carry balances forward.

You can use Asset Account Balance Close to:

Close fixed assets You can run the annual close program to close fixed assets any time, before or after you close the general ledger.

Rerun the You can run the Asset Account Balance Close as many times as you need to. The first

annual close time that you run the annual close, the program creates Asset Account Balances records for the next year. If you rerun the close, the program creates records only if they do not already exist in the system. If the records do exist, the program updates balance information to reflect any new information. Rerunning the close does not update depreciation information.

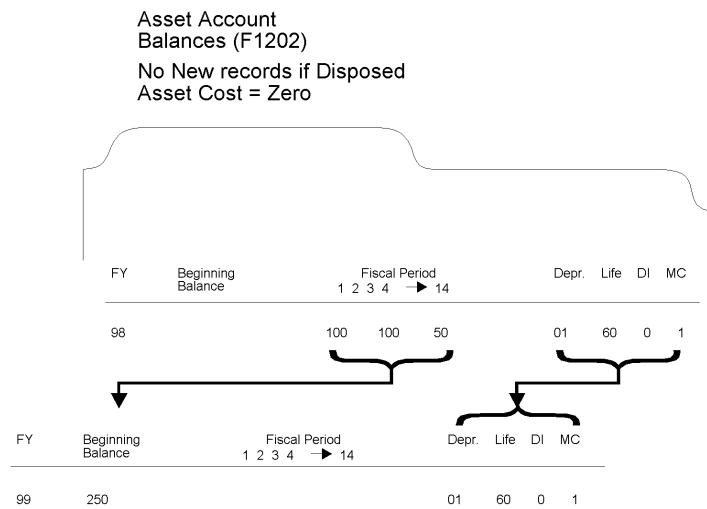
For example, after you close fixed assets, you might find that you have more transactions to enter. You can enter those transactions and run the close again. The system processes only those transactions that you entered since the previous close.

Close more than one company at a time You can close a specific company, range of companies, or all companies during the same annual close. You can also close a specific ledger or any other data selection field that is in the Asset Account Balances table.

The asset account balance close is separate from the general ledger annual close. When you run Asset Account Balance Close, the program:

- Carries forward fixed asset beginning balance records for the next year by updating the amounts in the following Asset Account Balance fields:
 - Prior Year Net Postings
 - Prior Year End Balance
- Creates depreciation information records for the next year. You cannot run depreciation for the next fiscal year until you run the annual close.

The following graphic shows how the program creates depreciation information records for the next year:



Before You Begin

- Verify that all transactions have been posted for the fiscal year that you plan to close.
- Verify that no one accesses the fixed asset tables while you run the Asset Account Balance Close. The program is unable to close records that are locked by other

system applications. Records that a user accesses elsewhere in the system are not affected by the close.

Processing Options for Asset Account Balance Close (R12825)

Process Tab

Use these processing options to define the fiscal year, costs, and accumulated depreciation for the AA and AU ledgers.

1. Fiscal Year (4 digits)

Use this processing option to specify the fiscal year in which the asset account balances should be closed and rolled forward to the next year. Enter a four-digit fiscal year in this field. If you leave this field blank, the system will use the date pattern established for the default company 00000.

2. Non Cost and Accumulated Depreciation (Disposed Asset)

1 = Carry balances forward for AA ledger only

2 = Carry balances forward for AA and AU ledgers

3 = Carry balances forward for all ledgers

4 = Do not carry balances forward for disposed assets

Use this processing option to specify how various balances should be carried forward for disposed assets with non-cost and accumulated depreciation accounts that continue to carry beginning balances (i.e. expense and revenue accounts).

- 1 Carry balances forward for AA ledger only.
 - 2 Carry balances forward for AA and AU ledgers.
 - 3 Carry balances forward for all ledgers.
 - 4 Do not carry balances forward for disposed assets.
-

3. Cost and Accumulated Depreciation

1 = Carry balances forward for AA ledger only

2 = Carry balances forward for AA and AU ledgers

3 = Carry balances forward for all ledgers

4 = Do not carry balances forward for disposed assets

Use this processing option to specify how to carry various balances forward for disposed assets with cost and accumulated depreciation accounts that continue to carry beginning balances.

- 1 Carry balances forward for AA ledger only.
 - 2 Carry balances forward for AA and AU ledgers.
 - 3 Carry balances forward for all ledgers.
 - 4 Do not carry balances forward for disposed assets.
-

Closing Units of Production

From the Year End Processes menu (G1225), choose Units of Production Close.

Use the Units of Production Close program to update the schedules that you have set up for the units of production method of depreciation (method 09). When you run the units of production close, the system makes the following adjustments:

- Rolls the year-to-date production amount into the Prior Year's Production field
- Clears the year-to-date production amount
- Rolls the current year revisions amount into the Prior Year's Revisions field
- Clears the current year's revisions amount

When you select Units of Production Close, the system submits the job to batch.

Note

Run the Units of Production Close program only if your organization uses units of production to compute depreciation.

Before You Begin

- Verify that your current year revisions and year-to-date production amounts are accurate.
- Run the final depreciation for the year. See [Calculating Asset Depreciation](#).
- Run the Asset Account Balance Close program for fixed assets. See [Closing Annual Account Balances](#).

Working with Depreciation Projections

Companies must be able to forecast expenses and revenues, including depreciation expenses, into future years in order to use the results as budgets. Forecasting is used in the same way as projections.

Running the Depreciation Projections Program

From the Year End Processes menu (G1225), choose Depreciation Projections.

Alternatively, to run depreciation by period, from the Depreciation menu (G1221), choose Depreciation by Periods.

You can run the Depreciation Projections program for the following purposes:

- To calculate projected depreciation balances for future years
- To calculate final depreciation for the current year

This batch program automates the processes of calculating depreciation and updating balances from a starting period through a specified period, for as many years into the future as you have date patterns set up.

Date patterns must be set up into future years when you project depreciation. You can set up as many future years as you need. Asset balances must exist in the start year.

If final depreciation balances exist (where the Depreciation Projection Calculation Field, DPCF, is blank and F1202 balances exist), then projections will not override them. You should purge the depreciation projections before running final depreciation.

The Depreciation Projections program (R12865) will run the Asset Balance Close program (R12825) automatically to refresh balances in the From Year field. The Depreciation Projections program then runs the Compute Depreciation by Period report (R12855) and the Asset Balance Close report for the specified fiscal date range for each period in the range of dates. The system will update the Asset Balances table (F1202) for projections and differentiate it from final depreciation by placing a 1 in the Depreciation Projection Calculation Field (DPCF). Final depreciation, splits, transfers, disposals, and beginning balances will be calculated for projection balances for records when DPCF=1 in table F1202.

Caution

Only projection balances can be purged and rerun, not final depreciation. J.D. Edwards strongly recommends that you run this program in preliminary mode first to identify and correct any errors before running it in final mode.

Technical Considerations

Projection balances will not replace final depreciation balances and do not create audit trail records. 1/2 Final Depreciation Balances and 1/2 Projection Balances per year are not allowed by the system.

Fixed Asset applications display all asset balances from the Asset Balances table (F1202), so you need to know which balances are projections and which are final depreciation balances. After projections are calculated, you can use reports provided by the system or the Fixed Assets Report Writer to produce reports over the depreciation projections and final depreciation. You can use a smart field in the application report writer to identify projection balances. See *Fixed Assets Templates* in the *Enterprise Report Writer Guide* for more information.

Processing Options for Depreciation Projections (R12865)

Process Tab

Use these processing options to specify how you want the system to process depreciation projections. You can specify the following:

- Whether to run in preliminary or final mode
 - Whether to update the Asset Balances (F1202) in future fiscal years or with final depreciation values
 - Whether to allow period or year-end processing
 - Which periods and fiscal years to process
 - The number of normal periods per year
-

1. Process Mode

Blank = Preliminary mode

1 = Final mode

Use this processing option to specify the mode in which you want to run this program. Valid values are:

Blank Preliminary mode. Run the program in preliminary mode before running it in final mode. You can run this program in preliminary mode as many times as required. Updated balances are required to calculate depreciation projections in future fiscal years.

1 Final mode. Run this program in final mode with depreciation projection updates. The system updates projection balances for accumulated depreciation and depreciation expense accounts in the

Asset Balances table (F1202). When you run this program in final mode with final depreciation updates, the system posts accumulated depreciation and depreciation expense journal entries to the Asset Balances table and creates journal entries in the Account Ledger table (F0911).

Preliminary mode calculates values for only one fiscal year.

Final depreciation balances can't be calculated in future fiscal years.

2. Update Projection Balances

Blank = Projections

1 = Final depreciation

Use this processing option to specify how the system updates the Asset Balances table (F1202) in final process mode. Valid values are:

Blank Calculate depreciation values and update the Asset Balances table in future fiscal years for budgeting. Depreciation projections can't be calculated with current year-to-date final depreciation balances.

- 1 Calculate depreciation values and update the Asset Balances table with final depreciation balances. Final depreciation balances can't be calculated with projection balances. You must run the Depreciation Projection Purge program (R12859) to remove projection balances before calculating final depreciation. Final depreciation can be run only for one fiscal year. It is intended to be used with the depreciation by period processing option to allow posting by period.

3. Period or End of Year Processing

Blank = Period processing

1 = End of year processing

Use this processing option to specify processing by period adjustments or year-end adjustments. Valid values are:

Blank Calculate depreciation values and update the Asset Balances table

(F1202) by period adjustments. Use this value with depreciation

methods that calculate by periods or when period adjustments are needed.

1 Calculate depreciation projection balances in the last period of the fiscal year. Only the From and Through fiscal year processing options are used. (The From and Through period processing options are not needed.)

When you calculate depreciation projections in future fiscal years, period adjustments are not always needed. Year-end adjustments update the Asset Balances table in the last period and roll the balances forward to continue calculating depreciation projections. This process is much faster than period adjustments because depreciation projections are calculated only once per future fiscal year.

From Period Number

Use this option only when processing by period adjustments. Period adjustments start with the From Period or period 1 by default and continue to the Through Period and fiscal year. The From Period and fiscal year must always be less than or equal to the Through Period and fiscal year.

From Fiscal Year (4 Digits)

Use this processing option to specify the fiscal year to begin calculating depreciation. This works with the From Period when processing by period adjustments. Enter a four-digit fiscal year in this field. If you leave this field blank, the system will use the date pattern established for the default company 00000.

Thru Period Number

Use this option only when processing depreciation by period adjustments. Period adjustments start with the From Period or period 1 by default and continue to the Through Period and fiscal year. When this option is left blank, the system uses the Normal Number of Periods processing option. The Through Period and fiscal year must always be greater than or equal to the From Period or period 1.

Thru Fiscal Year (4 Digits)

Use this processing option to specify the fiscal year to finish calculating depreciation. This works with the Through Period when processing by period adjustments. Enter a four-digit fiscal year in this field. If you leave this field blank, the Through Fiscal Year is set to the From Fiscal Year. The Through Fiscal Year must always be greater than or equal to the From Fiscal Year.

5. Number of normal periods per year

Use this processing option to specify the normal number of periods per year.

This should match your company's normal number of periods. J.D. Edwards recommends that the data selection in versions should match that of companies with the same normal number of periods. The default normal number of periods is 12.

Note: The Asset Balance Close program (R12825) will automatically run when the normal number of periods has been reached when processing depreciation projections by periods in final mode.

Versions Tab

Use these processing options to specify which version of the Calculate Depreciation and Asset Balance Close programs you want the system to run. You can run these versions without projections to verify data selection.

1. Calculate Depreciation Version (R12855)

Use this processing option to specify which version of the Calculate Depreciation program (R12855) you want the system to run. The data selection in the Calculate Depreciation version must match the data selection in the Asset Balance Close (R12825) version that is specified in the processing options. The default version is XJDE0003. The process mode and date information are passed into the Calculate Depreciation batch application.

2. Asset Balance Close Version (R12825)

Use this processing option to specify which version of the Asset Balance Close program (R12825) you want the system to run. The data selection in the Asset Balance Close version must match the data selection in the Calculate Depreciation (R12855) version that is specified in the processing options. The default version is XJDE0002. The date information is passed into the Asset Balance Close batch application when the system processes projection balances in final mode.

What You Should Know About Processing Options

Process Mode	Preliminary mode calculates values for only one fiscal year, regardless of whether processing option 2 (Update Projection Balances) is set to Projections or Final Depreciation. Balance forwards are required for future fiscal years, and preliminary mode does not update balances.
Update Projection Balances	Projected depreciation results are recorded with a 1 in the Depreciation Projection Calculation Field (DPCF) in the F1202, whereas final depreciation results are recorded with a blank. Final depreciation verifies that the current balances are not projection balances. If projection balances exist and final depreciation is needed, you must run the Projection Purge and Annual Close programs to create the most current balances.
Period or Year-End Processing	Any compute direction is allowed, but compute direction P should be run only by period.
Number of Normal Periods Per Year	If you enter two different companies in data selection that have two different, normal number of periods, then the annual close will run incorrectly for one of them. Correct this by purging the projections and rerunning it correctly. If you enter the wrong number of periods, such as 4 periods when the company has 12, then the annual close will run after only 4 periods and start the next year incorrectly. Correct this by purging the projections and rerunning it correctly.
Versions	Specific versions for the Compute Depreciation and Annual Close are needed for flexibility and control of automated processing.

Data Selection

You cannot use data selection in Depreciation Projections because it calls the UDD version. Instead, use data selection in the Compute Depreciation report (R12855) and the Asset Balance Close program (R12825).

Data selection must be the same for the Asset Balance Close and UDD Versions.

The range of dates specified in the processing options and data selection in versions is directly related to performance.

Note

You need to use data selection only over companies, business unit assets, and so on, and not over periods or years. Depreciation Projections asks for periods and years, as well as for preliminary or final mode, so neither the UDD nor Annual Close versions that are run need to have processing options set for the correct years or for preliminary or final mode.

Purging Depreciation Projections

From the Year End Processes menu (G1225), choose Purge Depreciation Projections.

If projection balances exist when final depreciation is calculated, an error message will notify the user to purge projection balances before calculating final depreciation.

Processing Options for Depreciation Projection Purge (R12859)

Process Tab

Use these processing options to specify the range of fiscal years for which depreciation needs to be removed.

1. From Fiscal Year (4 Digits)

Use this processing option to specify the beginning fiscal year from which depreciation projections need to be removed. Enter a four-digit fiscal year. If you leave this field blank, all projection balances are removed through the date specified in the Through Fiscal Year field. The From Fiscal Year cannot be greater than the Through Fiscal Year.

2. Through Fiscal Year (4 Digits)

Use this processing option to specify the ending fiscal year through which depreciation projections need to be removed. Enter a four-digit fiscal year. If you leave this field blank, all projection balances are removed starting with the date specified in the From Fiscal Year field. The Through fiscal year cannot be less than the From fiscal year.

Fixed Asset Reports

Print and review fixed asset reports to access the information to manage your company's fixed assets.

Printing Asset Information Reports

You can print asset information reports at any time with the report versions that are included in the Fixed Assets system. Use asset information reports to verify the fixed asset information that the system stores in the Asset Master table (F1201).

Printing the Asset Master Schedule Report

From the Cost Information and Reports menu (G1213), choose Asset Master Schedule.

You can print the Asset Master Schedule report to review the information that you enter on the Asset Master Revisions form when you create asset master records. For each asset that you specify, the report lists the following information:

- First three category codes
- Parent
- Asset, unit, and serial numbers
- Responsible business unit
- Date acquired
- Property tax information

Printing the Assets by Finance Method Report

From the Cost Information and Reports menu (G1213), choose Assets by Finance Method.

To review the information that you entered for assets on the Financing Information form, print the Assets by Finance Method report. The Assets by Finance Method report includes the following information:

- Asset and parent number
- Description
- Lessor, renter, or mortgager
- Monthly amount owed

See Also

- *R12421, Assets by Finance Method* in the *Reports Guide* for a report sample

Processing Options for Assets by Finance Method (R12421)

Print

1. Identify how to print the Asset Number:

1 = Asset Number (Default)

2 = Unit Number

3 = Serial Number

Asset Number Format

Printing the F/A Transaction Ledger Report

From the Posting G/L to Fixed Assets menu (G1212), choose F/A Transaction Ledger.

You can print the Transaction Ledger report to review all the transactions for an asset. The report prints the transactions by company in the order that they occurred. You can view the

asset number, the affected account, a brief explanation, the G/L date, a currency and unit amount, and so on for each transaction. The report shows currency and unit totals for each company.

The transactions that print on the Transaction Ledger report come from the Account Ledger table (F0911), which stores journal entry audit trails. Unless you specify otherwise, the report includes all asset transactions that have accumulated in the account ledger since the ledger was last summarized.

You can run two versions of this report:

Posted Prints asset transactions that are posted to fixed assets and the general ledger.

Unposted Prints asset transactions that are not posted to fixed assets. The transactions are not necessarily posted to the general ledger.

See Also

- R12420, F/A Transaction Ledger* in the *Reports Guide* for a report sample

Printing the Asset Cost Analysis Report

From the Cost Information and Reports menu (G1213), choose Cost Analysis.

You can print the Cost Analysis report to review the various costs that are associated with an asset. Use the Cost Analysis report to measure the operating efficiency and effectiveness of assets, such as equipment. You can analyze these amounts in month-to-date, year-to-date, or inception-to-date increments. The Cost Analysis report includes user defined totals, such as:

- Net book value
- Revenue earned
- Ownership costs
- Operating costs

Two columns on the report require further explanation:

Period-to-Date The amount, in currency or units, charged to the asset in the period that you designate in the Through Date/Period for the report.

Period Unit Cost The amount charged to the asset in the period that you designate in the Through Date/Period for the report divided by a unit (for example, hours) that you designate in the processing options.

Processing Options for Cost Analysis (R12424)

Defaults

1. Enter the through period or through fiscal date. Leave blank to use current period.

Period/Date

Fiscal Year

2. Enter a single ledger type. Leave blank (default) for "AA" ledger.

Ledger Type

Process

-
3. Identify how to print the report with a "D" (default) for Detailed Report, "O" for Summarization by Object, "R" for Summarization by Subsidiary or "S" for Summarization by AT AAI.
Detail or Summary (Future)
4. Enter a "1" to suppress the Unit Cost columns from printing on the report. Leave blank (default) to print Unit Cost.
- Unit Cost Suppression
5. If printing Unit Cost, identify what Automatic Accounting Instruction to use for Units in the Unit Cost columns. Choose "Y" for AT00, "A" for FMA or "B" for FMB.
- Unit Cost AAI's
- Print
6. Enter a "1" to omit printing of assets with zero cost. Leave blank (default) to print all assets.
- Zero Cost Print
7. Identify how to print the Asset Number. "1" (default) is Asset Number, "2" is Unit Number or "3" is Serial Number.
- Asset Number Print
-

Printing Depreciation Reports

The Fixed Assets system includes depreciation reports that you can use to review selected depreciation information.

Printing the Depreciation Schedule

From the Cost Information and Reports menu (G1213), choose Depreciation Schedule.

You can print the Depreciation Schedule report to review a list of assets and their corresponding depreciation expense and net book value amounts for each ledger. You can specify the sequence of this report by depreciation expense account or by accumulated depreciation account as of any date.

The Depreciation Schedule report shows the balances in the Asset Account Balances table (F1202) without computing depreciation.

You can also use the Depreciation Schedule report after you enter the beginning balances for assets during the conversion process to the Fixed Assets system. You can use this report as a tool to review your entries and help you reconcile differences between the Asset Account Balances table (F1202) and the Account Balances table (F0902).

The Depreciation Schedule report includes the following information:

Cost	The original acquisition cost of the asset.
Accumulated depreciation	The accumulated depreciation amount of the asset. This is a cumulative amount that is calculated according to the depreciation method that you specify for the asset.
Depreciation expense year to date	The amount of depreciation charged to the asset thus far this year.
Depreciation expense current	The amount of depreciation charged to the asset since the last final depreciation. This amount is based on the date that you specify for the report.
Net book value (NBV)	The difference between the asset cost and its accumulated depreciation.

Remaining (REM) life The periods remaining until the asset is fully depreciated. If the disposal date of the asset is prior to the date the asset will be fully depreciated, the system uses the month and year to determine the remaining periods that print on the report.

See Also

- R12411, Depreciation Schedule* in the *Reports Guide* for a report sample

Processing Options for Depreciation Schedule (R12411)

Defaults

1. Enter the "as-of" period.

Leave blank (Default) to use each company's current fiscal period.

Period

2. Enter the " as-of " fiscal year. Leave blank (Default) to use each company's current fiscal year.

Fiscal Year (4 digits)

3. Enter a single ledger type. Leave blank (Default) for all ledger types.

Ledger Type

Print

1. Identify how to print Asset Number:

1 - Asset Number (Default)

2 - Unit Number

3 - Serial Number

2. Enter a '1' to print all assets. Leave blank (Default) to omit printing assets with zero cost.

3. Remaining periods or End Date

Enter '0' (default) to print Remaining Periods.

Enter '1' to print Month and Year asset will be fully depreciated.

Process

1. Enter '1' to sequence by Accumulated Depreciation Account (Default).

Enter '2' to sequence by Depreciation Expense Account.

Sequence

Printing the Depreciation Defaults Report

From the Cost Information and Reports menu (G1213), choose Depreciation Defaults Report.

After you set up your depreciation default information, you can generate the Depreciation Default report to review the depreciation values by company, object, and subsidiary.

Printing the Depreciation Rules Report

From the Cost Information and Reports menu (G1213), choose Depreciation Rules Report.

You can print each depreciation rule that you have defined for the Fixed Assets system. The Depreciation Rules report shows the following information:

- Depreciation method
- Computation method
- Depreciation information

- Life months
- Date from
- Effective beginning date

Printing Depreciation Spread Patterns

From the Cost Information and Reports menu (G1213), choose Depreciation Spread Pattern Print.

You can print all codes in the spread pattern file with the associated period spread percentages.

Running Integrity Reports

Run integrity test programs to supplement your internal balancing procedures by locating potential balancing problems and data inconsistencies. Integrity test programs generate reports to help ensure that your J.D. Edwards systems remain in balance. For example, the Asset Account Balances table (F1202) might be out of balance with the general ledger under the following circumstances:

- Journal entries are posted to the general ledger but not to fixed assets, or vice versa.
- You made changes to the fixed asset (FX) range of accounts in the automatic accounting instructions (AAIs) and did not include an account that might have been previously included in the FX range, or vice versa.
- You made changes to the general ledger account numbers and have not run the Update Company Number, Business Unit/Object/Subsidiary program.
- Asset account records have been purged from the Account Balances table (F0902), but not from the Asset Account Balances table (F1202).

You can use integrity reports to identify and correct balance errors immediately. J.D. Edwards recommends that you run integrity reports at least once a week during the conversion process at new installation sites or during a learning period for new users. All other users should run integrity reports on a monthly basis, at a minimum.

Before You Begin

- Post all fixed asset transaction batches. The system performs integrity tests only on posted records.

Printing the Fixed Assets to G/L Integrity Report

From the Fixed Assets Integrity Reports menu (G1224), choose Fixed Assets to G/L Integrity.

Use the Fixed Assets to G/L Integrity report to compare account records in the Fixed Asset Balances table (F1202) to the records in the Account Balances table (F0902). The system prints any records that are not in balance on the report.

See Also

- R127011, *Fixed Assets to G/L Integrity* in the *Reports Guide* for a report sample

Processing Options for F/A to G/L Integrity (R127011)

Process

1. Enter the 'as of' date. Leave blank (default) to use each company's current period. PO Fiscal Year must match Data Selection Fiscal Year.

Date

2. Enter the ledger type. If you leave this option blank, the 'AA' ledger will be used.

Ledger Type

Print

1. Enter a '1' to ONLY print those accounts where the Item Balance (F1202) net postings do not equal the Account Balance (F0902) net postings. Leave blank to print all accounts.
-

Printing the Unposted to Fixed Assets Transactions Report

From the Fixed Assets Integrity Reports menu (G1224), choose Unposted Fixed Assets Transactions.

Print the Unposted Fixed Assets Transactions report to review the transaction ledger table. Any fixed asset transactions that are within the FX range in the AAIs and are posted to the general ledger, but not to fixed assets, appear on this integrity report.

See Also

- R12301, *Unposted to Fixed Assets Transactions* in the *Reports Guide* for a report sample

Processing Options for Unposted F/A Transactions (R12301)

Display

1. Identify how to print Asset Number: 1 = Item Number (Default) 2 = Unit Number 3 = Serial Number

Display Asset Number

Printing the Fixed Asset Transaction Integrity Report

From the Fixed Asset Integrity Reports menu (G1224), choose Fixed Asset Transaction Integrity.

Print the Fixed Asset Transaction Integrity report to review all the transactions in the Account Ledger table (F0911) for a specific account during the current fiscal year. The current fiscal year is based on the company associated with a particular account. Use this transaction report to identify problems and discrepancies between the Asset Account Balances table (F1202) and the Account Balances table (F0902).

The Fixed Asset Transaction Integrity report includes only those transactions that you have posted to the general ledger or fixed assets. The report does not include fixed asset balances that you entered through Beginning Balances Setup if you did not specify supporting transactions, nor does it include summarized depreciation transactions. You can specify summarized transactions when you run the final depreciation for your assets.

The report lists the following totals for each account:

- Total of all transactions
 - Total of all transactions posted to the general ledger and posted to fixed assets
 - Total of all transactions posted to the general ledger and unable to post to fixed assets
 - Total of all transactions posted to the general ledger and not yet posted to fixed assets
 - Total of all transactions not posted to the general ledger but posted to fixed assets
 - Total of all transactions not posted to the general ledger and unable to post to fixed assets
-

Note

The Fixed Asset Transaction Integrity report prints one line per account ledger record. Use data selections to print only the transactions that you need to review for specific accounts and to keep the size of the report manageable.

Abbreviated Column Headings

General ledger posted code (G/L P C) A code that indicates whether a transaction has been posted to the general ledger.

Fixed asset pass code (F/A P C) A code that indicates whether a transaction has been posted to fixed assets.

The system does not post transactions with an F/A pass code of P to fixed assets. A transaction can have an F/A pass code of P for the following reasons:

- The transaction has an account number that is not included in the FX range of AAIs. The Identify New Entries program assigns P only to transactions that do not fall within the FX range of the AAIs.
- You manually changed the pass code to P on Revise Unposted Entries so that the transaction would not post to the Asset Account Balances table (F1202).

Before You Begin

- Post any transactions to the general ledger that have not yet been posted.
- Post any transactions to fixed assets that have not yet been posted.

See Also

- R127012, *Fixed Asset Transaction Integrity* in the *Reports Guide* for a report sample

Printing the G/L to Fixed Assets Integrity Report

From the Fixed Assets Integrity Reports menu (G1224), choose G/L to Fixed Assets Integrity.

You can use the G/L to Fixed Assets Integrity report to compare account records in the general ledger balance table to the records in the fixed assets balance table. You use this report to find transactions that have been posted to the general ledger but have not been posted to the Fixed Assets system. If you are in a multicurrency environment, you can run this report over ledgers that reflect alternate currencies.

This is the most powerful of the integrity reports. It uses the range of accounts defined in the FX AAIs to compare the Account Balances table (F0902) to the Asset Account Balances table (F1202). Through processing options, you can choose to print transaction detail for exception transactions only.

The system also reconciles any out-of-balance accounts on a transaction-by-transaction basis. When the system locates an out-of-balance account, it determines the difference between the balances and then processes each general ledger detail transaction as if it had been posted to fixed assets. A new difference is calculated for each detail transaction, attempting to reduce the difference to zero. The posting codes for each line also print and allow you to determine exactly which transactions are causing the problem.

To identify the exception transactions, the system compares the G/L Post Code with the Passed Code for each detail transaction from the Account Ledger table (F0911). The following table shows the comparison and result:

G/L Post Code Passed Code Exception Identification

P	*	OK
P	P	Exception
P	H	Exception
P	Blank	Exception
Blank	*	Exception
Blank	P	Exception**
Blank	H	Exception**
Blank	Blank	Exception**

** These do not cause an imbalance between the Account Balances (F0902) and the Asset Account Balances (F1202) tables. However, the month-end balances might not be accurate without these postings.

See Also

- R127013, G/L to Fixed Assets Integrity* in the *Reports Guide* for a report sample

Processing Options for G/L to F/A Integrity (R127013)

Process

1. Enter the "as of" date. Leave blank (default) to use each company's current fiscal year and period.

Date

2. Enter a ledger type to specify other than AA. Leave blank (default) for the AA ledger type.

Ledger Type

Print

1. Enter '1' to ONLY print those accounts where the Item Balance (F1202) net postings do not equal the Account Balance (F0902) net postings. Leave blank to print all accounts.

2. Enter '1' to print transaction detail. Leave blank (default) to print balance information only.
-

Printing Quarterly and Year-to-Date Reports

The Fixed Assets system includes quarterly and year-to-date reports that you can print to review selected fixed asset information.

Printing the Fixed Asset Item Reconciliation Report

From the Quarterly and Year to Date Fixed Asset Reports menu (G1223), choose Fixed Asset Item Reconciliation Report.

You can run the Fixed Asset Item Reconciliation report to help you reconcile a specific asset or all assets for a company. Run this report by asset to review the account activity for an asset's cost and accumulated depreciation. You can use the report to reconcile activity for a particular quarter or the entire fiscal year.

The Fixed Asset Item Reconciliation report includes the following information:

Beginning balance	The beginning balance for the asset cost, accumulated depreciation, and net book value of an asset. The beginning balance for the asset cost and accumulated depreciation amounts are as of the end of the period prior to the quarter or the year that you request for the report. The beginning balance for the net book value equals the asset cost beginning balance less the accumulated depreciation beginning balance.
Ending balance	The ending balance for the asset cost, accumulated depreciation, and net book value of an asset. The ending balance for the asset cost and accumulated depreciation amounts equals the beginning balances plus any additions and transfers in, less any transfers out and disposals. The ending balance for the net book value is the difference between the ending balances for the asset cost and accumulated depreciation.

See Also

- R12431, Fixed Asset Item Reconciliation* in the *Reports Guide* for a report sample

Processing Options for Fixed Asset Reconciliation Report (R12431)

Process

1. Enter the fiscal year to report activity. Leave blank to use the current fiscal year. NOTE: Enter the entire year, for example, 1998.
 2. Enter the quarter to report activity. '1' is for the First Quarter, '2' is for the Second Quarter, '3' is for the Third Quarter and '4' is for the Fourth Quarter. A Blank value is for Year to Date. NOTE: Values 1-4 are only allowed with Ledger Type 'AA' in Processing Option 3.
 3. Enter the Ledger Type to report activity. Leave blank to use the 'AA' Ledger Type. NOTE: If a Ledger Type other than 'AA' is entered, Processing Option 2 should be left blank to report Year to Date activity.
 - Print
 4. Identify how to print the Asset Number. '1' is for the Asset Number (Default), '2' is for the Unit Number and '3' is for the Serial Number.
-

Printing the Fixed Asset Account Reconciliation Report

From the Quarterly and Year to Date Fixed Asset Reports menu (G1223), choose Fixed Asset Account Reconciliation Report.

You can print the Fixed Asset Account Reconciliation report to help you reconcile the activity of a specific account or all accounts for a company. Run this report by account to review each item number within an account. You can use this report to reconcile the account's activity for a particular period, quarter, or fiscal year.

Processing Options for Account Reconciliation (R12435)

Process

1. Enter the Fiscal year for which you wish to report activity. (Enter 4 Digit Year ex. 2005)

Fiscal Year

NOTE: Company '00000' Reporting Fiscal Year is the DEFAULT.

2. Identify the period for which you wish to report activity.

01 - 14 = Specific Period A=First Quarter B=Second Quarter C=Third Quarter D=Fourth Quarter
blank=YearToDate

NOTE: Specific period and quarterly reporting are only allowed with 'AA' Ledger Type.

3. Enter the Ledger Type you wish to report activity. If left blank, the 'AA' Ledger Type will be used.

Ledger Type

Print

1. Identify how to print Asset Number:

1=Asset Number 2=Unit Number 3=Serial Number (The DEFAULT is Asset Number.)

Printing the Fixed Asset Retirements Report

From the Quarterly and Year to Date Fixed Asset Reports menu (G1223), choose Fixed Asset Retirements.

You can print the Fixed Asset Retirements report to review the gain or loss on the disposal of an asset for any ledger. You can print asset disposal information for actual amounts for a particular quarter or the entire year. You can also print and compare asset disposal information for two ledger types for an entire year, or any time after depreciation is fully calculated for non-AA ledger type.

The Fixed Asset Retirements report includes the following information:

Cost The original asset cost plus any additional costs for the asset through the "as of" date that you specify for the report.

First ledger less second ledger The difference between the gain/loss amount of two ledgers, if you are comparing two ledgers on this report. For example, you can compare your book and federal tax gains and losses.

Note

You can print a Fixed Asset Retirements quarterly report for ledger type AA. You cannot print a quarterly report for non-AA ledger types unless the ledger type's depreciation is fully calculated for the year.

See Also

- R12432, Fixed Assets Retirement Report* in the *Reports Guide* for a report sample

Processing Options for Fixed Asset Retirements Report (R12432)

Process

1. Enter the fiscal year to report activity. Leave blank to use the current fiscal year. NOTE: Enter the entire year, for example, 1998
2. Enter the quarter to report activity. '1' for the First Quarter, '2' for the Second Quarter, '3' for the Third Quarter or '4' for the Fourth Quarter. Leave blank for Year to Date.
3. Enter the Ledger Type to report activity. Leave blank to use the 'AA' ledger.
4. Enter a second comparison Ledger Type. If left blank, no comparison reporting will be done.

Print

1. Identify how to print the Asset Number. '1' is for the Asset Number (Default), '2' is for the Unit Number and '3' is for the Serial Number
-

Printing the Depreciation Expense Report

From the Quarterly and Year to Date Fixed Asset Reports menu (G1223), choose Depreciation Expense Report.

Print the Depreciation Expense report to review an asset's current cost, depreciation expense, and net book value for a specific fiscal period, quarter, or year. The report also includes the status and depreciation information for each asset. You can use processing options to specify the ledger types, fiscal years, and fiscal periods that print on the report.

Processing Options for Depreciation Expense (R12430)

Date

1. Enter the period number and fiscal year. Leave blank for current.

Period Number

Fiscal Year (4 digits)

Ledger Type

1. Enter the ledger type. If you leave this option blank, the 'AA' ledger will be used.

Ledger Type

Print

1. Identify how to print the asset number. 1 = Asset Number (default), 2 = Unit Number, or 3 = Serial Number.

Asset Number Print

2. Enter '1' to print all assets. Leave blank to suppress printing assets with no activity.

Print all assets.

Printing the Depreciation and Amortization Report

From the Quarterly and Year to Date Fixed Asset Reports menu (G1223), choose Depreciation and Amortization Report.

You can print the Depreciation and Amortization report to review asset cost and year-to-date depreciation as of the fiscal year that you specify for the report. You might use this report when preparing your taxes. The information in the Depreciation and Amortization report can be especially helpful if you need to prepare an IRS Form 4562.

Print the Depreciation and Amortization report for each ledger type that you use. The fiscal year that you select should be the year for which you want to report depreciation taken. For example, if you are preparing your tax report for 2001, you would select fiscal year 01.

If you transfer an asset to another company during the year, the entire depreciation expense amount for the year is reflected on the new company.

The Depreciation and Amortization report includes the following information:

Depreciation information (DI)	A code that you use to specify additional depreciation information. The system uses this code for Investment Tax Credit (ITC) and averaging conventions, such as mid-month (M), mid-quarter (Q), and mid-year (Y).
Cost	The original cost plus any additional costs for the asset through the "as of" date that you specify for the report.

Processing Options for Depreciation and Amortization Report (R12433)

Print

1. Identify how to print asset number.
1 = Item Number (Default)
2 = Unit Number
3 = Serial Number
 2. Fiscal Year
-

Printing the Sale of Business Property Report

From the Quarterly and Year to Date Fixed Asset Reports menu (G1223), choose Sale of Business Property.

You can print the Sale of Business Property report to review information about disposed assets. You can print the Sale of Business Property report for personal property or real property. You might want to use these reports when you prepare your taxes. The information in the Sale of Business Property report can be especially helpful if you need to prepare an IRS Form 4797.

The personal property version of the report includes the following information:

Disposal proceeds	The amount received on the sale of the asset. The system determines this amount by the account that you set up in the Disposal Account Rules.
Cost	The original cost plus any additional costs for the asset through the fiscal year-end date that you specify for the report.
Section 1245 recapture amount	The accumulated depreciation or disposal gain amount, whichever is less (but not less than zero).
Section 291	This field does not apply to personal property.
Section 1231 gain/loss	The disposal gain or loss less the recapture amount for assets disposed of after the first year.

Ordinary gain/loss	The disposal gain or loss less the recapture amount for assets disposed of in the first year.
---------------------------	---

If you choose to report on personal property, the system calculates the last four amount fields as follows:

- Recapture amount is accumulated depreciation or disposal gain or loss, whichever is less, but not less than zero.
- Nothing prints in the Section 291 column.
- Section 1231 gain/loss is disposal gain or loss minus the recapture amount for assets not disposed of in the first year.
- Ordinary gain/loss is disposal gain or loss minus the recapture amount for assets disposed of in the first year.

If you choose to report on real property, the system calculates the last four amount fields as follows:

- Recapture amount is accumulated depreciation less what accumulated depreciation would have been if using straight-line, inception-to-date method, or disposal gain or loss, whichever is less, but not less than zero.
- Section 291 is the amount that would go into the recapture amount if personal property less what went into recapture amount for real property is multiplied by 20%.
- Section 1231 gain/loss is disposal gain or loss minus the recapture amount, and minus Section 291 for the asset that is not disposed of in the first year.
- Ordinary gain/loss is disposal gain or loss minus the recapture amount, and minus Section 291 for assets that are disposed of in the first year.

The real property version of the report includes the following information:

Disposal proceeds	The amount earned on the sale of the asset. The system determines this amount by the account that you set up in the Disposal Account Rules.
Cost	The original cost plus any additional costs for the asset through the fiscal year-end date that you specify for the report.
Accumulated depreciation	The amount depreciated for the asset through the fiscal year-end date on the report.
Disposal gain/loss	The difference between the asset's disposal proceeds and its net book value.
Section 1250 recapture amount	The lesser of the following: <ul style="list-style-type: none"> • Accumulated depreciation less the depreciation that would have been available under the straight line method • Gain
Section 291	Twenty percent of the excess of: <ul style="list-style-type: none"> • The amount that would be recaptured as ordinary income if such property is under Section 1245 • The amount recaptured under Section 1250
Section 1231	The disposal gain or loss less the recapture amount and less Section 291 for

gain/loss	assets not disposed of in the first year.
Ordinary gain/loss	The disposal gain or loss less the recapture amount for assets disposed of in the first year.

Processing Options for Sale of Business Property Report (R12434)

Process

1. Enter the fiscal year. If you leave this option blank, the current fiscal year for the asset will be used.

Fiscal Year (4 digits)

2. Enter the ledger type. If you leave this option blank, the 'AA' ledger will be used.

Ledger Type

3. Choose the type of property to report on. 1 = Personal Property ; 2 = Real property (DEFAULT)

Type of Property

Print

1. Identify how to print asset number. 1 = Asset Number (DEFAULT) 2 = Unit Number 3 = Serial Number

Asset Number print

Printing the Property Tax Worksheet

From the Year End Processes menu (G1225), choose Property Tax Worksheet.

You can print the Property Tax Worksheet to review summarized totals for assets by tax entity and year acquired. You can use the Property Tax Worksheet to prepare your property taxes for local governing authorities. The worksheet includes a work area for the tax preparer's notes.

The Property Tax Worksheet displays the following asset information:

- Company number and name
- Tax entity address book number and mailing information
- Accounting and equipment classes
- Asset number
- Description
- Date acquired
- Cost

See Also

- R12422, *Property Tax Worksheet* in the *Reports Guide* for a report sample

Processing Options for Property Tax Worksheet (R12422)

Display Tab

This processing option enables you to specify the acquisition cutoff date. All assets acquired after this date will not be displayed on the report.

1. Acquisition Cutoff Date

Use this processing option to specify the acquisition cutoff date. All assets acquired after this date will not be displayed on the report. If this date is left blank, the acquisition cutoff date will be based on the current period ending date for the asset's company.

Process Tab

These processing options enable you to specify the date through which the report should be based, and whether you want an additional ledger type for cost reflected on your report.

1. As Of Date

Use this processing option to specify the date through which the report should be based upon. If this date is left blank, cost will be based on the current period ending date for the asset's company.

2. Additional Ledger Type

Use this processing option to specify an additional ledger type for cost. If an additional ledger type is specified, the report will reflect the cost of this ledger plus the cost of the AA ledger. If this option is left blank, only the AA ledger will be used to determine the cost.

Print Tab

This processing option enables you to specify whether you want the assets with zero cost printed on the report and how you want the asset number printed on the report.

1. Omit Assets with Zero Cost

Blank = Print all assets

1 = Do not print assets with zero cost

Use this processing option to specify whether or not you want the assets with zero cost printed on the report. Valid values are:

Blank Print all assets on the report.

1 Do not print assets with zero cost on the report.

2. Asset Number Format

1 = Asset Number

2 = Unit Number

3 = Serial Number

Use this processing option to specify how you want the asset number printed on the report. Valid values are:

1 Asset Number.

2 Unit Number.

3 Serial Number.

Setup

System Setup

Before you use the Fixed Assets system, you must define fixed asset information that you want the system to use during processing procedures. Set up this information to customize the Fixed Assets system for your specific business needs.

Setup Features

Fixed Assets constants	Establish system basics, such as: <ul style="list-style-type: none">Default business units for asset cost, accumulated depreciation, depreciation expense, and revenue accounts for an assetThe category code number that you use to define the depreciation category for use in the depreciation rulesSymbols that identify the three types of asset identification numbers, including your company's primary numberThe category code number that you use to define the asset class for use in the supplemental database
User defined codes	Define customized codes, such as: <ul style="list-style-type: none">Asset category codes, including major accounting class and major asset classFinance methodsAsset status codesAsset message types
User defined depreciation	Set up user defined depreciation methods when you need specific depreciation algorithms other than the standard depreciation rules that are included in the Fixed Assets system.
Automatic accounting instructions	Define accounting information and general ledger relationships when the Fixed Assets system interacts with the General Accounting system.
Next numbers	Enable the system to automatically assign numbers to various items in the system that require unique numbers.
Asset acquisition years	Define date patterns in the system for every fiscal year in which assets are acquired and each year thereafter for any asset that you want to depreciate.
Depreciation default values	Simplify the creation of new asset master records by establishing default values for the Master Information form, such as: <ul style="list-style-type: none">Major accounting classMajor equipment classDepreciation accountsRevenue accountDepreciation information

Category code mapping	Map specific business unit category codes to specific asset category codes.
Ledger type rules	Control processing for specific ledger types. Specify any necessary ledger dependencies and associated transaction creation. Further define: <ul style="list-style-type: none"> • Currency codes • Date pattern overrides • Period number overrides • Rounding rules
Disposal account rules	Specify the accounts used for asset disposal.
Beginning balances	Simplify the initial conversion to the Fixed Assets system by recording beginning balances for assets in the Asset Account Balances table (F1202).
Supplemental data	Further define the assets in your system by setting up supplemental data type categories. After you establish these supplemental data types, you can track information about an asset that is important to your company, but is not included in the asset master record.
Revaluation indexes	Automate revaluation so that you can easily keep pace with inflation or market fluctuations.
Units of production schedules	Establish units of production schedules so that the system can calculate depreciation by the measurements of production that you track and record in the system for your company.

Setting Up Fixed Asset Constants

Fixed asset constants control how your business environment uses the features in the Fixed Assets system. For example, when you define a default business unit for depreciation expense in Fixed Asset Constants, the system automatically supplies the value to Depreciation Information whenever you add a new asset to the system. You can also specify the business unit that appears as a default value for the various asset accounts when you create a master record for a new asset.

Set up fixed asset constants only one time for the entire Fixed Assets system. You set up constant values for company 00000 so that all the companies in your organization that access the Fixed Assets system use the same constant values.

Caution

J.D. Edwards recommends that you do not change your fixed asset constants. However, some situations might occur in which you might need to change a fixed asset constant, and you must understand the consequences.

- For example, if you change the default business unit for asset accounts, the change affects only the assets that you add to the system after the change.

If you must change a fixed asset constant, and that change needs to be updated for previous assets, you must perform an additional process to update the system with your latest change.

- For example, if you change the symbol for your primary asset number in Fixed Asset Constants, you must run the Global Update program. See [Updating Company Numbers and Accounts](#).
-

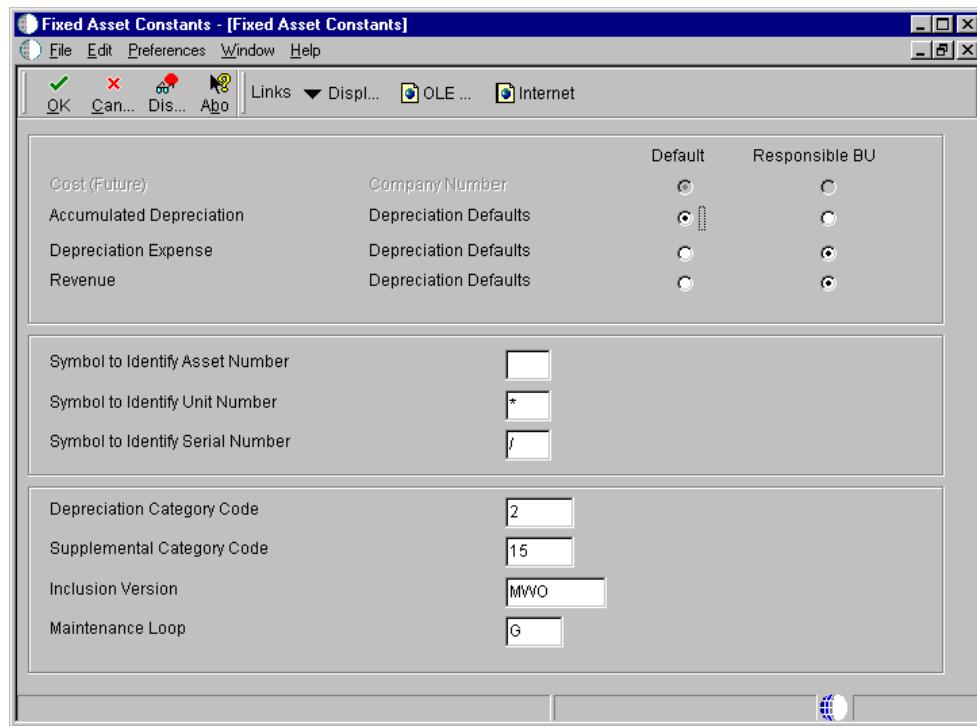
Note

The values that you set up for the Fixed Assets system in Fixed Asset Constants also affect the Equipment/Plant Management system.

► To set up fixed asset constants

From the Fixed Asset System Setup menu (G1241), choose Fixed Asset Constants.

1. On Fixed Asset Constants, click the option for each of the following fields to establish where the business units for each fixed asset account come from when you add a new asset:
 - Accumulated Depreciation
 - Depreciation Expense
 - Revenue
2. To specify how the system identifies asset numbers, complete the following fields:
 - Symbol to Identify Asset Number
 - Symbol to Identify Unit Number
 - Symbol to Identify Serial Number
3. To specify which category code the system uses to group assets by depreciation types, complete the following field:
 - Depreciation Category Code
4. To specify which category code the system uses to assign supplemental data types, complete the following field:
 - Supplemental Category Code



5. If you use Equipment/Plant Maintenance to maintain your equipment, complete the following optional fields:
 - Inclusion Version
 - Maintenance Loop

Field Descriptions

Description	Glossary
Symbol to Identify Asset Number	<p>You can assign one of three different numbers to an asset. These numbers are:</p> <ul style="list-style-type: none">o Asset Number - an 8-digit, computer assigned numbero Serial Number - a 25-digit model or serial numbero Unit Number - a 12-digit, alphanumeric, user defined number <p>When you enter an asset number, you may use a prefix or symbol to designate the number you enter. If you use this number most often, you should leave the symbol blank so that you just need to enter the number. If it is not the number you use most often, you should define a symbol, such as / or *, that you will type before you enter the number so that the system knows which number you are representing.</p> <p>Note: You can leave only one asset number blank. The other two must have a symbol so that all three numbers are unique. Verify that the symbols that you use are not significant for any other purposes of data entry, for example, a period or comma.</p>
Symbol to Identify Unit Number	<p>You can assign one of three different numbers to an asset. These numbers are:</p> <ul style="list-style-type: none">o Asset Number - an 8-digit, computer assigned numbero Serial Number - a 25-digit model or serial numbero Unit Number - a 12-digit, alphanumeric, user defined number <p>When you enter an asset number, you may use a prefix or symbol to designate the number you enter. If you use this number most often, you should leave the symbol blank so that you just need to enter the number. If it is not the number you use most often, you should define a symbol, such as / or *, that you will type before you enter the number so that the system knows which number you are representing.</p> <p>Note: You can leave only one asset number blank. The other two must have a symbol so that all three numbers are unique. Be sure that the symbols that you use are not significant for any other purposes of data entry, for example, a period or comma.</p>
Symbol to Identify Serial Number	<p>You can assign one of three different numbers to an asset. These numbers are:</p> <ul style="list-style-type: none">o Asset Number - an 8-digit, computer assigned numbero Serial Number - a 25-digit model or serial numbero Unit Number - a 12-digit, alphanumeric, user-defined number <p>When you enter an asset number, you may use a prefix or symbol to designate the number you enter. If you use this number most often, you should leave the symbol blank so that you just need to enter the number. If it is not the number you use most often, you should define a symbol, such as ' or *, that you will type before you enter the number so that the system knows which number you are representing.</p> <p>Note: You can leave only one asset number blank. The other two must have a symbol so that all three numbers are unique. Be sure that the symbols that you use are not significant for any other purposes of data entry, for example, a period or comma.</p>
Depreciation Category Code	<p>Use this Fixed Asset category code to group assets into depreciation categories. Inquiries, reports, journals, and other processes that depend on the depreciation category refer to the value in this category code.</p> <p>NOTE: You must set up a default value for this category code.</p>

Supplemental Category Code	<p>Enter the number of the equipment category code that controls which supplemental data types the system displays on the Equipment Management supplemental data forms.</p> <p>When you set up supplemental data, you use Data Type Cross Reference to specify which types of data appear on supplemental data forms. For example, on Equipment Constants, you can specify equipment category code 2 (Major Equipment Class) as the supplemental data category code. Then, on Data Type Cross Reference, you can specify which data types are appropriate for each class of equipment you set up under Major Equipment Class, such as specification sheets and transportation notes for heavy equipment.</p>
Inclusion Version	<p>A user defined code (40/RV) that identifies an inclusion rule that you want the system to use for this branch/plant. The Manufacturing and Warehouse Management systems use inclusion rules as follows:</p> <ul style="list-style-type: none"> o For Manufacturing: Allows multiple versions of resource rules for running MPS, MRP, or DRP. o For Warehouse Management: Allows multiple versions of inclusion rules for running putaway and picking. The system processes only those order lines that match the inclusion rule for a specified branch/plant. <p>--- FORM SPECIFIC --- This code determines whether the system submits capacity planning interactively when you create a work order or when you change the status of a work order. The value you enter defines which version of the supply/demand inclusion rules the system uses to update the capacity plan. If you leave this field blank, the system does not update the capacity plan when you create a work order or change the status of a work order.</p>
Maintenance Loop	<p>The detail specification record type. Record types are user defined. You can set them up on the Detail Specification Types form and use them to describe certain types of work order or engineering change order information.</p> <p>--- FORM SPECIFIC --- This is the work order record type that stores the associated equipment you define for maintenance loops. For example, if you enter record type E on this form, when you set up a maintenance loop, the system includes all equipment contained in record type E on the work order.</p>

Setting Up User Defined Codes for Fixed Assets

Many fields throughout the Fixed Assets system accept only user defined codes. You can customize the Fixed Assets system by setting up user defined codes to meet the needs of your business environment.

User defined codes are stored in tables related to a specific system and code type. For example, 12/FM represents system 12 (Fixed Assets) and user defined code type FM (Finance Methods). User defined code tables determine what codes are valid for the individual fields in your system. If you enter a code that is not valid for a field, the system displays an error message. For example, you can only enter codes in the Major Accounting

Class Code field on the Master Information form that exist in the user defined code table for system 12 and code type C1.

You can access all user defined code tables through a single user defined code form. After you select a user defined code form from a menu, change the System Code field and the User Defined Codes field to access another user defined code table.

Note

User defined code table 12/LT (Fixed Asset Ledger Types) has been replaced by the Ledger Type Master table (F0025). You can access fixed asset ledger types formerly defined in this user defined code table through Ledger Type Master Setup from the Fixed Asset System Setup menu.

Caution

User defined codes are central to J.D. Edwards systems. You must be thoroughly familiar with user defined codes before you change them. The effort you put into designing the user defined codes that your company uses can greatly affect your overall satisfaction with the system.

The following user defined codes are the primary codes for the Fixed Assets system:

Major accounting class (12/C1)	Use to group assets into categories, such as office equipment, furniture, heavy equipment, plant equipment, and so on. J.D. Edwards recommends that you set up a one-to-one relationship between major accounting class and the asset cost account to assist in running user defined depreciation.
Major equipment class (12/C2)	Use to further divide assets into subclasses. For example, set up codes to divide office equipment into groups, such as copiers, computers, printers, and so on.
Additional classification codes (12/C3 - C10 and F1 - F0, F21 - F23)	Use the following classification codes for any additional business requirements that you might have: <ul style="list-style-type: none">• Manufacturer (Class Code 3)• Model Year (Class Code 4)• Equipment Usage (Class Code 5)• Class Code 6• Class Code 7• Class Code 8• Class Code 9• Rate Group (Class Code 10)• Class Code 11-23
Finance methods (12/FM)	Use to specify how an asset was acquired, such as leased or purchased outright. Finance method information is stored in the Asset Master table (F1201).
Revaluation codes (12/RI)	Use to identify revaluation index tables. For example, set up codes to identify revaluation tables for separate countries.

revaluation tables for separate countries.

Depreciation methods (12/DM)	Use to define depreciation methods. In addition to the standard depreciation methods 00 - 18, you can define your own depreciation methods with user defined depreciation. Standard depreciation methods use numeric code identifiers. You must use alphabetic code identifiers for any user defined depreciation methods that you set up. Both standard and user defined depreciation methods are stored in UDC table 12/DM. When you run depreciation computation programs, the system distinguishes user defined depreciation methods from standard methods by a 1 in the Special Handling Code field.
Status/Disposal codes (12/ES)	Use to specify types of disposals, such as sold, scrapped, or charity. Status and disposal information is stored in the Asset Master table (F1201). You can also use this category code to specify the operational status of equipment status, such as available, working, down, or disposed.
Equipment message type codes (12/EM)	Use to define and group different types of messages, such as planned maintenance, problem reporting, lease terms, and so on.

The Fixed Assets system includes two classification codes that are hard coded and cannot be changed or deleted. These codes are DP (type of disposal) and DM (depreciation method).

The Equipment/Plant Management system uses many category codes from the Fixed Assets system. J.D. Edwards recommends that you assign specific equipment needs to as many of the first ten category codes as you need. This will help you perform online searches for equipment. You can use the remaining codes for fixed asset reporting needs.

See Also

- *User Defined Codes* in the *Foundation Guide* for overview information about user defined codes
- *Setting Up Ledger Type Rules* for more information about setting up ledger types specific to fixed assets

Setting Up User Defined Depreciation

The system uses depreciation rules to calculate depreciation. When you set up user defined depreciation methods, you must define the depreciation rules, formulas, and date spreads that you want the system to use to calculate depreciation for your fixed assets.

You can define as many specific depreciation methods as your company needs without custom programming. Set up user defined depreciation methods when you need specific depreciation algorithms other than the standard depreciation rules that are included in the Fixed Assets system. For example, you can copy an existing straight-line rule and insert the appropriate life period information to create a depreciation method for your specific needs.

The system stores both standard and user defined depreciation methods in UDC table 12/DM. When you run the program to calculate depreciation, the system distinguishes user defined methods from standard methods by a special handling code of 1. In addition, the predefined depreciation methods have a two-character numeric code. Predefined

depreciation methods that you change or new depreciation methods that you create must have a two-character alpha code.

After you create a user defined depreciation method, you must set up depreciation default values to include the new depreciation method. When you create new asset master records, the system automatically assigns a depreciation method based on the asset cost account. After you create the asset master record, you should verify the depreciation method.

The User Defined Depreciation program uses processing similar to the Job Status Inquiry program (P512000) through the use of elements within an expression formula. The spread patterns are similar to those in the Budget Spread Patterns program (P1441). User Defined Depreciation can help eliminate localization for calculating depreciation.

Defining the Requirements for Depreciation

Consider the following requirements when you calculate depreciation.

Asset Life

The following functions determine the length of an asset's life:

Life Periods (ADLM)	Asset Life Days = (Life Periods / Normal Number of Period) * 365.25. Use the over/under convention to stop depreciating at the end of the asset's life.
Continue Depreciation Beyond the Asset's Life (OUDC)	Use the over/under convention to continue depreciation. Set up the Thru Life Year to 998 (Methods 06, 09, 15, 17, 18).
Life Year Reference (LYRC)	The default is determined by the Fiscal Year. The asset life year is determined by the modified start date and is calculated by period.

Balance Adjustments

The following values for the Compute Direction field (DIR1) determine how balance adjustments, or depreciation journal entries are made. Adjustments can be daily, monthly, or annual.

Calculate by Period Adjustments (DIR1= P)	Depreciation is calculated by period with no catch up. The depreciation amount is apportioned each period (100%).
Calculate Annual Amount and Apportion by Period (DIR1 = C, R)	Depreciation is calculated by the annual amount. Depreciation is apportioned by period. For example, 12 periods = 8.3333%.
Calculate Amount from the start of an assets life (DIR1 = I)	Use inception-to-date for the first time to catch up, and then change the compute direction. If Compute Direction = I, then depreciation: <ul style="list-style-type: none">• Starts at the modified start date.

- Is calculated by the annual amount.
- Is adjusted for inception-to-date through the current year.
- Is apportioned by period. For example, 12 Periods = 8.3333%.

Modified Start Date

The modified start date is determined by the Initial Term Apportionment field (ITAC). The modified start date determines the end date of an asset. You can set the modified start date as:

- Start/Middle/End of the Month/Period
- Start/Middle/End of the Year
- Actual Date, Quarter Date, and so on

Most depreciation formulas require an Initial Year (or Period) Apportionment percent. When using a formula that requires this, you should use *Element 50* to apply to the first year's percent and for period calculations.

Calculations

You can use one of several methods to calculate depreciation, including:

Demonstration data	Use existing demonstration (predefined) data that has existing depreciation rules.
Copy an existing depreciation rule	If you copy an existing rule, you need to change the following fields: <ul style="list-style-type: none"> • Life Periods • Initial Term Apportionment • Any other appropriate fields to meet your business needs
Define the exact calculation formula	You can use: <ul style="list-style-type: none"> • Formula Multiplier or Annual Rule Multiplier • Other elements listed in the formula definition
Calculated formulas	Calculation is completed in the following order: <ul style="list-style-type: none"> • Salvage Value, Upper Limit, Lower Limit, Basis, Depreciation Formula, Default Value

Disposals

Depreciation must be run before you dispose of cost. The disposal date creates the following processing order:

- 999 Life Year Rule calculated
- Specific Life Year Rule calculated (SPCN)
- Default back to Current Life Year Rule

Most tax ledgers keep cost through year-end. Do not dispose of these.

Use Life Year Rule 999 only for the disposal year of an asset.

See Also

- To Set Up Life Year Rules*
- To Specify Conventions for the Rule*

Technical Considerations

User Defined Depreciation is a powerful and flexible feature that allows you to define how the system computes depreciation. The program provides numeric depreciation rules as models that you can copy and modify to meet your business needs. Then, when depreciation amounts are not being calculated correctly, you can resolve the problem by adjusting the depreciation rule.

When you set up user defined depreciation rules, you define depreciation methods, compute direction, conventions, life year rules, requirements, and formulas. See *Setting Up Depreciation Rules*, *Compute Direction*, and *Setting Up Depreciation Formulas* for more information.

J.D. Edwards recommends that you observe the following guidelines when using User Defined Depreciation:

- Keep track of requirements such as the asset's life, the compute direction to use, the life years of the asset, any modified start date requirements, and the conventions to use for the assets.
- When creating a new formula, try to find a similar existing formula that you can copy.
- Know what you want your result to be before setting up a formula.
- Understand which element in the depreciation equation which you will need to use in your formula.
- Using the elements, create your formula and keep track of it (for example, write it down on a separate piece of paper) to help you follow it through and understand the results.
- Select the processing options to print the formulas and the elements.
- Always run depreciation in proof mode when working with live data.
- Test your depreciation rule through the entire life of the asset based on various fiscal date patterns.
- Use projections to automate the process.

See Also

- Setting Up Depreciation Default Values*
- Verifying Depreciation Information*
- Updating Global Depreciation Rules*
- Setting Up Depreciation Spread Patterns*
- Working with Budget Patterns* in the *General Accounting Guide* for information about budget spreads

Setting Up Depreciation Rules

Depreciation rules control how the system calculates depreciation for an asset. You must specify the rules that you want the system to follow when making calculations for user defined depreciation methods. When you set up rules for a depreciation method, you define a hierarchy of conventions that you want the system to apply to the cost of an asset.

The Fixed Assets system includes the base rules for computing standard depreciation methods. You cannot change the standard rules that are included in the Fixed Assets system, but you can copy and modify these rules to define depreciation methods specific to your company. For example, if you want to set up a depreciation rule for straight-line depreciation with a life period combination that is not included in the Fixed Assets system, you can use Depreciation Rule Revisions to copy an existing straight-line rule and change the life periods.

User defined depreciation rules must have alpha identifiers to distinguish them from J.D. Edwards base depreciation rules. When you set up depreciation rules, the system stores the information in the Depreciation Rule Header (F12851), Annual Depreciation Rule (F12852), and Depreciation Formula (F12853) tables.

Note

Numeric methods 00-18 are provided in the system. J.D. Edwards has created additional numeric methods beyond method 18 for country-specific reporting needs. Do not create additional numeric methods for 19 and above or you risk the system overlaying its method 19 with your newly created method 19. You can add as many combinations to 00-18 as you need, and those will not be overlaid. No edit option exists to prohibit overlaying in the event you do not want a demonstration data refresh. See [Updating Global Depreciation Rules](#) for information about updating depreciation tables.

At the highest level, you can set up depreciation rules to apply to the entire period of time over which you want the cost of an asset to be apportioned. Or, you can define rules for the period in which the asset was placed in service.

A depreciation rule consists of three parts:

Rule header information	Rule header information references the depreciation method in which the rule is used, such as: <ul style="list-style-type: none">• The code that identifies the method• The special characteristics of the rule• The period over which the asset cost is to be apportioned• The placed-in-service date for the asset• The date through which the method is effective You use the information in the header to tie a specific depreciation rule to an asset.
Rule conventions	Rule conventions dictate how the system calculates depreciation based on the life year rules and formulas that you specify for the rule. These conventions apply to the entire apportionment period referenced by the rule. You can set up rule conventions to: <ul style="list-style-type: none">• Override the business unit destination of the depreciation expense.• Spread the first and last year of cost apportionment. For example, you can designate a rule to spread depreciation throughout the year or spread the depreciation proportionately beginning with the depreciation start or end date.

- Allow the use of a second annual rule.
- Use the asset's life periods or the fiscal year as the beginning reference point in determining the current life year of an asset.
- Depreciate more cost than exists for an asset.
- Allow negative depreciation amounts to be computed in the formula during the life of an asset.

Life year rules The basic equation for computing depreciation for a life year consists of a multiplier that is applied to a cost or basis. The resulting amount is subject to a minimum (base) and a maximum (limit). The basis amount that is multiplied might be subject to an overall floor or salvage value. The same rule might apply to multiple life years, or it might apply to a single life year of a cost.

You can define a rule for any asset life year. You can also define a separate rule for the disposal year of an asset.

The formulas that are used by the life year rules can be applied to any element in the depreciation equation, such as:

- Multiplier
- Depreciable basis
- Upper Limit
- Lower Limit
- Salvage value

Asset life years must be contiguous. For example, if the value in the Life Year Thru field for a given Life Year Rule is 1, then the Life Year From value in the subsequent Life Year Rule should be either 1 or 2, depending on whether the Secondary Account Percentage is being used or if In Service Months are specified.

If a depreciation rule uses In Service Months, the same In Service Month should be used consistently for all life years in the depreciation rule. For example, if In Service Months 1 and 2 are used for the first life year of a depreciation rule, then they should also be set up for every year of the depreciation rule. The Life Year From and Life Year Thru values must be the same for a life year that has an In Service Month specified.

When you set up user defined depreciation rules, you must address each part of the rule.

You can generate a report to review your depreciation rules. See [Printing the Depreciation Rules Report](#).

► To add a depreciation method

From the Set Up User Defined Depreciation menu (G1232), choose Depreciation Rule Revisions.

1. On Work with Depreciation Rules, click the search button for the following field:
 - Depreciation Method
2. On Select User Defined Code, choose Revisions from the Form menu.
3. On Work With User Defined Codes, click Add.
4. On User Defined Codes, complete the following fields in the first empty row:
 - Codes

- Description 1
- Description 2

New depreciation methods must be identified with a 2-character alpha code.

5. To identify the depreciation method as a user defined method, enter 1 in the following field:
 - Special Handling
6. Click OK.
7. To return to Work With Depreciation Rules:
 - On User Defined Codes, click Cancel.
 - On Work With User Defined Codes, click Close.
 - On Select User Defined Codes, click Close.

Field Descriptions

Description	Glossary
Codes	A list of valid codes for a specific user defined code list.
Description	Glossary
Description 1	A user defined name or remark
Description	Glossary
Description 2	Additional text that further describes or clarifies a field in the J.D. Edwards systems.
Description	Glossary
Special Handling	A code that indicates special processing requirements for certain user defined code values. The value that you enter in this field is unique for each user defined code type. The system uses the special handling code in many ways. For example, special handling codes defined for Language Preference specify whether the language is double-byte or does not have uppercase characters. Programming is required to activate this field.

► To add a rule

From the Set Up User Defined Depreciation menu (G1232), choose Depreciation Rule Revisions.

1. On Work With Depreciation Rules, click Add.
2. On Add Depreciation Rules, complete the following fields:
 - Depreciation Method

- Initial Term Apportionment
- Compute Direction
- Life (Periods)
- Date Pattern Reference
- In Service From Date
- In Service Thru Date
- Effective From Date
- Effective Thru Date
- Rule Description

The screenshot shows a PeopleSoft application window titled "Add Depreciation Rules". The window has a toolbar at the top with buttons for OK, Cancel, Form, Tools, and a magnifying glass icon. Below the toolbar is a menu bar with "Active Foundation" selected. On the right side of the menu bar are links for Personalize, Change Role, and Sign Out. The main content area is titled "Add Depreciation Rules". It contains several input fields grouped into pairs:

Depreciation Method	<input type="text"/> <input type="button" value="Q"/>
Initial Term Apportionment	<input type="text"/>
Compute Direction	<input type="text"/>
Life (Periods)	<input type="text"/>
In Service From Date	<input type="text"/>
Effective From Date	<input type="text"/>
Date Pattern Reference	<input type="text"/>
In Service Thru Date	<input type="text"/>
Effective Thru Date	<input type="text"/>
Rule Description	<input type="text"/>

3. Click OK.
4. To return to Work With Depreciation Rules, click Cancel.

Field Descriptions

Description	Glossary
Depreciation Method	<p>The user defined code (12/DM) that indicates the method of depreciation for the specified book. In addition to any user defined depreciation methods that you set up for your company, the following standard depreciation methods are available in the Fixed Assets system:</p> <ul style="list-style-type: none">00 No depreciation method used01 Straight Line Depreciation02 Sum of the Year's Digits03 125% Declining Balance to Cross-Over04 150% Declining Balance to Cross-Over05 Double Declining Balance to Cross-Over06 Fixed % on Declining Balance07 ACRS Standard Depreciation08 ACRS Optional Depreciation09 Units of Production Depreciation10 MACRS Luxury Cars - Domestic11 Fixed % Luxury Cars - Foreign12 MACRS Standard Depreciation13 ACRS Alternative Depreciation14 ACRS Alternate Real Property15 Fixed % of Cost16 Fixed % on Declining Balance to Cross-Over17 AMT Luxury Auto18 ACE Luxury Auto <p>Note: Any additional depreciation methods that you create for your organization must have an alpha code.</p>

Initial Term Apportionment	A code for additional depreciation information. This code is used for investment tax credit (ITC) and averaging conventions. The system validates the code you enter in this field against user defined code table (12/AC).
-----------------------------------	---

Valid codes are:

- 0 No ITC Taken
- 1 Three Year Method (3 1/3%)
- 2 Five Year Method (6 2/3%)
- 3 Seven Year Method (10%)
- 4 ACRS Method with Basis Reduction (10% ITC)
- 5 ACRS Method without Basis Reduction (2% ITC or No ITC)
- A Actual Date of Depreciation Start Period
- H Half-Year
- M Mid-Month Convention
- Q Mid-Quarter Convention
- Y Mid-Year Convention
- P Middle of Period
- F First-half/Second-half
- W Whole Year
- N First Day of Next Period
- R First Day of Next Year
- S Actual Start Date for Primary Rule/First Day of Period for Secondary Rule

Note: Numeric codes apply to standard depreciation methods only.
To determine the date for F (First-half/Second-half), use the following guidelines:

- o If the asset was placed in service in the first half of the year, then the adjusted depreciation start date is the first day of the year.
- o If the asset was placed in service in the second half of the year, then the adjusted depreciation start date is the first day of the succeeding year.
- o The first half of the year expires at the close of the last day of the calendar month that is closest to the middle of the tax year.
- o The second half of the year begins the day after the expiration of the first half of the tax year.

Compute Direction

A code that indicates the method of computation that the system uses to calculate depreciation based on the depreciation method you specify.

Valid codes are:

- C Current year to date. Calculates only the current year's depreciation.
- I Inception to date. Recalculates the entire depreciation amount from the start date through the current year. Prior-year depreciation is then subtracted to determine current year depreciation. This method results in a one-time current period correction for any errors in prior period depreciation.
- F Inception to date. Calculates inception to date for the first rule (if there are two rules) and uses a C for the second rule.
- P Current period. Calculates depreciation for the current period and Then extrapolates the annual amount based on the cumulative percent from the period pattern and year-to-date posting. Any depreciation calculated for the current period is subtracted.
- R Remaining months. Depreciates the net book value as of the beginning of the current tax year over the remaining life of the asset. This results in the amortization of prior period calculation errors over the remaining life of the asset.

Life (Periods)	The life of an asset in months or periods. The system uses months or periods only to express the life of an asset. For example, if your company uses a 12-month calendar, then a five-year ACRS asset has a 60-month life. If your company uses a 13-month calendar, then a five-year ACRS asset has a 65-month life, and so on. You must specify a life month value for all user defined depreciation methods, and for all standard depreciation methods, except the standard methods 00, 06, 09, 11, and 15.
Date Pattern Reference	A code that identifies date patterns. You can use one of 15 codes. You must set up special codes (letters A through N) for 4-4-5, 13-period accounting, or any other date pattern unique to your environment. An R, the default, identifies a regular calendar pattern.
	--- FORM SPECIFIC ---
	Use this field to reference a date pattern that is specific to the initial term for asset depreciated under the rule. This is particularly useful if the date patterns your company uses now are different from previous years due to mergers or short years. The system refers to this pattern in order to adjust the depreciation start date.
In Service From Date	The beginning date for which the transaction or code is applicable.
In Service Thru Date	The ending date for which the transaction or code is applicable.
Effective From Date	The date when an address, item, transaction, or table record becomes active. The meaning of this field differs depending on the program. For example, the effective date could represent the following: <ul style="list-style-type: none"> o When a change of address becomes effective o When a lease becomes effective o When a price becomes effective o When the currency exchange rate becomes effective o When a tax rate becomes effective
Effective Thru Date	The date on which the item, transaction, or table becomes inactive or through which you want transactions to appear. This field is used generically throughout the system. It could be a lease ending date, a price or cost ending date, a currency ending date, a tax rate ending date, or whatever is appropriate
Rule Description	A description, remark, name, or address.

Compute Direction

Typically, when you convert to OneWorld, you can choose which compute direction to use. If you are comfortable with how depreciation was computed in your old system, you will convert using a compute direction of R (Remaining Life). This direction takes the remaining net book value and amortizes it over the remaining life periods of the asset. The system uses the Beginning Balance Forward field from the Asset Account Balances table (F1202) during the computation of depreciation. This field determines the depreciable amount for the current year.

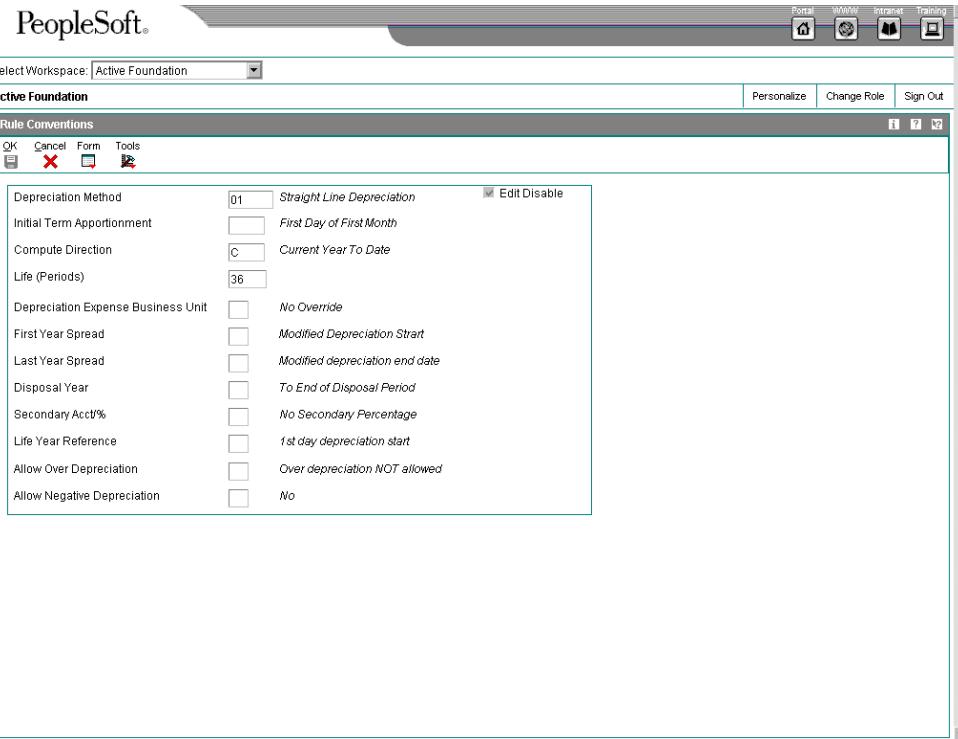
You might determine that you need to adjust the depreciation. For example, you might need to adjust the depreciation if your old system was not correct or a change in methods

occurred. If you need to adjust depreciation, use a compute direction of I (Inception-to-Date). This compute direction causes the system to calculate depreciation for each previous year of the asset's life to determine the current depreciation amount. Inception-to-Date can result in a catch-up amount that will be amortized over the first year that the asset is in the J.D. Edwards Fixed Assets system. A compute direction of I should be used only for the first year of the asset's life. After the first year, the compute direction should be changed to C (Current Year Depreciation). Due to the numerous years of formulas through which the system must compute, older assets require longer processing time. Therefore, using a compute direction of C will help improve processing.

► To specify conventions for the rule

From the Set Up User Defined Depreciation menu (G1232), choose Depreciation Rule Revisions.

1. On Work With Depreciation Rules, complete the following fields, and click Find:
 - Depreciation Method
 - In Service Date
 - Effective Date
2. Choose a rule.
3. From the Row menu, choose Rule Conventions.
4. On Rule Conventions, complete any of the following optional fields to define the conventions of the depreciation rule:
 - Depreciation Expense Business Unit
 - First Year Spread
 - Last Year Spread
 - Disposal Year
 - Secondary Acct/%
 - Life Year Reference
 - Allow Negative Depreciation
 - Allow Over Depreciation



5. To prevent changes to the rule, click the following field:

- Edit Disable

You can use a processing option to disable this option for additional security.

Field Descriptions

Description	Glossary
Depreciation Expense Business Unit	A code that allows an override of the destination of the depreciation expense. Valid codes are: Blank No Override 1 Responsible Business Unit 2 Location Business Unit
First Year Spread	A code that designates how you want the system to apportion the first year of depreciation for an asset. Valid codes are: Blank Modified Depreciation Start Date 1 Entire Year 2 Actual Depreciation Start Date 3 Placed in Service Period
Last Year Spread	A code that designates how you want the system to apportion the last year of depreciation for an asset. Valid codes are: Blank Modified depreciation end date 1 Entire year

Disposal Year	A code that designates how you want the system to apportion depreciation when you dispose of the asset. Valid values are: Blank To End of Disposal Period A Actual Disposal Date Y Mid-Year Q Mid-Quarter M Mid-Month P Middle of Period F First-Half / Second-Half L Last Day of Previous Period I Inverse of Initial Term Apportionment H Half-Year N None C Continue
Secondary Acct/%	A code that designates how the system uses the amount calculated by the Secondary Account/Percent rule when determining the annual depreciation amount. Valid codes are: Blank No secondary percentage 1 Greater of amounts calculated by Rule 1 or Rule 2 2 Lesser of amounts calculated by Rule 1 or Rule 2 6 Amount from Rule 1 to Accumulated Depreciation Account 1; amount from Rule 2 to Accumulated Depreciation Account 2 7 Amount from Rule 1 to Accumulated Depreciation Account 1 plus Depreciation Expense Account 1 equals Rule 1 amount; amount from Rule 2 to Accumulated Depreciation Account 2 plus Depreciation Expense Account 2 equals Rule 2 amount 8 Two Amounts - Two A/D Accounts and Three D/E Accounts The system uses this field in conjunction with the Secondary Percent Continuation field.
Life Year Reference	A code that designates the beginning reference point from which you want the system to determine the current life year of an asset. This requires a compute direction of P. Valid codes are: Blank First day of depreciation start year 1 Depreciation start date (modified)
Allow Negative Depreciation	A code that indicates whether you want to allow depreciation formulas to calculate negative amounts. Valid codes are: N Negative depreciation not allowed Y Accumulated depreciation may be less than adjusted basis You can enter a 1 for yes (Y) or a 2 for no (N). The default value is N.
Allow Over Depreciation	A code that indicates whether you want the system to stop depreciation at the remaining basis and/or calculate the depreciation beyond the normal life of an asset. Remaining basis is defined as cost less accumulated depreciation less salvage. Valid values are: Blank Depreciation beyond remaining basis is NOT allowed, take remaining basis at end of asset life. This is the default. 1 Depreciation may EXCEED remaining basis during asset life, take remaining basis at end of asset life. 2 Depreciation beyond remaining basis is NOT allowed, allow depreciation beyond asset life. 3 Depreciation may EXCEED remaining basis during asset life, allow depreciation beyond asset life. The system uses this field in conjunction with the Allow Negative Depreciation field.

Edit Disable	This field indicates whether the depreciation rule you selected has been previously defined as a protected rule. Valid values are: Blank Not protected, you can make changes to this rule 1 Protected
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► To set up life year rules

From the Set Up User Defined Depreciation menu (G1232), choose Depreciation Rule Revisions.

1. On Work with Depreciation Rules, complete the following fields, and click Find:
 - Depreciation Method
 - In Service Date
 - Effective Date
2. Choose a rule.
3. Choose Life Year Rules from the Row menu.
4. On Life Year Rules, complete the following fields in the detail area:
 - Life From
 - Life Thru
 - In Service Month
 - Annual Multiplier
 - Spread Pattern
 - Depreciation Formula
 - Basis Formula
 - Lower Limit Formula
 - Upper Limit Formula
 - Salvage Formula
 - Secondary % Continuation

PeopleSoft.

5. Click the Method tab, and complete the following fields:
 - In Service Thru Date
 - Effective Thru Date
6. Click the Conventions tab, and complete the following optional fields:
 - Depreciation Expense Business Unit
 - First Year Spread
 - Last Year Spread
 - Disposal Year
 - Secondary Acct/%
 - Life Year Reference
 - Allow Over Depreciation
 - Allow Negative Depreciation
7. Click OK.

8. To prevent changes to the rule, on the Method tab, click the following field:

- Edit Disable

You can use a processing option to disable this option for additional security.

Field Descriptions

Description	Glossary
In Service Month	This field refers to the month the asset is placed in service. You can specify rules by inclusive ranges. When you use the value of blank, the system continues to use the annual rule for the last specified placed in service month until it finds a higher placed in service month value. The system uses the values you enter in this field as follows: <ul style="list-style-type: none">o First, the system searches for an exact match. (For example, if an asset is placed in service in month 01, the system looks for a Placed In Service Month value of 01 for that year.)o If an exact match does not exist, the system searches for a value of blank.o If a value of blank does not exist, the system continues to use the annual rule for the last specified placed in service month for a range of months until it finds the next highest month you specify. For example, if you set up annual rules for the Placed In Service Months of 01, 03, 06, and 09, the system uses the rule you specify for 01 during the first and second months, the rule you specify for 03 during the third, fourth, and fifth months, the rule you specify for 06 during the sixth, seventh, and eighth months, and the rule you specify for 09 for the remaining months. Valid values are blank, 01, 02, 03, 04, 05, 06, 07, 08, 09, 10, 11, and 12.
Annual Multiplier	A percentage that you can use as an element within a formula, or by itself. The system applies this percentage to the basis of an asset to derive depreciation. If no basis is defined for the asset, then the system applies this percentage to the cost. Enter a value in this field as a decimal. For example, enter 10% as .10 and 150% as 1.5.
Spread Pattern	The code for a specific depreciation spread pattern. A pattern determines how the annual depreciation amount is apportioned to periods within a year. You can designate spread patterns for individual years or for a group of years.
Depreciation Formula	The depreciation formula defined for the multiplier.
Basis Formula	The depreciation formula defined for the basis.
Lower Limit Formula	The depreciation formula defined for the Lower Limit.
Upper Limit Formula	The depreciation formula defined for the Upper Limit.
Salvage Formula	The depreciation formula defined for Salvage Value.

Processing Options for Depreciation Rule Revisions (P12851)

Edits

1. Enter a '1' to protect the Edit Disable control.

Edit Disable Protection

2. Enter a '1' to copy or change existing JDEdwards Demo Depreciation Rules (00 - 99).

Edit Numeric Rules

Defaults

2. Enter the In Service Date to default into the Skip To In Service Date. The current date will default if left blank.

Skip To In Service Date

3. Enter the Effective Date to default into the Skip To Effective Date. The current date will default if left blank.

Skip To Effective Date

Working With Depreciation Formulas

You can define or revise depreciation formulas. You can then attach the formulas to the elements of the depreciation equation in a life year rule. Use the four basic mathematical functions (+ - * /) and parentheses for nesting amounts or quantities to construct depreciation formulas in algebraic format.

The Fixed Assets system includes codes that you can use to represent the elements that the system uses to retrieve the related amounts or quantities from the Asset Account Balance table, Asset Master table, Date Pattern table, and so on. For example, you can define a depreciation method that is based on a formula that you create to subtract salvage value from cost. See [Formula Elements](#) for definitions of Fixed Asset formula elements.

You can access the Depreciation Formula Revisions form directly from the menu, or you can access the form from the Depreciation Rule Revisions form. For example, if you are revising depreciation rules and you want to update a formula associated with the rule, you can access the Depreciation Formula Revisions form to review and revise formulas that you have previously defined without exiting the Depreciation Rule Revisions program.

Note

User defined depreciation formulas must have alpha identifiers to distinguish them from J.D. Edwards base depreciation formulas. You can modify only the alpha formulas, but you can use the numeric formulas as a starting point to create your own formulas with alpha identifiers.

Digit Precision

The Digit Precision option divides the current number by the scale range chosen. Scale ranges are determined by the ratio of the size of the number to digit precision. For example:

- <0 to 1
- >1 to 10
- >10 to 100
- >100 to 1000

To calculate digit precision, start at the left-most number and determine how precise you want the number to be. Typically, you will want to use 9-digit precision.

The following form shows the digit precision options:

The screenshot shows the PeopleSoft interface with the title 'Depreciation Formula Revisions'. At the top, there are tabs for 'Formula', 'Decimal Rounding' (which is selected), and 'Digit Precision'. Under 'Digit Precision', there are radio buttons for 'No Digit Precision' (selected) and various other precision levels (5, 9, 8, 7, 6, 4, 3, 2, 1). Below this is a grid titled 'Records 1 - 10' containing 10 rows of asset information. The columns are 'Element' and 'Element Description'. Row 1: Element 01, Asset Cost-Inception Through. Row 2: Element 02, Accumulated Depreciation-Prior. Row 3: Element 03, Asset Life in Periods. Row 4: Element 04, Asset Life Periods Elapsed at. Row 5: Element 05, Asset Life Period Remaining at. Row 6: Element 06, Asset Life Periods in Current. Row 7: Element 07, Salvage Value. Row 8: Element 08, Annual Depr Base Amount. Row 9: Element 09, Annual Depr Limit. Row 10: Element 10, Basis Amount.

The following chart demonstrates how digit precision is calculated:

Without 1-Digit Precision With 1-Digit Precision

100.50	100.00
858,585.8585	900,000.00
1.00	1.00

Decimal Rounding

You can adjust the formula results to the next decimal or whole number, depending on the size of the number. For example:

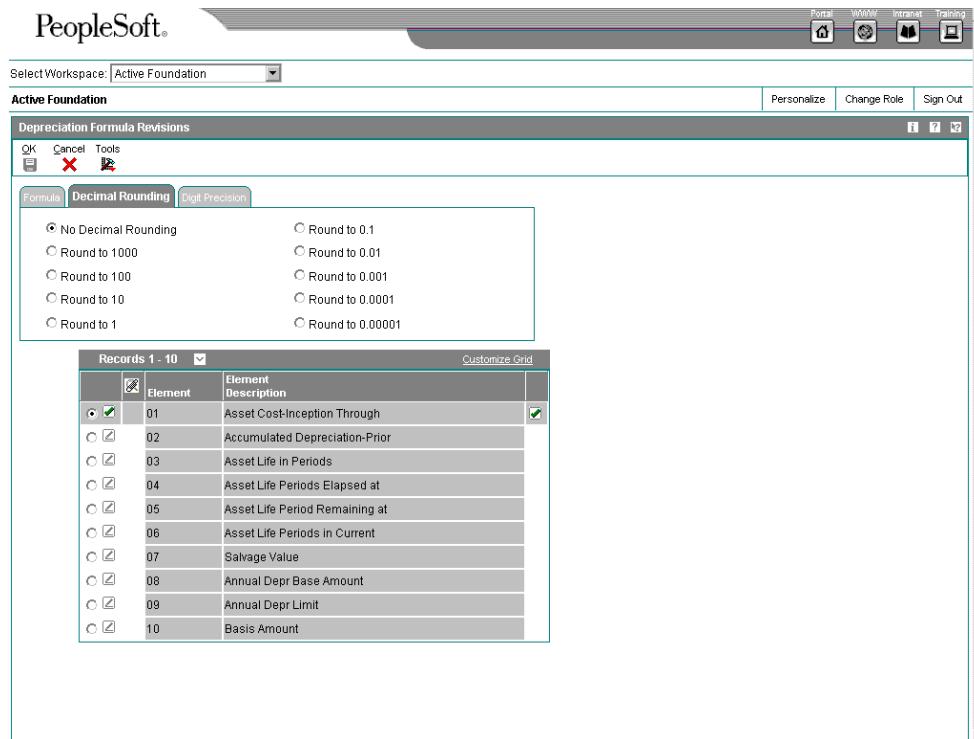
- A decimal value of 5 = 0.00001
- A decimal value of 4 = 0.0001
- A decimal value of 3 = 0.001
- A decimal value of 2 = 0.01
- A decimal value of 1 = 0.1
- A decimal value of 6 = 1

- A decimal value of 7 = 10
- A decimal value of 8 = 100
- A decimal value of 9 = 1000

► To set up depreciation formulas

From the Set Up User Defined Depreciation menu (G1232), choose Depreciation Formula Revisions.

1. On Work with Depreciation Formulas, click Add to set up a formula.
2. On Depreciation Formula Revisions, click the Formula tab and complete the following fields to revise or define the formula:
 - Formula ID
 - Formula Description
 - Formula
 - Multiplier / Constant



3. On the Decimal Rounding tab, choose a rounding option.
4. On the Digit Precision tab, choose a precision option.
5. To prevent changes to the formula, on the Formula tab, click the following field:
 - Edit Disable

You can use a processing option to disable this option for additional security.

6. Click OK.
7. To return to Work with Depreciation Formulas, click Cancel.

Field Descriptions

Description	Glossary
Formula ID	The 3 character user defined code for a User Defined Depreciation Formula.
Element Description	A user defined name or remark
Formula	<p>The system uses the formula that you enter in this field to calculate an amount for an associated formula ID. You can attach the formulas you define on Formula Revisions to the Depreciation Rule Revisions form. You can define the following depreciation formulas:</p> <ul style="list-style-type: none">o Multipliero Depreciable Basiso Upper Limito Lower Limito Salvage value <p>Formulas can include a combination of formula elements listed on the Depreciation Formula Revisions form, the four basic mathematical functions, and parentheses for nesting amounts or quantities. Use the following valid symbols for these basic mathematical functions:</p> <ul style="list-style-type: none">+ Addition- Subtraction* Multiplication/ Division() Left and right parentheses
Multiplier / Constant	A percentage or amount that can be incorporated into a formula as an element to derive depreciation.

Processing Options for Depreciation Formula Revisions (P12853)

Edits

1. Enter a '1' to protect the Edit Disable control.

Edit Disable Protection

2. Enter a '1' to add, copy or change existing JDEdwards Demo Depreciation Formulas (000 - 999).

Edit Numeric Formulas

Setting Up Depreciation Spread Patterns

When you run depreciation, the system calculates an annual depreciation amount. Then the system calculates depreciation for a particular period based on a percentage. You set up period pattern spread rules to specify how you want to recognize the annual depreciation amount within a year. If you do not set up a spread pattern for your depreciation rule, the system spreads the annual depreciation amount equally among the normal number of periods that you set up for your organization.

You can enter spread amounts for periods 01 through 14. The total of the spread percentages that you enter must sum to 100 before the system will allow the pattern to be added or an existing pattern changed. You can print the spread patterns. See [Printing Depreciation Spread Patterns](#).

The system stores depreciation spread patterns in the Depreciation Spread Pattern table (F12854).

► To set up depreciation spread patterns

From the Set Up User Defined Depreciation menu (G1232), choose Depreciation Spread Pattern.

1. On Work with Depreciation Spread Patterns, click Add.
2. On Depreciation Spread Pattern Revisions, complete the following fields:
 - Spread Pattern Code
 - Spread Pattern Description
 - Period 01
3. Complete periods 02-14 as necessary.
The total for periods 01-14 must equal 100.
4. To save your entries, click OK.
5. To return to Work With Depreciation Spread Patterns, click Cancel.

Field Descriptions

Description	Glossary
Spread Pattern Code	The code for a specific depreciation spread pattern. A pattern determines how the annual depreciation amount is apportioned to periods within a year. You can designate spread patterns for individual years or for a group of years.
Spread Pattern Description	A user defined name or remark
Period 01	Enter the percentage of depreciation you want to record for the asset in the first period. You can enter spread percentages as: <ul style="list-style-type: none">o Whole numbers (such as 20 for 20%)o Whole numbers with a decimal, where the decimal is a fraction of the percentage (such as 50.5 for 50 1/2%)o Zero or blank, for no percentage You can enter spread percentages for up to 14 periods. The total of the spread percentages must sum to 100. Note: You set up the default periods for the fiscal year on Date Pattern Revisions for company 00000.

Setting Up Date Pattern Override

The Fixed Assets system can track depreciation with a different date pattern or number of periods from what the company is set up with through the Ledger Type Master program. You

can use date pattern override if your company has a fiscal date pattern with an irregular number of periods, such as 13, and you need to report depreciation on a calendar date pattern for government requirements.

You cannot use date pattern override on ledger types AA, CA, and AZ.

Posting to the Ledger

The ledger that you specify in data pattern overrides can derive cost from the AA ledger so the system posts cost in the same manner as other ledger types.

You can also post cost from the ledger type specified in date pattern override. You can post the journal entry directly to the Fixed Assets system. To post the journal entry, use the Post G/L Entries to Fixed Asset program (R12800), and use version ZJDE0004. The G/L Post code does not need to be P (Posted) to post the amount to the Fixed Assets balances.

Depreciation

User defined depreciation calculates and posts depreciation to the date pattern specified in the Ledger Type Master. The following programs and features work with date pattern override:

- Beginning Balances
- Asset Split
- Asset Transfer
- Asset Disposal
- Balance inquiries (including reports)

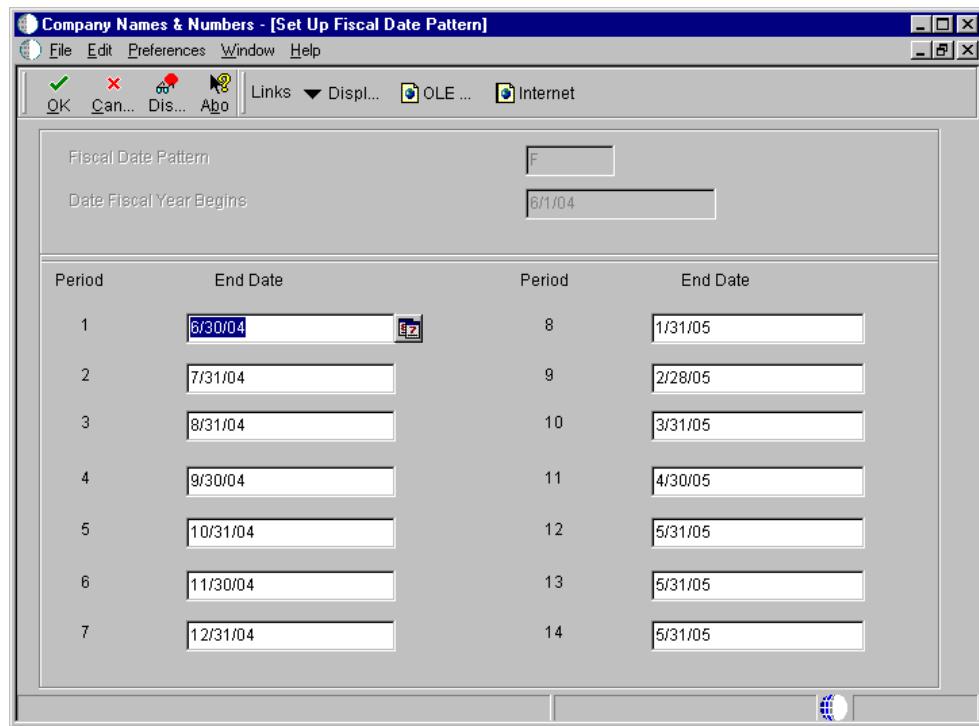
Before You Begin

- Make sure you use a valid ledger type set up in UDC 09/LT.

► To set up date pattern override

From the Fixed Assets Setup menu (G1241), choose Ledger Type Master Setup.

1. On Work With Ledger Types, choose a ledger type, and then choose Fixed Asset Rules from the Row menu.
2. Enter 2 in the following field:
 - Transaction Creation



3. Perform one of the following actions, and click OK:

To override the current date pattern, complete the following field:

- Override Date Pattern

To override the current number of periods, complete the following field:

- Override Number of Periods

Field Descriptions

Description	Glossary
Transaction Creation	Balances in the Item Balance records for the same ledger or for the AA ledger will always be supported by General Ledger Transactions (F0911s). This code allows user discretion for all other ledger types as follows: Blank G/L Transactions will not be created by the Fixed Asset system. 1 This ledger is not parallel to any other ledger. All balances will be supported by G/L Transactions. 2 This ledger is independent of the General Ledger. It is not necessary that transactions to this ledger be posted to General Ledger prior to posting them to this ledger. 3 This ledger is fully parallel to the General Ledger. All balances will be supported by transactions. Cost transactions will be created to this ledger to duplicate those arising from the post from ledger. 9 This is not a Fixed Asset Ledger. Bypass all transactions to this ledger.
Override Date Pattern	This value overrides the Company Date Pattern. If left blank, no override will be performed. This value is used by the Fixed Assets system in calculating depreciation. No override is allowed for the AA, CA, and AZ ledgers.
Override Number of Periods	This field overrides the normal number of periods. If left blank, no override is performed. This value is used by the Fixed Assets system in calculating depreciation.

Setting Up Short Years in Fixed Assets

When changing the fiscal year or setting up a new company within the fiscal year, you will need to address setup issues for the short year minus the normal number of operating periods. For example, you must change the fiscal date pattern to reflect the short year and the new fiscal year format for subsequent years. Changing the date pattern might be a result of:

- A change in the company's policy to end the fiscal year at a different time
- A company merger or acquisition

You can also set up a short year for an existing company.

Date patterns are associated with a date pattern code that you set up on the Company Names and Numbers form or the Set Up Acquisition Years form.

You can set up fiscal date patterns for the current fiscal year, the preceding fiscal year, and the next fiscal year.

Depreciation Issues

Short-year issues create a short-tax-year issue that involves depreciation beginning in the first year under the new date pattern. Based on guidelines established by the tax code, you must change the assets with a remaining net book value (NBV), or the assets that exist in a short or prior year to a method of computation R. This change begins in the first year of the

new date pattern following the short year and subsequent years. In addition, you will not be able to use depreciation methods based on the tax tables (for example, ACRS or MACRS depreciation methods 12 and 13) because the date pattern change prevents the system from tracking by using the tax tables. The system cannot align columns and rows for tax table values. Method of computation R cannot be used with all tax table methods. Therefore, you must change to methods 03, 04, or 05 for personal property as appropriate, or 01 for real property.

To change the method of computation, you can change Item Setup Default Coding and then run the Update Depreciation Values program, which uses the defaults for the first full fiscal year under the new date pattern. After updating the necessary assets, change the default coding back to the desired value for new assets being added to the system in the first year of the new date patterns and into future years.

Repost Option

If you choose to repost the General Ledger because of the change in fiscal years, you should run the repost in the Fixed Assets system to update the Asset Account Balances table (F1202). A short year will not actually exist because you are updating the system's records to appear as though the system has always been on the new date pattern.

However, the Repost option will not work if depreciation entries have been summarized because the Account Ledger table (F0911) detail does not exist. To post back to Fixed Assets, the detail in the Account Ledger must exist.

If you cannot use the Repost option because of summarized depreciation, you can set up a parallel environment to run the Fixed Assets system. This enables you to copy the fixed asset records from the production environment as though you are doing a Fixed Asset conversion. You can also use this method if you have a new date pattern that is in the same fiscal year as the old date pattern. If this scenario exists, you might want a J.D. Edwards consultant to help you with the process.

If you can repost, some depreciation consequences might occur. You might need to adjust your depreciation methods for assets using mid-year, mid-quarter, or mid-month conventions because assets can be misstated as a result of the repost change. In addition, you will have to manipulate the depreciation setup to correctly reflect the depreciation balances and to change to a method of computation R.

Caution

After this adjustment has been completed, depreciation should be run in preliminary mode and the values should be checked for the first period of the new year. J.D. Edwards does not provide tax-consulting advice. A tax advisor should confirm all depreciation setup issues.

The short-year process described in this section is merely a guideline to help you achieve the desired results and is not meant to represent U.S. Tax Code Regulations.

See Also

- Setting Up Fiscal Date Patterns* in the *General Accounting Guide* for more information

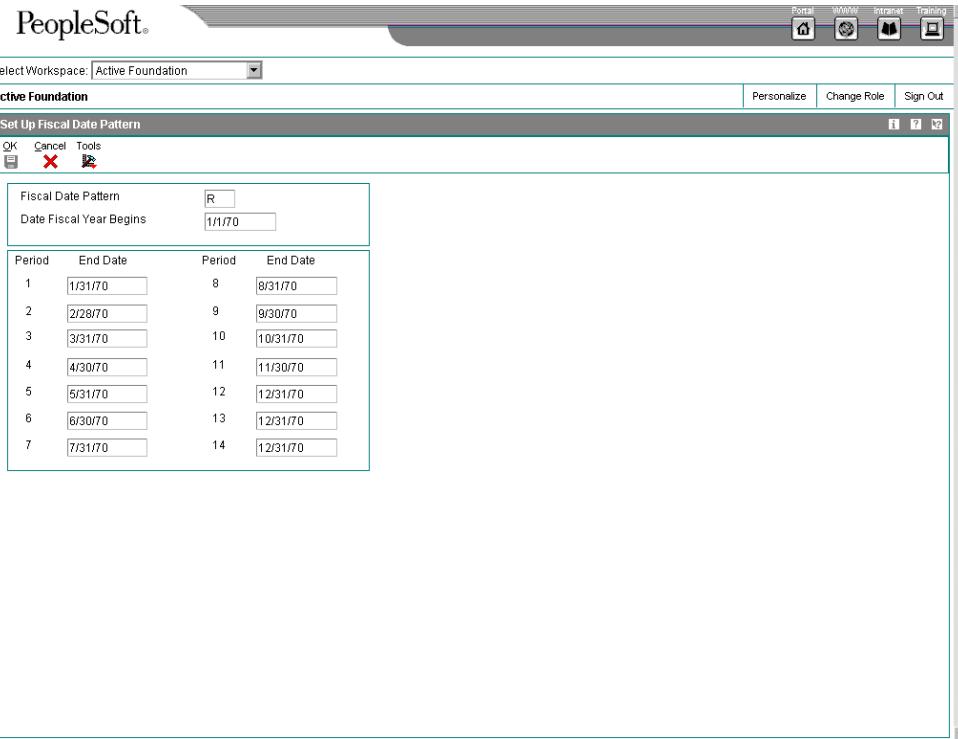
Technical Considerations for New Date Patterns

4/4/5 Accounting	Set up the correct number of periods, usually 13, on the Company Names and Numbers/Asset Acquisition Years form. You must also set up one year into the future.
Reconciliation periods	Set up the reconciliation period as a separate period when in the fiscal date patterns. The 13th or 14th period is usually the reconciliation period, depending on whether you have regular periods or 4/4/5, respectively. The reconciliation period is not used for computing depreciation on an asset because it is usually a 1-day or 2-day period used for reconciliation adjustments only. When using a 4/4/5 date pattern, the system computes 13 periods of depreciation. The life months on the asset must be changed. For example, a 5-year (60-month) asset is now a 5-year (65-life-month) asset. To globally change your assets and their life months, change the item default coding, and then run Update Depreciation Values.
Annual Close program (R098201)	After the date pattern is set up, make sure all postings have been completed for year end. Then change the date pattern code to the new date pattern code and run the Annual Close for the short year. This process moves balances forward. After you change to a new date pattern code, run the Annual Close, which populates the Balance Forward field in the new F1202 with balances. The Annual Close program will recognize that period 1 of the new year is now associated with the new date pattern and not with the old pattern. Therefore, by performing this process, you ensure that the system uses the new and correct period.

► To set up a short year in Fixed Assets

From the Organization and Account Setup menu (G09411), choose Company Names and Numbers.

1. On Work With Companies, choose the company for which you want to set up a short year, and then choose Date Pattern from the Form menu.
2. On Work With Fiscal Date Patterns, click Add.
3. On Set Up Fiscal Date Pattern, complete the following fields:
 - Fiscal Date Pattern
 - Date Fiscal Year Begins
4. Complete the End Date field for each period in the pattern.

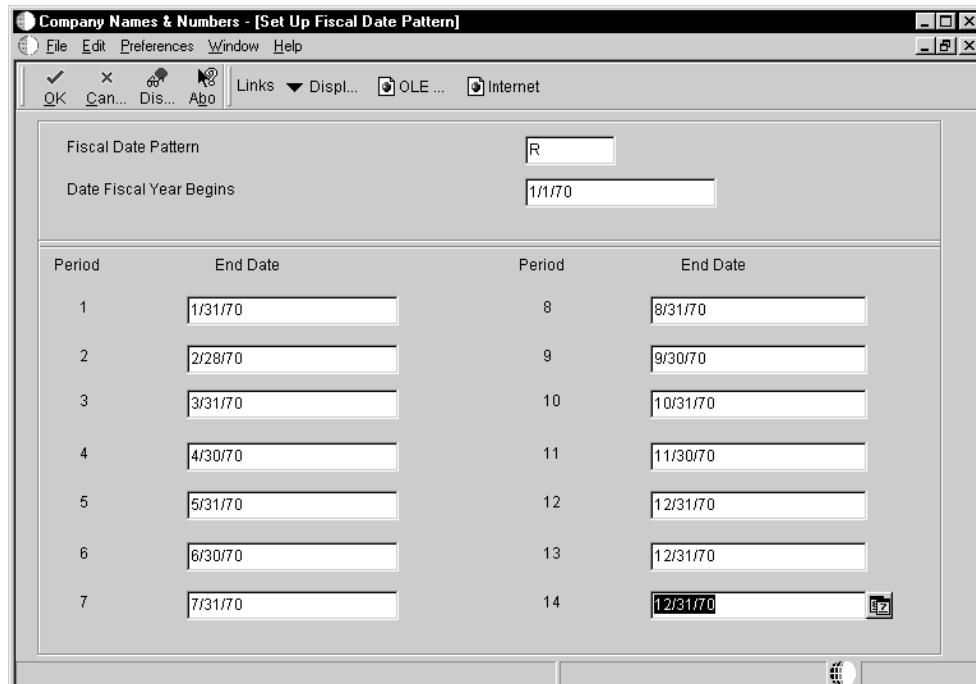


5. Set up the short year for the current date pattern, and click OK.

For example, if the short year has only 9 periods, the last period of the short year will repeat itself through period 14. The change is to move from a fiscal-year date pattern to a calendar-year date pattern.

6. Set up a new date pattern. This pattern must be set up from the year of the oldest asset in the system. It will parallel the fiscal year coverage of the old date pattern. Therefore, if an asset dates back to 1970, you will need to set up the new date pattern as of 1970.

In the following example, a new fiscal year is created on a calendar year. Therefore, a full date pattern for the calendar year is being set up as of 1970.



7. Set up the new date pattern through the current year.
8. Click OK.

Setting Up Automatic Accounting Instructions

Many J.D. Edwards programs need information about your account structure and specific account values in order to process business transactions properly. You define your account structure and specific account values using automatic accounting instructions (AAIs). The system stores the AAI values that you define for your company in the Automatic Accounting Instructions table (F0012). Whenever a program performs an accounting function, it accesses this table.

Some of the fixed assets AAIs can be set up as company specific, based on ranges of account numbers. The system includes predefined ranges. You must specify the business unit, object, and subsidiary accounts for the ranges as necessary.

The system uses single AAI values to find individual accounts and AAI ranges to find account ranges. When you set up AAI ranges, you must note the following:

- You can set up a maximum of 49 account ranges for a single company.
- The maximum number of account ranges that you can set up for all your companies combined is 200.
- Do not skip AAI ranges. For example, do not set up FX range 01-02 and FX05-06, leaving FX03-04 blank for later use. If the system searches the AAIs for an account and finds a gap in a range, it stops the search.
- You must set up your AAI ranges consecutively, but you are not required to set up your object accounts in numerical order.

You must set up the following AAI ranges for the Fixed Assets system:

FX	Identifies accounts that post to fixed assets and equipment.
FA	Identifies accounts for which the system can automatically create any necessary asset master records when you run a post to fixed assets.
FC	Identifies asset cost accounts.
FD	Identifies accumulated depreciation accounts.
AT	Identifies accounts and descriptive text that define totals for summary reporting.
SDA	Identifies the secondary accumulated depreciation account.
SDE1	Identifies the secondary depreciation expense account.
SDE2	Identifies the tertiary depreciation expense account.
DS1 - DS4	Identifies depreciation statistics accounts.
DSA	Identifies the asset balance for the specified ledger type.
FR1 - FR3	Identifies revaluation offset accounts.

Caution

Many programs in the Fixed Assets system use specific AAIs and AAI ranges. You should be thoroughly familiar with the use of an AAI or AAI range before you make any changes to the AAI values.

FX Range

The system uses the FX range of accounts to determine which journal entries in the general ledger can be posted to fixed assets. You must specify all fixed asset accounts within the FX range of accounts. For example:

FX01 - FX02 Beginning and ending range for asset cost accounts.

FX03 - FX04 Beginning and ending range for accumulated depreciation accounts.

FX05 - FX06 Beginning and ending range for depreciation expense accounts.

When you set up the FX range of AAIs, you must use the following guidelines:

- Define up to 49 FX ranges per company, starting with FX01-FX02 and ending with FX97-FX98 for each company.
- Use even numbers for ending ranges, such as FX02 and FX98.
- Set up company-specific FX ranges, or use the default company 00000 to set up the FX range for all your companies at one time. If you set up a company-specific FX

range for one company, you must set up the FX ranges (starting with FX01-FX02) for all companies.

- Specify an object account for each FX range.
- Include subsidiary accounts as needed. Subsidiary accounts are optional. If you want to include all subsidiaries in the FX range, include .99999999 in the ending range. For example, if you use subsidiary accounts, you might have a range of accounts that includes accounts 3000-4000.99999999. Then, if you add other subsidiaries to your chart of accounts at a later time, you do not have to change your AAIs.

FA Range

The system uses the FA range to identify which asset cost accounts allow the system to create necessary asset master records when you run a post to fixed assets. If you post a transaction with a cost account in the FA range for an asset, and you do not identify an asset with the transaction, the fixed asset post program automatically creates a master record for the unidentified asset.

The system creates master records using the default information specified for accounts and depreciation. The description of the asset is derived from the following sources:

- Line 1 - Explanation 1 from the Account Ledger table (F0911)
- Line 2 - Explanation 2 from the Account Ledger table (F0911)
- Line 3 - Account Description from the Account Master table (F0901)

Caution

If you set up the FA range and you enter a general ledger transaction without a value in the Asset Number field, the system automatically creates a new master record. If you have two transactions that are related to the same asset, the system creates two new assets.

When you set up the FA range of AAIs, you must use the following guidelines:

- Define up to 49 FA ranges, starting with FA01-FA02 and ending with FA97-FA98 for each company.
- Define only asset cost accounts for this AAI range.
- Set up Depreciation Rules for the asset cost account. The system uses the default values on the Depreciation Account Rules and Ledger Depreciations Rules forms to create asset master records.
- Set up company-specific FA ranges, or use the default company 00000 to set up the FA range for all your companies at one time. If you set up a company-specific FA range for one company, you must set up the FA ranges (starting with FA01-FA02) for all companies.

Caution

J.D. Edwards recommends that you do not set up the FA ranges until you have finished converting to the Fixed Assets system.

FC Range

The system uses the FC range in the AAIs to determine which account ranges are reserved for asset cost accounts.

When you set up the FC range of AAIs, you must use the following guidelines:

- Define up to 49 FC ranges.
- Define account ranges for all asset cost accounts.
- Set up FC account ranges for company 00000 only. The FC range is not company specific.

FD Range

The system uses the FD range in the AAIs to determine which account ranges are reserved for accumulated depreciation accounts.

When you set up the FD range of AAIs, you must apply the following rules:

- Define up to 49 FD ranges.
- Define account ranges for all accumulated depreciation accounts.
- Set up FD account ranges for company 00000 only. The FD range is not company specific.

AT AAIs

The system uses the AT AAIs to determine which general ledger accounts are included in the summary lines on the Cost Summary form. Use AT01-AT99 to specify these interim total accounts and wording that the system displays for each total on the Cost Summary form.

For example, you might specify that your balance sheet accounts are in account range 1000-3999 and your income and expense accounts are in the 4000-8999 range. You could set up your AT AAIs as follows:

AT01 Object account 4000. This interim total sums all object accounts below 4000, or accounts 0-3999. The system does not include object account 4000.

AT02 Object account 9000. This interim total sums all object accounts between 4000-8999. The system does not include object account 9000.

The system automatically creates a grand total on the Cost Summary form. You do not need to specify an interim total for the Cost Summary grand total.

Using the AT AAIs is optional. If you set up the AT AAIs, you must apply the following rules:

- Define interim totals between AT01-AT99.
- Use AT00 to define the account number that stores statistical information, such as hours or miles.

AAIs for User Defined Depreciation

If you set up user defined depreciation for your assets, you must set up the following AAIs:

SDA AAI

The system uses the SDA AAI to determine which account to use as the secondary accumulated depreciation account.

SDE AAIs

The system uses the SDE AAIs to determine which accounts to use as the secondary and tertiary depreciation expense accounts. J.D. Edwards recommends that you set up the SDE AAIs as follows:

SDE1 Use for the secondary depreciation expense account.

SDE2 Use for the tertiary depreciation expense account.

DSxxx AAIs

The system uses the DSxxx AAIs (where xxx is the depreciation category code that you specify on Fixed Asset Constants) to determine which accounts to use for depreciation statistical amounts. You must specify accounts for the following DSxxx AAIs:

DS1xxx Use for year-to-date depreciation statistic.

DS2xxx Use for original-value depreciation statistic.

DS3xxx Use for base-value depreciation statistic.

DS4xxx Use for general-ledger depreciation statistic.

See Formula Elements 25-32 in [*Formula Elements*](#) for more information.

DSA AAIs

The system uses the DSA AAIs to distinguish the Inception to Date asset balance for the ledger type specified in the AAI from either the Asset Account Balances (F1202) table or the Account Balances (F0902) table.

DSA1 Use for Formula Element 57 for the AA ledger from the F1202.

DSA2 Use for Formula Element 58 for the current ledger from the F1202.

DSA3 Use for Formula Element 59 for the ledger specified in Description Line 4 from the F1202.

DSA4 Use for Formula Element 60 for the AA ledger from the F0902.

DSA5 Use for Formula Element 61 for the current ledger from the F0902.

DSA6 Use for Formula Element 62 for the ledger specified in Description Line 4 from the F0902.

See Formula Elements 57-62 in [Formula Elements](#) for more information.

AAIs for Revaluation

If you compute revaluation for your assets, you must set up the FRxxx AAIs.

FRxxx AAIs

The system uses the FRxxx AAIs (where xxx is the revaluation code that you specify on Revaluation Index) to determine which accounts to use for revaluation offset amounts. You must specify accounts for the following FRxxx AAIs:

FR1xxx Use for the cost revaluation offset account. This AAI is mandatory if you compute revaluation.

FR2xxx Use for the offset account for the current year portion of accumulated depreciation revaluation. This AAI is mandatory if you compute revaluation.

FR3xxx Use for the offset account of the prior year portion of accumulated depreciation revaluation. This AAI is optional if you compute revaluation.

The revaluation program calculates revaluation amount and adjustment on an account-by-account basis based on the nature of the account. The revaluation program calculates the adjustment for all of the cost accounts, accounts that have a balance character code of 1, and adds the adjustment amount for the cost accounts. Create the entry to adjust the cost account with the offsetting entry to go to the account specified in the AAI for item FR1xxx. Accumulated depreciation accounts, accounts that have a balance character code of 2 and 3, are handled in a similar manner, with the current year adjustment calculated separately from the beginning balance adjustment. Accumulated depreciation accounts are offset to two separate accounts as specified by the AAIs for FR2xxx, the current year portion, and for FR3xxx, the prior year portion.

If you direct the revaluation program to use the inception-to-date method, the adjustment for each AAI is calculated by year. Within each year, the adjustment is calculated for the year-to-date activity for the following three account types:

- Cost
- Accumulated depreciation
- Secondary accumulated depreciation

Amounts for prior year accumulated depreciation are added together to update AAI FR3xxx, prior year account. The current year portion updates AAI FR2xxx, the current year offset account.

The secondary accumulated depreciation account uses the same business unit and object accounts as AAIs FR2xxx and FR3xxx along with the SDA AAI subsidiary value.

AAIs FR1xxx and FR2xxx are required. If FR3xxx is not set up, the system will use FR2xxx. The xxx corresponds to the Revaluation Code user defined code (12/RI) values. A different set of offset accounts can be defined for each index. You can set up FR1, FR2, and FR3 as

defaults. For AAIs FR1, FR2, and FR3, the Object field is a required field. If the Business Unit field is empty, the offset uses the Responsible Business Unit from the Asset Master table (F1201). The offset accounts are updated with Balance Character Codes of A, B, and C.

See Also

- Understading AAIs in the General Accounting Guide* for more information automatic accounting instructions
- Working with AAIs in the General Accounting Guide* for information about specific AAI tasks

Setting Up Next Numbers for Fixed Assets

The Next Number program controls the automatic numbering in many J.D. Edwards systems. The Fixed Assets system automatically assigns numbers to the following items:

Asset number	Use to identify the assets in your system by a number.
Fixed asset documents	Use to identify documents that the system creates when you run various Fixed Assets programs, including: <ul style="list-style-type: none">• Compute Depreciation• Single/Mass Asset Transfer• Single/Mass Asset Disposal• Enter Beginning Balances• Asset Splits
Location information and associated text	Use to identify individual lines of location information and the associated text. The system assigns a text number to every location tracking record, whether you enter text for the record or not. Various programs in the system use the text key number internally.
Location tracking information	Use to group location tracking records. The transfer number can include multiple location information lines for multiple pieces of equipment. For example, when you enter location tracking information for several pieces of equipment on one form, the system generates a transfer number to group each line of information together as one transfer order.

Caution

You must specify the first next number for the Asset ID Number. The number must be a value of 1 or greater.

If you convert to the Fixed Assets system, you must specify an Asset ID Number that is greater than your highest asset identification number. Other next number specifications are optional.

J.D. Edwards makes several important recommendations that will assist your efforts to set up next numbers. J.D. Edwards recommends that you:

- Do not change a next number. If you must change a next number, change it to a greater value only.
- Do not delete next number values. If you delete a next number value, you might get unexpected results.

- Do not change the sequence of the next numbers in the table. Each next number must remain on its current line because programs reference a specific line in the table. For example, in the General Accounting system, the next number for journal entries must be on the second line.
- Assign next numbers for the Fixed Assets system by company or by company and fiscal year for selected original documents.

See Also

- Setting Up Next Numbers* in the *General Accounting Guide* for more information and specific tasks for Next Numbers

Setting Up Asset Acquisition Years

The system uses date patterns and asset acquisition years to compute depreciation. Date patterns define the beginning date and all period-ending dates for a designated fiscal year. When you run the depreciation program, the system generates depreciation journal entries only for assets that have a date pattern set up for their year of acquisition and every year thereafter.

You must define asset acquisition years for every company. You must also define the date patterns for every asset acquisition year and each year thereafter for any asset that you are still depreciating. For example, if you have assets in the system that you acquired in 1945, you must set up 01/01/45 as an asset acquisition year and the date patterns for all the years from 1945 throughout the current fiscal year defined in the system.

If you use 4-4-5 or daily accounting to compute depreciation, you must define date patterns at least one year into the future for the expected life of your longest-lived asset.

See Also

- Setting Up Fiscal Date Patterns* in the *General Accounting Guide* for more information about date patterns

► To set up asset acquisition years

From the Fixed Assets System Setup menu (G1241), choose Asset Acquisition Years.

1. On Work With Companies, choose Date Pattern from the Form menu.
2. On Work With Fiscal Date Patterns, click Add to access Set Up Fiscal Date Pattern.
3. On Set Up Fiscal Date pattern, complete the following fields:
 - Fiscal Date Pattern
 - Date Fiscal Year Begins
4. Complete the End Date field for each period in the pattern, and click OK.

Field Descriptions

Description	Glossary
Fiscal Date Pattern	A code that identifies date patterns. You can use one of 15 codes. You must set up special codes (letters A through N) for 4-4-5, 13-period accounting, or any other date pattern unique to your environment. An R, the default, identifies a regular calendar pattern.
Date Fiscal Year Begins	The first day of the fiscal year.
1	The month end date in 12-period (monthly) accounting. The period end date in 13-period, or 4-4-5 period, or 52-period accounting.
	--- FORM SPECIFIC --- You can use period 13 for audit adjustments in 12-period accounting by setting up period 12 to end on December 30 and period 13 to end on December 31. You can set up period 14 in the same way for 13-period or 4-4-5 accounting. The system validates the dates you enter.

Setting Up Depreciation Default Values

You can control the accounts and depreciation values that the system inserts into asset master and balance records when you add a new asset to the system. You simplify the entry process of new asset master records when you set up the following default values:

- Accounting class
- Equipment class
- Depreciation accounts
- Revenue accounts
- Depreciation information

Caution

You must set up depreciation default values for every asset cost account in every company. Be sure that you set up depreciation default values for any new cost accounts or companies that you add to your system at a later time. If you make any changes to depreciation default values, you should verify that the defaults are correct before you enter new asset master records.

Any modifications that you make to the depreciation default values for an asset cost account or company affect only the new assets that you add to the system after making the changes. The modifications do not affect existing assets.

The company number that you associate with the asset cost and accumulated depreciation accounts must be the same as the company number that you assign to the asset.

► To set up depreciation default values

From the Fixed Asset System Setup menu (G1241), choose Depreciation Default Coding.

Alternatively, you can choose Depreciation Defaults Report from the Cost Information Reports menu (G1213).

1. On Work with Depreciation Defaults, click Add.
2. On Depreciation Default Coding, complete the following fields:

- Company Number
- Asset Cost Obj/Subsidiary
- Accumulated Depreciation
- Depreciation Expense
- LT
- Depr Meth
- Life Mos
- Depr Info
- Meth Comp

The screenshot shows the PeopleSoft Depreciation Default Coding window. At the top, there are input fields for Company Number (00001) and Asset Cost Obj/Subsidiary (2060). Below these are sections for 'Defaults To' and a grid of depreciation methods.

Defaults To:

Major Accounting Class	60	Furniture & Office Equipment
Major Equipment Class		
Accumulated Depreciation	1.2160	Accum Depr-Furn. & Equip.
Depreciation Expense	9.8320	Dept-Office FurnEquipment
Revenue Credit		

Depreciation Method Grid:

LT	Ledger Type Description	Depr Meth	Depreciation Method Description	Life Mos	Depr Info	Meth Comp	Meth %	Meth Sch No
<input checked="" type="checkbox"/>	AA	General Ledger	01	Straight Line Depreciation	84	I		
<input type="checkbox"/>	D2	State - 150% Decline Bal	04	150% Declining Bal w/Cross Ovr	84	I		
<input type="checkbox"/>	D3	Earn. & Profit-MACRS	12	MACRS Standard Depreciation	120 Y	C		
<input type="checkbox"/>	D4	Alter. Minimum-200%	05	200% Declining Bal w/Cross Ovr	120 Y	I		
<input type="checkbox"/>	D5	MACRS Alternative	13	MACRS Alternative Depreciation	120 Y	R		

You must set up the AA ledger type as a minimum for all your assets. Use depreciation method 00 with the AA ledger for nondepreciating equipment. If you use depreciation method 00, you are not required to define a depreciation default value for the accumulated depreciation and depreciation expense accounts.

3. Complete the following optional fields:

- Major Accounting Class
- Major Equipment Class
- Revenue Credit

J.D. Edwards recommends that you establish a one-to-one relationship between the asset cost account and the Major Accounting Code (C1).

4. For fixed % depreciation methods, complete the following field:

- Meth %

5. Complete the following field only if the depreciation method is Units of Production (method 09):

- Meth 9 Sch No

6. To create a report that shows the default values, choose Default List from the Report menu on Work with Depreciation Defaults.

Copying Depreciation Default Values

You can copy a set of depreciation default values from one existing company and asset cost account to another. This can save substantial time by preventing the data entry of multiple companies and asset cost accounts that have similar depreciation default values.

When you copy depreciation default values, all of the information in the Default Depreciation Constants table (F12003) of the original company will be copied into the new company.

► To copy depreciation default values

From the Fixed Asset System Setup menu (G1241), choose Depreciation Default Coding.

1. On Work with Depreciation Defaults, choose the record of the company and cost account that you wish to copy, and click Copy.
2. On Depreciation Default Coding, complete the following fields:

- Company Number
- Asset Cost Obj/Subsidiary
- Accumulated Depreciation
- Depreciation Expense
- Revenue Credit

3. Modify the following fields, if necessary, and click OK:

- LT
- Depr Meth
- Life Mos
- Depr Info
- Meth Comp
- Major Accounting Class
- Major Equipment Class
- Meth %
- Meth 9 Sch No

See Also

- *Setting up Depreciation Default Values* for more information on how default values should be set up

Field Descriptions

Description	Glossary
Company Number	A code that identifies the company that owns or is assigned to an asset or group of assets. You set up companies in the system to represent a reporting level that has a complete balance sheet and any intercompany transactions with other companies. You can define a specific organization, entity, partnership, and so on, as a company. You use company numbers and names to define the companies in your system. NOTE: Use Company 00000 only for default values, such as dates and automatic accounting instructions (AAIs). You cannot use Company 00000 when entering transactions.
Asset Cost Obj/Subsidiary	The general ledger account (object number) used to record a fixed asset's acquisition cost. Within each company, you define default coding instructions for asset cost accounts. Then, based on these default codes, when you set up a new asset, the system automatically assigns: <ul style="list-style-type: none"> ○ Major and subclass codes ○ G/L accounts for depreciation and revenue ○ Depreciation books

Accumulated Depreciation A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:

- o Standard account number (business unit.object.subsidiary or a flexible format)
- o Third G/L number (maximum of 25 digits)
- o 8-digit short account ID number
- o Speed code

The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program (P0000).

Depreciation Expense A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:

- o Standard account number (business unit.object.subsidiary or a flexible format)
- o Third G/L number (maximum of 25 digits)
- o 8-digit short account ID number
- o Speed code

The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program (P0000).

LT The user defined ledger type code (09/LT) that identifies the account ledger or book for the asset. You can maintain as many sets of depreciation books (ledger types) for an asset as you need so you can depreciate an asset in different ways for different purposes. For example, an asset might have a three-year life for tax purposes, but a five-year life for financial statement purposes. Each set of books can have different depreciation methods and depreciation values.

--- FORM SPECIFIC ---

For Equipment/Plant Management users:

As a minimum setup requirement, you must set up a ledger type of AA (actual amounts).

Depr Meth	<p>The user defined code (12/DM) that indicates the method of depreciation for the specified book. In addition to any user defined depreciation methods that you set up for your company, the following standard depreciation methods are available in the Fixed Assets system:</p> <ul style="list-style-type: none">00 No depreciation method used01 Straight Line Depreciation02 Sum of the Year's Digits03 125% Declining Balance to Cross-Over04 150% Declining Balance to Cross-Over05 Double Declining Balance to Cross-Over06 Fixed % on Declining Balance07 ACRS Standard Depreciation08 ACRS Optional Depreciation09 Units of Production Depreciation10 MACRS Luxury Cars - Domestic11 Fixed % Luxury Cars - Foreign12 MACRS Standard Depreciation13 ACRS Alternative Depreciation14 ACRS Alternate Real Property15 Fixed % of Cost16 Fixed % on Declining Balance to Cross-Over17 AMT Luxury Auto18 ACE Luxury Auto <p>Note: Any additional depreciation methods that you create for your organization must have an alpha code.</p>
Life Mos	<p>The life of an asset in months or periods. The system uses months or periods only to express the life of an asset. For example, if your company uses a 12-month calendar, then a five-year ACRS asset has a 60-month life. If your company uses a 13-month calendar, then a five-year ACRS asset has a 65-month life, and so on. You must specify a life month value for all user defined depreciation methods, and for all standard depreciation methods, except the standard methods 00, 06, 09, 11, and 15.</p> <hr/>

Depr Info	<p>A code for additional depreciation information. This code is used for investment tax credit (ITC) and averaging conventions. The system validates the code you enter in this field against user defined code table (12/AC).</p> <p>Valid codes are:</p> <ul style="list-style-type: none"> 0 No ITC Taken 1 Three Year Method (3 1/3%) 2 Five Year Method (6 2/3%) 3 Seven Year Method (10%) 4 ACRS Method with Basis Reduction (10% ITC) 5 ACRS Method without Basis Reduction (2% ITC or No ITC) A Actual Date of Depreciation Start Period H Half-Year M Mid-Month Convention Q Mid-Quarter Convention Y Mid-Year Convention P Middle of Period F First-half/Second-half W Whole Year N First Day of Next Period R First Day of Next Year S Actual Start Date for Primary Rule/First Day of Period for Secondary Rule <p>Note: Numeric codes apply to standard depreciation methods only. To determine the date for F (First-half/Second-half), use the following guidelines:</p> <ul style="list-style-type: none"> o If the asset was placed in service in the first half of the year, then the adjusted depreciation start date is the first day of the year. o If the asset was placed in service in the second half of the year, then the adjusted depreciation start date is the first day of the succeeding year. o The first half of the year expires at the close of the last day of the calendar month that is closest to the middle of the tax year. o The second half of the year begins the day after the expiration of the first half of the tax year.
Meth Comp	<p>A code that indicates the method of computation that the system uses to calculate depreciation based on the depreciation method you specify.</p> <p>Valid codes are:</p> <ul style="list-style-type: none"> C Current year to date. Calculates only the current year's depreciation. I Inception to date. Recalculates the entire depreciation amount from the start date through the current year. Prior-year depreciation is then subtracted to determine current year depreciation. This method results in a one-time current period correction for any errors in prior period depreciation. F Inception to date. Calculates inception to date for the first rule (if there are two rules) and uses a C for the second rule. P Current period. Calculates depreciation for the current period and then extrapolates the annual amount based on the cumulative percent from the period pattern and year-to-date posting. Any depreciation calculated for the current period is subtracted. R Remaining months. Depreciates the net book value as of the beginning of the current tax year over the remaining life of the asset. This results in the amortization of prior period calculation errors over the remaining life of the asset.

Major Accounting Class	A user defined code (12/C1) that determines the accounting class category code. You use this accounting category code to classify assets into groups or families, for example, 100 for land, 200 for vehicles, and 300 for general office equipment. J.D. Edwards recommends that you set up major class codes that correspond to the major general ledger object accounts in order to facilitate the reconciliation to the general ledger.
	Note: If you do not want to use the major accounting class code, you must set up a value for blank in the user defined code table.
Major Equipment Class	A user defined code (12/C2) that is used to classify assets into groups or families. You use the equipment category code as a subclass to further define the accounting class, for example, 310 for copy equipment, 320 for projectors, and 330 for typewriters within the accounting class for general office equipment. Note: If you do not want to use the major equipment class, you must set up a value for blank in the user defined code table.
Revenue Credit	A field that identifies an account in the general ledger. You can use one of the following formats for account numbers: <ul style="list-style-type: none"> o Standard account number (business unit.object.subsidiary or a flexible format) o Third G/L number (maximum of 25 digits) o 8-digit short account ID number o Speed code The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program (P0000).
Meth %	Enter the percentage you want the system to use when calculating depreciation. Use whole numbers. For example, enter 10 for 10%. The system uses a percentage when computing the following methods of depreciation: <ul style="list-style-type: none"> 06 Fixed % on Declining Balance. (This method of depreciation is commonly used by Canadian and utility companies.) 11 Fixed % Luxury Car - Foreign. 15 Fixed % of Cost. 16 Fixed % on Declining Balance to Cross-Over. The system also uses this field to compute any user defined depreciation method in which you specify a percentage.
Meth 9 Sch No	The alphanumeric code you assign to a units of production schedule. You must set up the schedules you want to use for method 09 (Units of Production Depreciation) in advance on the Units of Production Schedule form.

Mapping Category Codes

When you set up the responsible business units that you want to use throughout your system, you assign category codes to each unit. You can set up category codes for your business units that would also be helpful for tracking and reporting on assets.

To use business unit category codes for tracking and reporting on assets, you can assign category code default values. You assign category code default values by associating with, or mapping, the category codes that you set up for individual business units to the category codes that you use for fixed assets. The system uses the default category code values when you create master records for new assets.

The default values that you set up on Category Code Mapping appear on the Asset Master form only if the values are valid for the business unit and the asset. For example, if you assign the default value for category code 05 from the Business Unit Master form to category code 08 on the Asset Master form, the values in both category code tables must match.

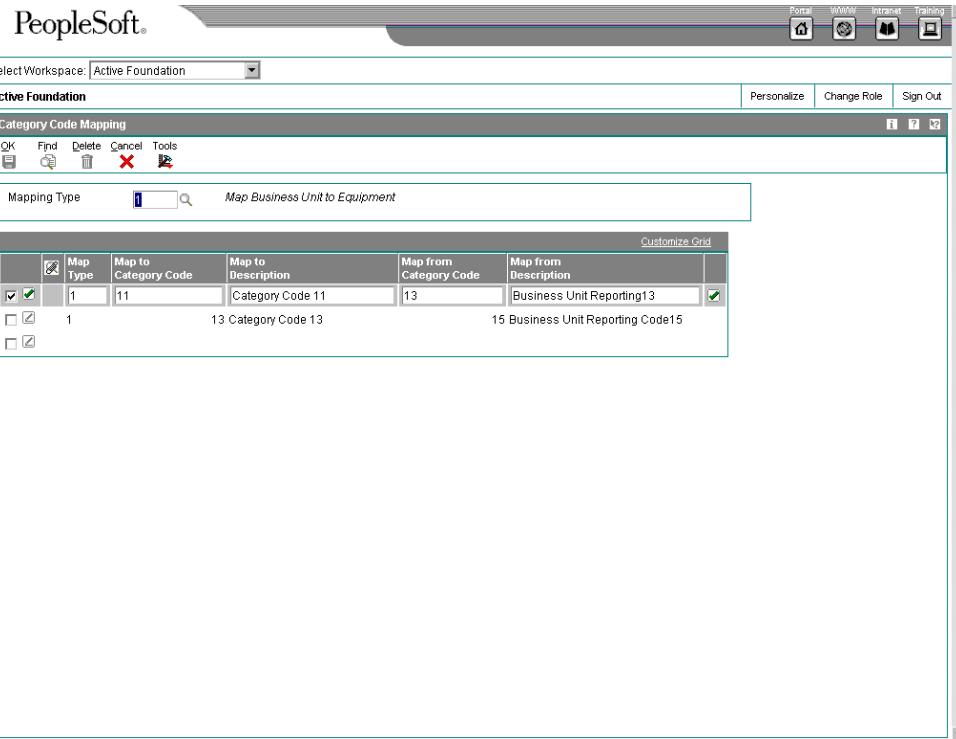
The system truncates any category codes that you assign from a business unit category code that is longer than three characters into a three-character category code field on the Asset Master form.

The system uses the responsible business unit that you enter on the Asset Master record to determine from which business unit to assign default category codes. If you change the responsible business unit for an asset, the system uses the default category codes based on the new business unit.

► To map category codes

From the Fixed Assets Setup menu (G1241), choose Category Code Mapping.

1. On Category Code Mapping, complete the following field to indicate how you want to map the category codes:
 - Mapping Type
2. Complete the following fields, and click OK:
 - Map Type
 - Map from Category Code
 - Map to Category Code



Field Descriptions

Description	Glossary
Map Type	Enter a 1 in this field to map Business Unit Category Codes to Equipment Category Codes. Enter a 2 in this field to map Equipment Category Codes to Work Order Category Codes
Map from Category Code	Use this field to set up defaults for your category codes. If the mapping type is 1, the Business Unit category code value you enter in this field is the default value for the Equipment category code you specify in the Map To Category Code field on this form. If the mapping type is 2, the Equipment category code value you enter in this field is the default value for the Work Order category code you specify in the Map To Category Code field.
Map to Category Code	Use this field to specify defaults for your category codes. If the mapping type is 1, the equipment category code number in this field receives its default value from the Business Unit category code you specify in the Map From Category Code field on this form. If the mapping type is 2, the Work Order category code in this field receives its default value from the Equipment category code you specify in the Map From Category Code field.

Setting Up Ledger Type Rules

You use ledger type rules to control processing for a specific ledger type. You can simplify processing at the ledger level by specifying ledger dependencies and transaction creation parameters. For example, you can specify an alternate currency ledger and the tax ledgers that are associated with it.

You can also revise rules to comply with regulatory requirements. For example, some countries require that costs be rounded or truncated to one decimal place. You can specify that the ledger for that currency be rounded or truncated as necessary.

By revising ledger type rules, you override the normal default values. For example, you might have a default date pattern that you use for depreciation calculations for your company, but you might have to override this pattern for one tax ledger because of regulatory requirements.

You can control several aspects of processing for a ledger type, including:

- Relationships to other ledgers
- Currency of the ledger
- Override date and period patterns
- Transaction processing

You can specify that the cost from a ledger should be derived from another ledger type. If you specify that the cost in one ledger (for example, D1) should be derived from another ledger (for example, AA), then you must post cost to the other ledger, AA, first. The ledger type from which you derive the cost must be less than the ledger type to which you post the cost. For example, ledger type AA is alphanumerically less than ledger type D1. Therefore, costs in D1 could be derived from AA. Costs for the AA ledger cannot be derived from another ledger.

Note

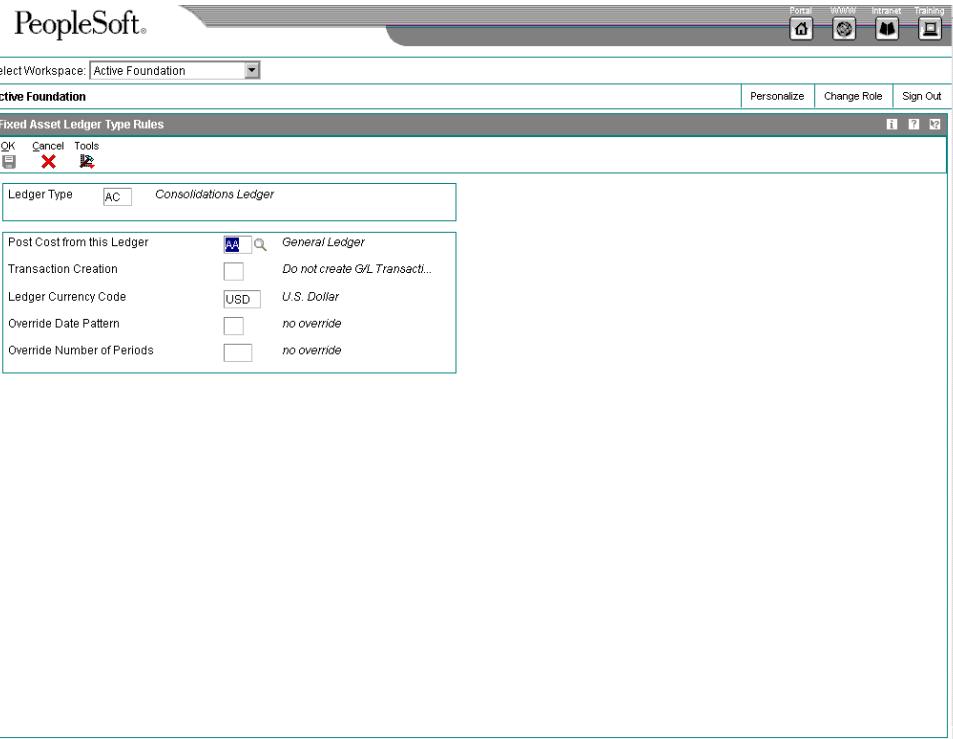
Fixed asset ledger types that were formerly set up through user defined code table 12/LT are set up using the Fixed Asset Ledger Type Rules form. Fixed Asset ledger types are stored in the Ledger Type Master table (F0025).

Transaction creation, formerly controlled by special handling codes in the user defined code table 12/LT, is controlled by the Transaction Creation field on the Fixed Asset Ledger Type Rules form.

► To set up ledger type rules

From the Fixed Asset System Setup menu (G1241), choose Ledger Type Master Setup.

1. On Work with Ledger Types, choose the ledger, and then choose Fixed Asset Rules from the Row menu.
2. On Fixed Asset Ledger Type Rules, review the following fields and make any necessary changes:
 - Post Cost from this Ledger
 - Transaction Creation



Note the following restrictions:

- For the Post Cost from this Ledger field, only the same ledger or the AA ledger is currently valid. If the Post cost from this Ledger field is blank, the ledger type AA is used.
- For the Transaction Creation field, the value 3 is reserved for future use.
- The Ledger Currency Code field is display only. Changes must be made on Revise Ledger Type from the Row menu.

Field Descriptions

Description	Glossary
Post Cost from this Ledger	This field enables the user to define the source ledger type of the cost when it is desirable to base the cost in this ledger on the cost from another ledger. This value is used by the Fixed Asset Post programs when determining the relationship of Ledger Types.

Transaction Creation	Balances in the Item Balance records for the same ledger or for the AA ledger will always be supported by General Ledger Transactions (F0911s). This code allows user discretion for all other ledger types as follows: Blank G/L Transactions will not be created by the Fixed Asset system. 1 This ledger is not parallel to any other ledger. All balances will be supported by G/L Transactions. 2 This ledger is independent of the General Ledger. It is not necessary that transactions to this ledger be posted to General Ledger prior to posting them to this ledger. 3 This ledger is fully parallel to the General Ledger. All balances will be supported by transactions. Cost transactions will be created to this ledger to duplicate those arising from the post from ledger. 9 This is not a Fixed Asset Ledger. Bypass all transactions to this ledger.
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Setting Up Disposal Account Rules

Disposal account rules specify the accounts that the disposal program uses for disposal journal entries. You set up the disposal account rules to direct the disposal journal entries to the appropriate offsetting account.

The disposal account rules make use of the balance character code to determine the nature of the journal entry. You can create separate rules for net book value disposal accounts, disposal cash clearing accounts, and disposal proceeds accounts. In addition, you can specify override accounts for the cost and accumulated depreciation accounts. This allows you to retain the amounts in the Asset Account Balances table (F1202) and place these amounts in a reserve account.

If you specify account overrides for cost, the accounts must be within the FCXX AAI range. If you specify account overrides for primary accumulated depreciation or secondary accumulated depreciation, the accounts must be within the FDXX AAI range.

You can set up company-specific rules or use the default company 00000 to set up the rules for all companies at one time. You can also specify different accounts by disposal method and ledger type.

If you do not specify a business unit as part of the account number, the system retrieves the responsible business unit for the asset from the Asset Master table (F1201).

Caution

You must set up at least a set of rules for company 00000 and ledger type AA. J.D. Edwards also recommends that you set up separate accounts for net book value, cash clearing, and proceeds.

► To set up disposal account rules

From the Fixed Assets System Setup menu (G1241), choose Disposal Account Rules.

1. On Disposal Account Rules, complete the following fields, and click Find:

- Skip to Company
- Disposal Method
- Ledger Type

If you want to dispose of ledgers other than the AA ledger, you must set up rules for those ledgers. Unless you set up these rules, the system disposes of only the AA ledger.

2. To set up more specific rules, complete the following fields:

- LT
- Balance Character
- Object

3. Complete the following optional fields, and click OK:

- Company
- Disposal Method
- Business Unit
- Subsidiary

The screenshot shows the 'Disposal Account Rules' window in PeopleSoft. At the top, there are search and filter fields for 'Skip to Company', 'Disposal Method', and 'Ledger Type'. Below these are buttons for 'OK', 'Find', 'Delete', 'Cancel', and 'Tools'. The main area displays a grid of records with columns: Company, Disposal Method, LT, Balance Character, Description, Business Unit, Object, and Subsidiary. The grid contains 10 records, each with a checkbox in the first column. The data in the grid is as follows:

	Company	Disposal Method	LT	Balance Character	Description	Business Unit	Object	Subsidiary
<input checked="" type="checkbox"/>	00000	AA	7	Net Book Value - Disposal	YARD 9112			<input checked="" type="checkbox"/>
<input type="checkbox"/>	00000	AA	8	Disposal - Clearing	YARD 9113			
<input type="checkbox"/>	00000	AA	9	Disposal - Proceeds	YARD 9111			
<input type="checkbox"/>	00000	D1	7	Net Book Value - Disposal	YARD 9112			
<input type="checkbox"/>	00000	D1	8	Disposal - Clearing	YARD 9113			
<input type="checkbox"/>	00000	D1	9	Disposal - Proceeds	YARD 9111			
<input type="checkbox"/>	00000	D3	7	Net Book Value - Disposal	YARD 9112			
<input type="checkbox"/>	00000	D3	8	Disposal - Clearing	YARD 9113			
<input type="checkbox"/>	00000	D3	9	Disposal - Proceeds	YARD 9111			
<input type="checkbox"/>	00000	D4	7	Net Book Value - Disposal	YARD 9112			

Field Descriptions

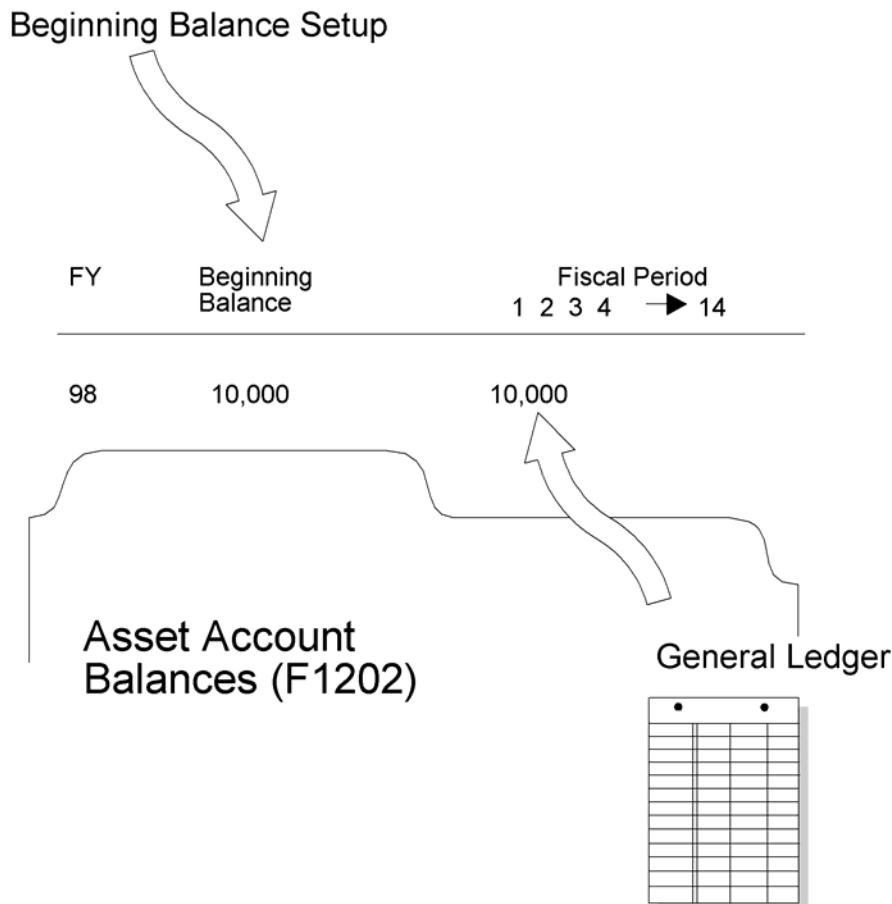
Description	Glossary
Skip to Company	A code that identifies the company that owns or is assigned to an asset or group of assets. You set up companies in the system to represent a reporting level that has a complete balance sheet and any intercompany transactions with other companies. You can define a specific organization, entity, partnership, and so on, as a company. You use company numbers and names to define the companies in your system. NOTE: Use Company 00000 only for default values, such as dates and automatic accounting instructions (AAIs). You cannot use Company 00000 when entering transactions.
Disposal Method	A user defined code (12/ES) that identifies the equipment or disposal status of an asset, such as available, down, or disposed.
Ledger Type	The user defined ledger type code (09/LT) that identifies the account ledger or book for the asset. You can maintain as many sets of depreciation books (ledger types) for an asset as you need so you can depreciate an asset in different ways for different purposes. For example, an asset might have a three-year life for tax purposes, but a five-year life for financial statement purposes. Each set of books can have different depreciation methods and depreciation values.
Company	A code that identifies the company that owns or is assigned to an asset or group of assets. You set up companies in the system to represent a reporting level that has a complete balance sheet and any intercompany transactions with other companies. You can define a specific organization, entity, partnership, and so on, as a company. You use company numbers and names to define the companies in your system. NOTE: Use Company 00000 only for default values, such as dates and automatic accounting instructions (AAIs). You cannot use Company 00000 when entering transactions.
Balance Character	A code that indicates in which range of accounts the account in the Item Balance falls. Valid values are: 1 Cost 2 Accumulated Depreciation 3 Secondary Accumulated Depreciation 4 Depreciation Expense 5 Depreciation Expense - Secondary 6 Depreciation Expense - Tertiary 7 Net Book Value - Disposal 8 Disposal Clearing 9 Disposal Proceeds
Business Unit	The accounting entity (business unit) that is responsible for the asset's cost or expense. You assign a business unit to an asset. The responsible business unit is used for responsibility reporting purposes. NOTE: You can enter numbers and characters in this field. The system right-justifies them (for example, CO123 appears as ___ CO123). You cannot inquire on business units for which you have no authority.

Object	The portion of a general ledger account that divides the cost code (for example, labor, materials, and equipment) into subcategories. For example, you can use a cost code to divide labor into regular time, premium time, and burden.
Subsidiary	Note: If you are using a flexible chart of accounts and the object account is set to 6 digits, J.D. Edwards recommends that you use all 6 digits. For example, entering 000456 is not the same as entering 456 because, if you enter 456, the system enters three blank spaces to fill a 6-digit object

Setting Up Beginning Balances

Use the Beginning Balance Setup program to set up beginning balances for individual assets, groups of assets that share the same cost, accumulated depreciation, or secondary accumulated depreciation accounts. You can use Beginning Balance Setup whether you are starting out with the J.D. Edwards Fixed Assets system or converting to it. Beginning balances for your assets are stored in the Asset Account Balances table (F1202).

The following illustration shows the relationship of the amounts that you enter through beginning balances with amounts in the general ledger:



Use Beginning Balance Setup to complete the following tasks:

- Enter beginning balances at system setup or during a conversion after general ledger balances have already been converted
- Change the cost basis of a ledger, other than the Actual Amounts (AA) ledger

When you create beginning balances, you must first enter the master information for each asset in the system. Next, you must enter the cost, accumulated depreciation, and secondary accumulated depreciation balances for each asset, as of the last day of the previous fiscal year, into Beginning Balances. When you enter these amounts, the Beginning Balance Setup program automatically posts the entries to fixed assets. Finally, run the depreciation program to calculate depreciation for each month to update asset depreciation amounts to the current date.

If you set up an alternative date pattern, the Beginning Balances program (P12130) uses the date pattern that you specify. See [Setting Up Date Pattern Override](#).

After you finish setting up beginning balances, you can run the Fixed Assets to G/L Integrity test to verify that the cost, accumulated depreciation, or secondary accumulated depreciation amounts in the Asset Account Balances table (F1202) match the amounts in the Account Balances table (F0902).

You can set up beginning balances for an asset with multiple subledgers. To do so, you must enter a unique subledger in the Subledger/Type field when you first locate the asset. Enter the beginning balances for that subledger and then repeat the process for any remaining subledgers.

To copy cost, accumulated depreciation, and secondary accumulated depreciation amounts from the AA ledger type to all other ledgers associated with the asset for the accounts listed in the header, click Copy AA amounts to all ledger types.

When you want to change amounts for the cost accumulated depreciation, or secondary accumulated depreciation accounts, the following rules apply:

- If you entered balances using Beginning Balance Setup, the system displays the beginning balance amount for an asset when you locate the asset on Beginning Balance Setup. You can change the cost, accumulated depreciation, or secondary accumulated depreciation amounts by entering the full new amount.
- If you entered the beginning balances as journal entries and then posted the entries to fixed assets, the system does not display the beginning balance amount on Beginning Balance Setup. You must enter the change in the amounts (the difference) instead of entering the new amount.

The amounts that you enter on Beginning Balance Setup are updated in the Balance Forward field of the Asset Account Balances table (F1202) for each asset.

You must enter the accumulated depreciation and secondary accumulated depreciation amounts for the asset as of the end of the prior fiscal year. The Compute Depreciation program calculates depreciation for each month as of the beginning of the fiscal year. For example, you might plan to use the Fixed Assets system in July.

You affect only the balances in the Asset Balances (F1202) table when you use the Beginning Balance Setup program. The program does not affect the balance in the general ledger, unless you choose to create Account Ledger (F0911) records in the processing option. The account ledger records created will debit and credit the same account for cost, accumulated depreciation, and secondary accumulated depreciation and will be automatically posted.

Enter positive amounts to cost for debit entries and to accumulated depreciation and secondary accumulated depreciation for credit entries. Inquire on the fiscal year for which these would be the balance forward.

Before You Begin

- ❑ Create master records for each asset in the system. See [Creating an Asset Master Record](#).
- ❑ Verify that the amounts that you want to enter on the Beginning Balance Setup form are already posted to the general ledger.

► To set up beginning balances

From the Fixed Asset Setup menu (G1241), choose Beginning Balance Setup.

1. On Work With Assets, click Find to view all assets. To restrict the assets that appear, click the tabs in the header area of the Work With Assets form and complete the appropriate information.
See [Locating Asset Information](#) for information about completing the tab information.
2. Choose an asset.
3. From the Row menu, choose Asset Balance Info, then Beginning Balance.
4. On Beginning Balance Adjustments, complete the following field to specify a fiscal year:
 - Fiscal Year

Asset Number	Asset Description	Cost Amount	A&D Amount	Secondary A&D Amount	LT
123	2005 Jeep Cherokee				AA
123	2005 Jeep Cherokee				D1
123	2005 Jeep Cherokee				D2
123	2005 Jeep Cherokee				D3
123	2005 Jeep Cherokee				D4
123	2005 Jeep Cherokee				D5

5. To specify a subledger, complete the following field:

- Subledger/Type
6. To set up or revise beginning balance information, complete the following fields, and click OK:
- Cost Amount
 - A/D Amount
 - Secondary A/D Amount

Field Descriptions

Description	Glossary
Fiscal Year	The four-digit fiscal year designation. You must always use the year in which the first period ends. For example, a fiscal year beginning October 1, 1998 and ending September 30, 1999 is fiscal year 1998.
Subledger/Type	A code that identifies a detailed, auxiliary account within a general ledger account. A subledger can be an equipment item number or an address book number. If you enter a subledger, you must also specify the subledger type
Cost Amount	Fixed Asset column for amounts. The editing of this column (for example, including or excluding commas) can be performed through data dictionary edits. --- FORM SPECIFIC --- Enter positive amounts to cost for debits and to accumulated depreciation for credits.
A/D Amount	A number that identifies the amount that the system adds to the associated account number. For credits, enter a minus sign (-) either before or after the amount. Enter debits with no sign
Secondary A/D Amount	Fixed Asset column for amounts. The editing of this column (for example, including or excluding commas) can be performed through data dictionary edits. --- FORM SPECIFIC --- Enter positive amounts to cost for debits and to accumulated depreciation for credits.

Setting Up Revaluation Indexes

A revaluation index is a numerical value that you use to recalculate or restate the costs of your assets, most often in economies affected by hyperinflation or in situations in which wide fluctuations in supply and demand for the assets occur. You can set up revaluation indexes to restate cost in terms of either constant currency accounting or current cost. Typically, index values are obtained from either governments or outside agencies.

You can set up revaluation indexes to conform to whatever periodic recalculation is necessary. In truly hyperinflationary economies, some as high as triple digit, this might be a daily procedure. The setup also accommodates weekly, monthly, quarterly, annual, or other periodic intervals as needed. You create tables of indexes, each identified by a revaluation code. You can create as many revaluation codes as you need in UDC 12/RI.

► To set up revaluation indexes

From the Asset Revaluation menu (G1234), choose Revaluation Index.

1. On Work with Revaluation Index, click Add.
2. On Revaluation Index, complete the following fields:

- Revaluation Code
- Effective Date
- Rate Factor

The rate factor must have an effective date on or before the acquisition date.

3. Complete the following optional field, and click OK:
 - Skip to Date

Field Descriptions

Description	Glossary
Revaluation Code	A code which makes the Revaluation Index table (F12841) unique.
Effective Date	The date when an address, item, transaction, or table record becomes active. The meaning of this field differs depending on the program. For example, the effective date could represent the following: <ul style="list-style-type: none">o When a change of address becomes effectiveo When a lease becomes effectiveo When a price becomes effectiveo When the currency exchange rate becomes effectiveo When a tax rate becomes effective
Rate Factor	A number that identifies the index or rate for calculations. The system multiplies the from amounts by this factor to calculate the amounts to distribute. You can specify either positive or negative numbers and eight or fewer decimals. If you specify more than eight decimal positions, the system rounds to eight positions. If you specify a large whole number and a large number of decimal positions, the system might not be able to display the entire number. Even though all decimal positions cannot be displayed, they are stored (up to eight) correctly in the table. NOTE: For annual budgets, you can specify zero to remove all balances and start over.

Skip to Date	The date when an address, item, transaction, or table record becomes active. The meaning of this field differs depending on the program. For example, the effective date could represent the following:
	<ul style="list-style-type: none"> o When a change of address becomes effective o When a lease becomes effective o When a price becomes effective o When the currency exchange rate becomes effective o When a tax rate becomes effective

Working with Units of Production Schedules

Set up units of production schedules only if you use the Units of Production method of depreciation (method 09). You can set up schedules by ledger for as many different units of measure that your company uses, such as tons or miles.

When you are ready to close your year, be sure that you run the Units of Production Close program. Units of Production Close rolls the current information into prior year fields and clears the current year fields for next year's revisions and current production amounts.

Setting Up a Units of Production Schedule

The system performs two calculations based on the schedule information that you enter:

Depreciable Unit Base	Original Units + Prior Year Revisions + Current Year Revisions - Units Produced in the Prior Year = Depreciable Unit Base
Current Units of Production	Units Produced Year-to-Date / Depreciable Unit Base = Current Units of Production

For assets that use the Units of Production depreciation method (method 09), you must set up units of production schedules before you create master records.

► To set up a units of production schedule

From the Fixed Assets Advanced Operations menu (G1231), choose Units of Production Schedule.

1. On Work with Units of Production Schedule, click Add.
2. On Production Schedule Revisions, complete the following fields, and click OK:
 - Schedule Number
 - Ledger Type
 - Description
 - Unit of Measure
 - Units - Original
 - Units - Prior Year Revisions

- Units - Current Year Revisions
- Prior Years Production
- Y-T-D Production

The screenshot shows the 'Production Schedule Revisions' window in PeopleSoft. The window has a title bar 'Production Schedule Revisions' and a toolbar with 'OK', 'Cancel', 'Tools', and other icons. The main area contains several input fields:

Schedule Number	GRADER
Ledger Type	AA
Description	Motor Grader Hours
Unit of Measure	HR Hour
Units - Original	10,000.00
Units - Prior Year Revisions	
Units - Current Year Revisions	
Prior Years Production	4,500.00
Depreciable Unit Base	5,500.00
Y-T-D Production	5,500.00
Current Unit of Production Factor	1.0000000

Field Descriptions

Description	Glossary
Schedule Number	The alphanumeric code you assign to a units of production schedule. You must set up the schedules you want to use for method 09 (Units of Production Depreciation) in advance on the Units of Production Schedule form.
Ledger Type	The user defined ledger type code (09/LT) that identifies the account ledger or book for the asset. You can maintain as many sets of depreciation books (ledger types) for an asset as you need so you can depreciate an asset in different ways for different purposes. For example, an asset might have a three-year life for tax purposes, but a five-year life for financial statement purposes. Each set of books can have different depreciation methods and depreciation values.

--- FORM SPECIFIC ---

Each schedule you create is a combination of a unique schedule number and a ledger type.

Unit of Measure	A user defined code (00/JM) that identifies the unit of measurement for an amount or quantity. For example, it can represent a barrel, box, cubic meter, liter, hour, and so on.
Units - Original	The original estimate of the total number of units in the reserve base. The system uses this number to calculate the depreciable unit base.
Units - Prior Year Revisions	The cumulative prior year revisions to the estimate of total units in the reserve base (Units-Original). The system uses this number to calculate the depreciable unit base.
Units - Current Year Revisions	The current year revisions to the estimate of the total number of units in the reserve base (Units-Original). The system uses this number to calculate the depreciable unit base.
Prior Years Production	The number of units produced in all prior years. This number determines when an asset is fully depreciated. The system uses this number to calculate the depreciable unit base.
Y-T-D Production	Units that were produced year-to-date. You must manually update this field. The system uses the value in this field to calculate the Current Unit of Production Factor.

Printing the Units of Production Report

From the Fixed Assets Advanced Operations menu (G1231), choose Units of Production.

You can print the Units of Production report to view all of the schedules that you have set up for the Units of Production depreciation method. You can use this report at the job site as a worksheet. For example, you can complete the production and revised unit reserves for your assets and then return the information to the main office.

You can run the Units of Production report by one of the following:

- Schedule number
- Ledger type
- Unit of measure

Run the Units of Production report to review the following information:

Original units	The original estimate of the total number of units in the reserve base.
Prior year revisions	The cumulative prior-year adjustments to the original estimated units.
Current year revisions	The current year adjustments to the original units.
Units of production prior year	The number of units produced in all prior years.
Depreciable units	An amount used to calculate the Current Unit of Production Factor. The system calculates this number using the following formula:

Original Units + Prior Year Revisions + Current Year Revisions - Units of Production Prior Year = Depreciable Units

Units of production year-to-date	The number of units that were produced year-to-date is used to calculate the Current Unit of Production Factor.
---	---

Setting Up Supplemental Data

You might need to store information about an asset that is not included in the standard master tables. J.D. Edwards refers to this additional information as supplemental data. You can use supplemental data to further define the assets in your system. After you set up supplemental data, you can use it to report and track asset details that are important to your company, but are not included on the asset master record. You can define as many types of supplemental data as you need.

You define and maintain supplemental data by asset class. For example, you might set up supplemental data for an asset class that includes motor graders. The data might include fuel capacities, horsepower, oil readings, and so on. The system stores the supplemental data types that you set up in the Asset Management Supplemental Database Types table (F12090).

Address Book Supplemental Data in the *Address Book Guide* contains detailed information about setting up supplemental data. You can use that information to set up supplemental data for the Fixed Assets system, but choose Supplemental Data Setup from the Fixed Asset System Setup menu (G1241) instead of choosing Supplemental Data Setup from the CIF Supplemental Data menu. *Address Book Supplemental Data* contains some information that is specific to setting up address book supplemental data. You can access supplemental data information that is specific to the Fixed Assets system by using F1 field help on the Supplemental Database Setup form in Fixed Assets.

Advanced & Technical

Fixed Asset Global Updates

You can make system-wide changes to fixed assets using global update processes.

Updating Asset Information

You can update certain asset information globally to reduce the amount of processing time needed to maintain current information in the Fixed Assets system and throughout your organization.

Updating Depreciation Values

From the Advanced Operations menu (G1231), choose Update of Depreciation Values.

If you change depreciation values for a cost account, the system automatically updates all depreciation records in the Asset Account Balances table (F1202) for the asset, ledger type, and current fiscal year. If you want to update the depreciation records for prior fiscal years, you must run the Update of Depreciation Values program. The program updates every selected item that uses the asset cost account with the new depreciation information.

You should run Update of Depreciation Values only under the following circumstances:

- You change the depreciation values for a specific asset cost account or group of assets in the depreciation rules.
- Asset Account Balances records for an asset, ledger type, and fiscal year are not the same.
- Depreciation amounts in the system are corrupted.

Caution

Be sure you make data selections to specify only the depreciation records that you want to update.

Use the Depreciation Information Update Method processing options to control which depreciation information the program updates.

Before You Begin

- Back up the Asset Account Balances table (F1202).
- Verify that no one accesses the fixed assets files while you run the update.

Processing Options for Update of Depreciation Values (P12822)

Default

1. Enter the ledger type you want to update. Leave this option blank to update all ledgers.

Ledger Type

2. Enter the fiscal year you want to update. Leave this option blank to update all fiscal years.

Fiscal Year (4 digits)

Update

3. Choose the method of update to the depreciation information values. Leave blank to use the current fiscal year's cost account depreciation values. Enter a '1' to use the default values.

Depreciation Values Update Method

4. Choose the method of update to the Depreciation Start Date. This only applies if option 3 is set to '1'. Enter a '1' to update the Depreciation Start Date to the date acquired or a '2' to globally update the start date to the date entered in option 5. If you leave this option blank, the start date will not be updated.

Depreciation Start Date Update Method

5. Enter the date to globally update the Depreciation Start Date in all records selected. This only applies if option 4 is set to '2'. If this option is left blank and option 4 is set to '2', no change or update to the start date will happen.

Depreciation Start Date

Updating the Location Code of an Asset

From the Advanced Operations menu (G1231), choose Update Location Code.

You can update the location of an asset from a planned location to a current location. Run Update Location Code to change planned asset locations to current locations when the system reaches the "as of" date that you specify in the processing options.

For example, if you plan to distribute an asset to a different plant as of a certain date, and you enter the information into the system as a planned location, you can run this program to automatically change the location information from a planned location status to a current location status. The system updates all planned locations that match the selection criteria that you specify.

When you run Update Location Code, the system updates the following tables:

- Location Tracking (F1204)
- Asset Master (F1201)

When you choose Update Location Code, a versions list appears. The versions list contains DEMO versions that you can run, or copy and modify to suit your needs. When you run a version, processing options appear before the system submits the job for processing.

Caution

Ensure that the data selections you make specify only the assets for which you want to update location information.

Processing Options for Update Location Code (R12810)

Process

Enter the 'As of' date to update the planned status in the Location Tracking table (F1204).

1. As of Date

Updating the Balance Character Code

From the Set Up User Defined Depreciation menu (G1232), choose Asset Account Type Update.

Run the Balance Character Code Update program to identify Asset Account Balance (F1202) records that are key to the user defined depreciation process among the other records that might exist for an asset, such as maintenance and other expense accounts. The system uses a balance character code to identify the asset balance records for the following accounts:

- Cost
- Accumulated depreciation
- Secondary accumulated depreciation
- Depreciation expense
- Depreciation expense - Secondary
- Depreciation expense - Tertiary
- Net book value
- Disposal clearing
- Disposal proceeds

The Balance Character Code Update program identifies these records in the Asset Account Balances table with a code. When you run Compute Depreciation, the program uses the balance character code to recognize records in the Asset Account Balances table (F1202) as belonging to cost, accumulated depreciation, and so on.

Run Balance Character Code Update when you:

- Set up your Fixed Assets system with user defined depreciation methods for the first time
- Make a change in the AAIs that affects the cost and accumulated depreciation ranges (FC and FD)

Note

You do not need to run the Balance Character Code Update for asset balances records that are created internally. The system automatically updates the Balance Character Code field when you create asset balance records through programs such as Beginning Balance Setup, Fixed Asset Post, and Asset Split.

When you select Balance Character Code Update, the system submits the job directly to batch.

Updating the Message Log

From the Advanced Operations menu (G1231), choose Update Message Log.

Run the Update Message Log program to keep tickler dates and units current in the message log. For example, if you set up a reminder message to appear at 3,000 miles for a piece of equipment, you use this update to ensure that the message appears when the equipment reaches the 3,000-mile mark.

The Update Message Log program compares tickler dates that have the system date and tickler units (for example, miles or hours) to the current unit reading that you record for the corresponding piece of equipment. The program updates all the units that have reached or exceeded the tickler amounts that you post in the automatic accounting instruction (AAI).

When the update is complete, the corresponding equipment number on Equipment Search is highlighted to indicate that that message exists for the equipment.

Note

You should run this program only if you use the Tickler Miles/Hours field in the message log.

When you select Update Message Log, the system submits the job directly to batch. You should update the message log frequently to keep message tickler units current. J.D. Edwards recommends running Update Message Log as part of your unattended operations.

Updating Global Depreciation Rules

From the Setup User Defined Depreciation menu (G1232), choose Global Depreciation Update.

You can use the Global Update Depreciation Rules program to restore original demonstration data without deleting any combinations that you might have added, as well as add demonstration data for new numeric methods that J.D. Edwards creates over time.

The demonstration data tables for User Defined Depreciation are:

- Demo Depreciation Rules (F12851D)
- Demo Depreciation Annual Rules (F12852D)
- Demo Depreciation Formulas (F12853D)

J.D. Edwards Customer Support can update the demonstration data tables with data from your system's depreciation tables if demonstration data has been changed and needs to be restored. The standard user defined depreciation tables that are included with the system are:

- Depreciation Rules (F12851)
- Annual Depreciation Rules (F12852)
- Depreciation Formulas (F12853)

Over time, J.D. Edwards might add demonstration data to the F12851D, F12852D, and F12853D tables. Numeric methods will always be used for J.D. Edwards demonstration data. You can use a processing option to specify whether to copy the new demonstration data from the F12851D, F12852D, and F12853D tables to your system's F12851, F12852, and F12853 tables.

WorldSoftware Conversion to User Defined Depreciation

The Global Updates program can facilitate the transition from the Compute Depreciation program (P12850) in WorldSoftware to the User Defined Depreciation program (P12855) in OneWorld. The Global Update program will search the existing Asset Balances table (F1202) and automatically create the user defined depreciation tables (F12851, F12852, and F12853) when possible.

Note

UDD rules will be created if no demonstration data rules exist that match the methods on your assets.

This program also automates user defined depreciation setup of existing assets that do not match the current user defined depreciation demonstration data. Prior to this program, companies would have to set up a new user defined depreciation method, including life year rules, for every asset balance in which the depreciation information (F1202) didn't match a user defined depreciation demonstration data rule (F12851).

Technical Considerations

Table updates	The Default Accounting Constants table (F12002) and the Default Depreciation Constants table (F12003) are not created when you run this global update.
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Processing Options for Demo Depreciation Rules Update (P12858)

Process Tab

Use processing options to specify whether to run this program in preliminary or final mode, restore data, and convert data from WorldSoftware to OneWorld.

1. Process Mode

Blank = Preliminary mode

1 = Final mode

Use this processing option to specify the mode in which you want to run this program. Valid values are:

Blank Preliminary mode. You should run the program in preliminary mode

before running it in final mode to select the records to restore.

Running this program in preliminary mode does not update any tables. You can run this program in preliminary mode as many times as required. This is the default.

- 1 Final mode. When you run this program in final mode, the system updates the depreciation rules setup information printed on the report.

Note: This processing option retains the value previously specified. If this program was run in final mode the last time it was used, it will run in final mode again unless you specify otherwise.

2. Restore Demo Depreciation Data

Blank = Restore Data

1 = Restore Data with Edit Disable Checked

2 = Delete all and Restore Data

Use this processing option to specify the mode to restore J.D. Edwards Demo Depreciation. Valid values are:

Blank Restore data. Only matching numeric methods are updated from J.D.

Edwards Demo Depreciation Data. A matching numeric method consists of Depreciation Method, Life Periods, Initial Term Apportionment, Compute Direction, In Service Start Date, and Effective Start Date.

This does not include customer additions to numeric methods. This is the default.

- 1 Restore data with Edit Disable checked. The Edit Disable must be checked in the Depreciation Rule Revisions (P12851) to restore numeric methods. A matching numeric method consists of Depreciation Method, Life Periods, Initial Term Apportionment, Compute Direction, In Service Start Date, and Effective Start Date. This does not include customer additions to numeric methods.
- 2 Delete all and restore data. All numeric methods are deleted, including customer additions, and Depreciation Data is restored from J.D. Edwards Demo Depreciation Data. Only methods that are included in data selection will be restored.

J.D. Edwards reserves the use of numeric methods. Numeric methods include (00 - 99). Customer user defined methods are not used in this restoration process.

Customer additions are defined as J.D. Edwards numeric methods that have been copied and depreciation information has been modified.

The tables to restore from J.D. Edwards Demo Depreciation Data are:

- o F12851D to F12851
- o F12852D to F12852

-
- o F12853D to F12853

3. Create Demo Depreciation Rules

Blank = Create no Depreciation Rules

1 = Create Depreciation Rules

This processing option is used to create depreciation rules used by the WorldSoftware Compute Depreciation Program (P12850). This option is used to convert data to User Defined Depreciation. If you are only running OneWorld User Defined Depreciation (R12855) or already using the WorldSoftware User Defined Depreciation (P12855), this processing option is not necessary. Valid values are:

Blank Do not create Depreciation Rules. This is the default.

1 Create Depreciation Rules. The existing Asset Balances (F1202) are validated against current depreciation information. If depreciation information does not exist in the User Defined Depreciation rules setup, the existing rules are validated against the demonstration data tables. If a match exists, a new user defined depreciation rule is created. A matching numeric method consists of a Depreciation Method, Initial Term Apportionment, Compute Direction, In Service Start Date, and Effective Start Date. Life Periods are not included in this method.

Updating Accounts and Ledgers

You need to update the accounts and ledgers in your system if you change your chart of accounts, frequently add new asset master records, add new ledgers or depreciation books for your assets, and so on, for your organization.

Identifying New Entries

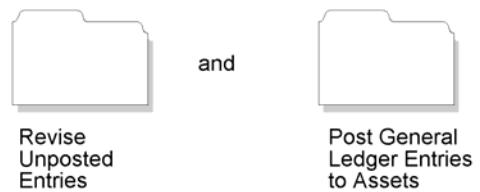
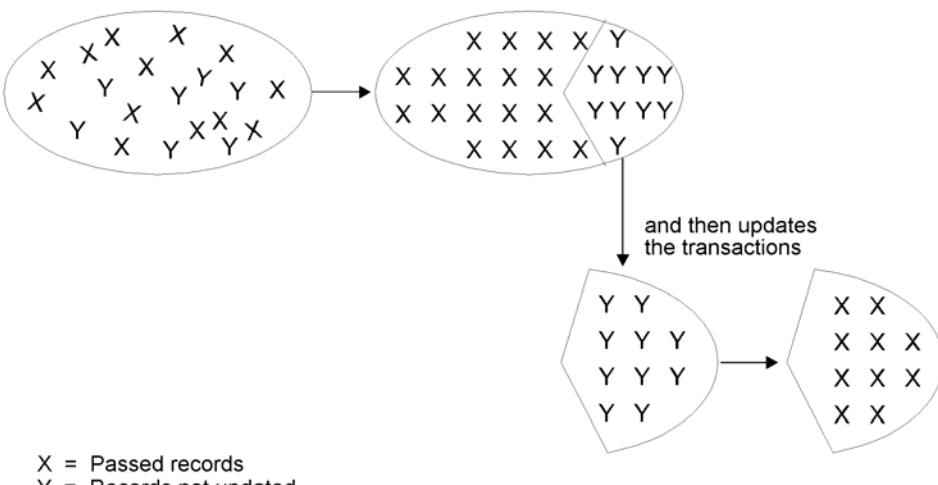
From the Posting G/L to Fixed Assets menu (G1212), choose Identify New Entries.

Run Identify New Entries before you use the Revise Unposted Entries program or post new general ledger transactions to the Asset Account Balances table. Run this program frequently to reduce the time that the system takes to post journal entries to the general ledger or fixed assets.

J.D. Edwards Fixed Assets and General Accounting systems share the same transaction table, the Account Ledger (F0911). The Account Ledger contains many journal entries that do not affect fixed asset accounting. When you run the Identify New Entries program, the system identifies all non-fixed asset transactions. Flagged transactions are not processed in the Fixed Assets system. The Revise Unposted Entries program can process journal entries much faster because it does not have to search through all general ledger transactions to locate fixed asset journal entries.

The following graphic illustrates how the Identify New Entries program sorts and marks transactions in the system:

The system sorts transactions in the general ledger (F0911)



You should run this update as often as you add transactions to your system.

J.D. Edwards recommends running this program as part of your unattended operations.

Caution

Failure to run this program frequently and on a regular basis can have a significant impact on your ability to use the Revise Unposted Entry and the Fixed Asset post programs.

If you have been using J.D. Edwards general ledger and now add the Fixed Assets system, the processing time increases for the Identify New Entries program. If you start the job and find that it is taking longer than expected, you can stop the program and start it again later. The program continues processing entries from where it left off.

Adding New Ledgers to Assets

From the Advanced Operations menu (G1231), choose Add New Ledger to Assets.

You can add new ledgers to the Asset Account Balances table (F1202). Run the Add New Ledgers to Assets program to add an additional ledger or tax book to all fixed assets.

After you define the new ledger type and add it to Depreciation Default Coding, you must select the fiscal year that you want to update with the new ledger. The system does the following:

- Creates beginning balance and period postings for asset cost accounts based on the cost derivation ledger if the ledger is coded to duplicate cost.
- Performs an edit to ensure that the new ledger is valid in the Default Depreciation Constants table (F12003). If it is not, the system will not add the ledger.
- If the new ledger is coded not to duplicate cost, the ledger will be added with a blank subledger and no balance amounts.

After you run the Add New Ledger to Assets program, you can use the Depreciation Information form to verify the results of the update. Locate an asset that uses one of the account numbers with the new ledger type. You should see the newly added ledger type for the year in which you added the ledger.

Caution

Be sure you make data selections to specify only the records that you want to update with the new ledger.

Processing Options for Adding New Ledgers to Assets (R12823)

Process Tab

These processing options enable you to specify the mode in which you want to run this program, the type of ledger you want to add or update, the fiscal year for the ledger you want to add or update, and whether you want to update the depreciation information from the Depreciation Default Constants table.

1. Process Mode

Blank = Do not update. Print report only

1 = Update and print report

Use this processing option to specify whether the processing mode is preliminary or final. Preliminary mode will print a report of affected assets with their depreciation information, but will not update the Asset Account Balances file (F1202). Final mode will update the affected assets' balances and depreciation information (F1202) and will print a report of the updated assets with their depreciation information.

Blank Processing is preliminary. Print the report of affected assets only. Do not update the Asset Account Balances file (F1202).

- 1 Processing is final. Update the Asset Account Balances file (F1202) and print a report of the updated assets with their depreciation information.

2. Ledger Type (Required)

Use this processing option to specify the ledger you want to add or update in the Asset Account Balances file (F1202). The ledger type and its corresponding depreciation values (depreciation method, life months, etc.) must be previously set up for each affected asset cost account in the Depreciation Default Constants file (F12003) for associated balances and depreciation information to be added or updated.

You must specify a ledger type that has been previously set up in the General Accounting user defined code table for ledger types (UDC 09/LT) and in the Ledger Type Master file (F0025).

3. Fiscal Year (4 digits)

Blank = Asset's current fiscal year

Use this processing option to specify the fiscal year for the ledger you are adding to the Asset Account Balances table (F1202).

You must specify a four-digit fiscal year (i.e. 1999). If you leave this processing option blank, the ledger will be created for the Asset Account Balances table (F1202) in the asset company's current fiscal year.

4. Update Existing Ledger Depr Values

Blank = Do not update

1 = Update

Use this processing option to update the depreciation information values from the Depreciation Default Constants table (F12003) when the ledger already exists in the Asset Account Balances table (F1202).

Blank Do not update depreciation values when the ledger already exists in the Asset Account Balances table (F1202).

1 Update depreciation values when the ledger already exists in the Asset Account Balances table (F1202).

Updating Company Numbers and Accounts

From the Advanced Operations menu (G1231), choose Updt Co#, BU/Obj/Sub - F1202.

You must update company numbers and accounts in the Asset Account Balances table (F1202) to correct any situations in which the company numbers and account numbers (business unit/object/subsidiary) in the Asset Account Balances table do not match those in the Account Master (F0901). Company and account numbers in the Asset Master table might not match those in the Account Master table if you change existing account numbers or companies for accounts that are within the fixed asset (FX) range.

Run the Update Company Number, Business Unit/Object/Subsidiary program any time that you change an existing account in your chart of accounts. For example, run this program when you:

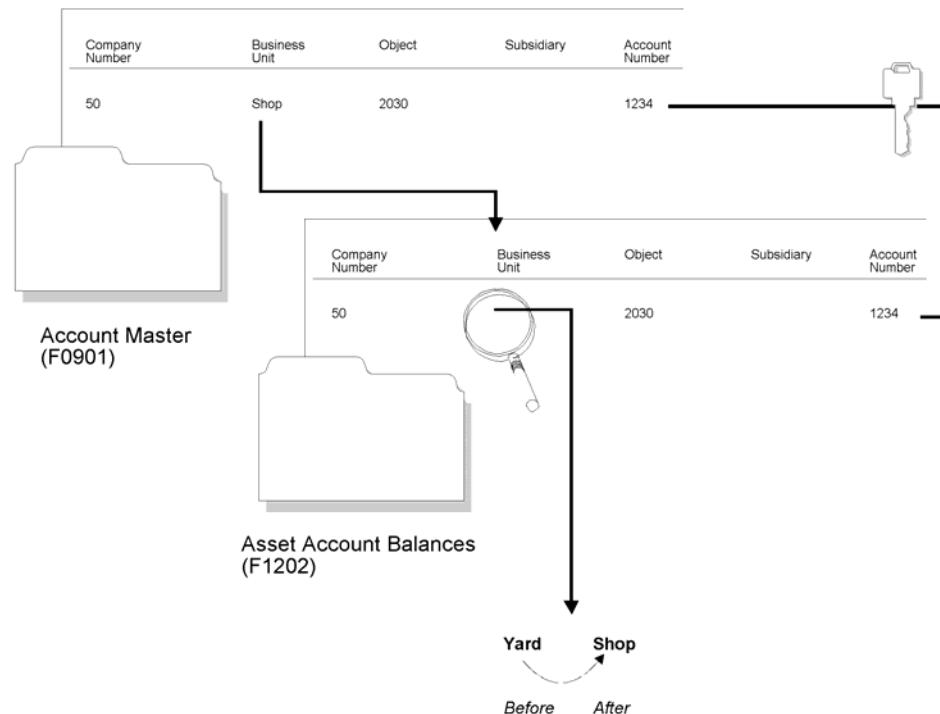
- Change the object or subsidiary of an existing account
- Assign existing accounts to a different business unit
- Assign an existing business unit to a different company

Note

You must run this program when you make changes to existing account numbers. You do not need to run this program when you add an account number.

The Update Company Number, Business Unit/Object/Subsidiary program updates information from the Account Master table based on the system-assigned, short account ID number. The program updates accounts in the Asset Master table (F1201) when it detects a change to a cost, accumulated depreciation, expense, or revenue account.

The following graphic illustrates how the Update Company Number, Business Unit/Object/Subsidiary program works:



When you update company numbers and business unit/object/subsidiary, the job is submitted directly to batch.

Before You Begin

- ❑ Verify that no one accesses the general accounting or fixed asset tables. The program is unable to update accounts that are locked by other system applications. Any account that a user accesses elsewhere in the system will not be updated.

Running the Repost Ledger Program

From the Fixed Assets Advanced Operations menu (G1231), choose Fixed Asset Repost.

You can repost damaged account balances in the Asset Account Balances table (F1202) to restore system integrity. You should run the repost only if you have no other means of

restoring account information. Run the repost, for example, if account balance information is damaged as a result of hardware failure.

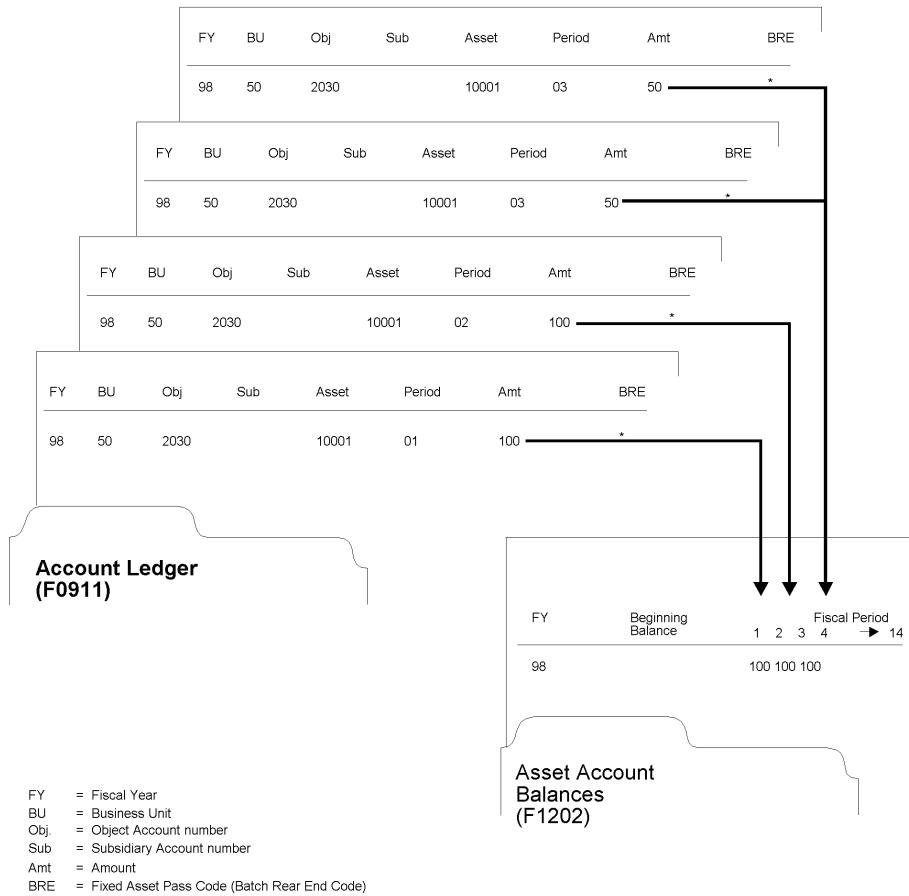
This program reposts only the transactions that include all of the following:

- A valid period number.
- A code that indicates a post to both the general ledger and fixed assets.
- A valid asset number that exists in the Asset Master table (F1201).
- A transaction ledger type set up in Depreciation Default Coding, if one does not already exist in the Asset Account Balances table.
- A transaction account number in the Account Master table (F0901). The account number must fall within the Item FX range of accounts in the automatic accounting instructions.
- Period postings for individual assets. The transaction must not be a balance forward record and cannot be summarized by period and account.

Caution

The Repost Ledger program clears all summarized account balances to zero. Do not use this program if your system includes item balance records without general ledger transactions, as in the case of summarized depreciation computations or beginning balances created without an audit trail.

The following graphic illustrates how the Repost Ledger program searches the Account Ledger table (F0911) to create new asset balances in the Asset Account Balances table (F1202):



Caution

When you run Fixed Asset Repost, be sure you make data selections to specify only the records for which you want to run the repost.

Before You Begin

- Verify that the following procedures are complete:
 - All transactions are posted first to the account ledger and then to fixed assets.
 - All depreciation and transfer transactions are posted first to fixed assets and then to the general ledger.
- Verify that no one accesses the general accounting or fixed asset tables. The program is unable to update accounts that are locked by other system applications. Any account that a user accesses elsewhere in the system will not be updated.

Processing Options for Fixed Asset Repost (R12910)

PRINT

1. Enter a '1' to print differences and to update the Fixed Asset Balance File. Leave blank (default) to only print the differences between the Transaction Ledger file (F0911) and the Fixed Asset Balance file (F1202).

Preliminary or Final Processing

-
2. Identify how to print asset number.
- 1 = Item Number (Default)
2 = Unit Number
3 = Serial Number
- Asset Number
-

Updating the Asset Number in the Account Ledger

From the Advanced Operations menu (G1231), choose Refresh Asset Number in F0911.

Normally, the symbol that you use to identify the asset number in your system should not change. If you change this symbol, you should update the asset number in the Account Ledger table (F0911). Run this program to ensure that all account ledger transactions that are posted contain the current format for the primary asset number.

The asset number and the symbol used to identify the asset number are stored in the Account Ledger table.

When you select Refresh Asset Number in F0911, the system submits the job directly to batch.

Before You Begin

- Verify that no one accesses the general accounting or fixed asset tables. The program is unable to update accounts that are locked by other system applications. Any account that a user accesses elsewhere in the system will not be updated.

Purging Assets and Asset Information

Use the Asset Master and Balances Purge program to purge old fixed assets records from your system. You can purge:

- A selected asset that you disposed of in a prior year
- Data tables for a prior year

Every record that the system purges during this procedure is transferred to a separate purge table. The purge table name is the same as the original table name with a P at the end. For example, the purge table for F1201 is F1201P.

This purge procedure automatically creates the appropriate purge tables the first time that the purge program is run. These purge tables are stored in the same library that the corresponding tables are stored.

J.D. Edwards strongly recommends that you back up any of the following tables you plan to purge:

- Asset Master table (F1201)
- Asset Account Balances table (F1202)
- Location Tracking table (F1204)
- Equipment Messages (F1205)
- Equipment License Master table (F1206)

- Maintenance Schedule table (F1207)
- Parent History table (F1212)
- Equipment Rates table (F1301)
- Status History table (F1307)

To run the Asset Master and Balances Purge program, choose Asset Master and Balances Purge from the Advanced Operations menu (G1231). If you are only purging specific records, make data selections to specify the records that you want to purge.

Caution

Be sure no one accesses the general accounting or fixed assets tables while you run this procedure. The program is unable to purge records that are locked by other system applications. Any records that a user accesses elsewhere in the system will not be purged.

After the purge is complete, the program prints a report that includes the asset number, description, responsible business unit, and disposal date (if applicable) of the purged assets. The report also shows which tables had records that were purged and a summary showing how many records were purged from each table.

Processing Options for Asset Master and Balances Purge (R12912)

Process Tab

These processing options enable you to specify the mode in which you want to run the Asset Master and Balances Purge program and which tables you want to purge.

1. Process Mode

Blank = Do not purge. Print report only

1 = Purge and print report

Use this processing option to specify the mode in which you want to run this program. Valid values are:

Blank Run the program in preliminary mode. You should run the program in preliminary mode before running it in final mode. The program will produce a report, which will help you ensure that the correct assets and tables are being purged. Running the program in preliminary mode will not purge rows from any of the tables. When you run this program in preliminary mode, the program will print a report that shows how many rows will be purged from each table for each asset.

-
- 1 Run the program in final mode. When you run the program in final mode, the program will produce a report that shows how many rows were purged from every table for each asset. Running the program in final mode will purge rows from the tables you have selected. When you run this program in final mode, the program will print a report showing how many rows were purged from each table for each asset and purge the tables that you have selected.

2. Purge All Tables

Blank = No

1 = Yes

Use this processing option to specify whether the Asset Master table (F1201) and all related tables are to be purged or just the tables you select in the Specify Tables processing option located on this tab. The rows that are purged will be deleted from the original tables and placed into their corresponding purge tables. For example, records purged from the F1201 table will be placed in the F1201P table. Valid values are:

Blank Rows will be purged from only the tables you specify in the Specify Tables processing option located on this tab.

- 1 Rows in the Asset Master table (F1201) will be purged along with rows in all related tables that contain the purged asset. Rows will only be purge for an asset that has a disposal date that is in a prior year and does not have any children attached to it.

3. Specify Tables

Blank = Do not purge table

1 = Purge table

F1202 - Asset Account Balances

Use this processing option to specify which tables you want to purge. This processing option only applies if the Purge All Tables processing option on this tab contains a value of Blank. Valid values are:

- Blank Do not purge the Asset Account Balances table (F1202).
- 1 Purge the Asset Account Balances table (F1202).

F1301 - Equipment Rates

Use this processing option to specify which tables you want to purge. This processing option only applies if the Purge All Tables processing option on this tab contains a value of Blank. Valid values are:

- Blank Do not purge the Equipment Rates table (F1301).
- 1 Purge the Equipment Rates table (F1301).

F1204 - Location Tracking

Use this processing option to specify which tables you want to purge. This processing option only applies if the Purge All Tables processing option on this tab contains a value of Blank. Valid values are:

- Blank Do not purge the Location Tracking table (F1204).
- 1 Purge the Location Tracking table (F1204).

F1205 - Equipment Message

Use this processing option to specify which tables you want to purge. This processing option only applies if the Purge All Tables processing option on

this tab contains a value of Blank. Valid values are:

Blank Do not purge the Equipment Message table (F1205).

1 Purge the Equipment Message table (F1205).

F1206 - Equipment License Master

Use this processing option to specify which tables you want to purge. This processing option only applies if the Purge All Tables processing option on this tab contains a value of Blank. Valid values are:

Blank Do not purge the Equipment License Master table (F1206).

1 Purge the Equipment License Master table (F1206).

F1207 - Maintenance Schedule

Use this processing option to specify which tables you want to purge. This processing option only applies if the Purge All Tables processing option on this tab contains a value of Blank. Valid values are:

Blank Do not purge the Maintenance Schedule table (F1207).

1 Purge the Maintenance Schedule table (F1207).

F1212 - Parent History

Use this processing option to specify which tables you want to purge. This processing option only applies if the Purge All Tables processing option on this tab contains a value of Blank. Valid values are:

Blank Do not purge the Parent History table (F1212).

1 Purge the Parent History table (F1212).

F1306 - Meter Reading Estimates

Use this processing option to specify which tables you want to purge. This processing option only applies if the Purge All Tables processing option on this tab contains a value of Blank. Valid values are:

- Blank Do not purge the Meter Reading Estimates table (F1306).
- 1 Purge the Meter Reading Estimates table (F1306).

F1307 - Status History

Use this processing option to specify which tables you want to purge. This processing option only applies if the Purge All Tables processing option on this tab contains a value of Blank. Valid values are:

- Blank Do not purge the Status History table (F1307).
- 1 Purge the Status History table (F1307).

F1308 - Equipment Routes

Use this processing option to specify which tables you want to purge. This processing option only applies if the Purge All Tables processing option on this tab contains a value of Blank. Valid values are:

- Blank Do not purge the Equipment Routes table (F1308).
- 1 Purge the Equipment Routes table (F1308).

F13907 - Associated Service Types

Use this processing option to specify which tables you want to purge. This processing option only applies if the Purge All Tables processing option on

this tab contains a value of Blank. Valid values are:

Blank Do not purge the Associated Service Types table (F13907).

1 Purge the Associated Service Types table (F13907).

4. Start Year (4 Digits)

Use this processing option to specify the first year that Asset Account Balances table (F1202) rows are to be purged. All years prior to the year entered, including the year entered, will be purged. This processing option only applies if the Specify Tables processing option located on this tab contains a value of 1 for the Asset Account Balances table. If this option is left blank, only the current fiscal year's records will be retained, as all prior years' records will be purged.

Print Tab

This processing option enables you to specify how you want the asset number printed on the report.

1. Asset Number Format

1 = Asset Number

2 = Unit Number

3 = Serial Number

Use this processing option to specify how you want the asset number printed on the report. Valid values are:

- 1 Asset Number.
 - 2 Unit Number.
 - 3 Serial Number.
-

Appendices

Predefined Depreciation Methods

The Fixed Assets system includes predefined, standard depreciation methods.

Depreciation methods 10 (MACRS Luxury Cars), 17 (AMT Luxury Autos), and 18 (ACE Luxury Autos) are user defined depreciation methods. See [Setting Up User Defined Depreciation](#) for information about adding a new method.

The following rules apply to the predefined depreciation methods included in the Fixed Assets system:

- The system does not allow accumulated depreciation to exceed the depreciable basis. The depreciable basis for an asset is the asset's original cost minus its salvage value. When the total of an asset's current depreciation and accumulated depreciation is greater than the depreciable basis, the system calculates current depreciation by subtracting the accumulated depreciation from the depreciable basis.
- The system calculates a full period's depreciation for the initial period that you acquire an asset. If you do not calculate depreciation for the month that you dispose of an asset, you should run the disposal before you run the depreciation. Exceptions to this rule are the mid-month, mid-quarter, and mid-year conventions.

The examples used throughout this chapter are based on the following information, unless otherwise noted:

Cost 100,000.00 USD

Salvage value 0.00

Life months 60

Acquisition date 08/01/96

Technical Considerations

Life months Life months are not required for predefined depreciation methods 06, 09, 11, and 15. If you enter life months for any of these methods, it is informational only. The system depreciates assets until the cost is fully depreciated or you dispose of the item.

Life months are required for all user defined depreciation methods.

Depreciating an asset after disposal When you dispose of an asset, the disposal program zeros out the cost and accumulated depreciation amounts in the ledgers specified in the Disposal Account Rules program (P12141). When the specified ledger uses a mid-year convention for the asset's depreciation and the asset is not fully depreciated at the time of disposal, the depreciation program cannot calculate the final depreciation amount. This is because cost and accumulated depreciation amounts are both zero as a result of the disposal program.

Short years You can set up short years for the Fixed Assets system. See [Setting Up Short Years in Fixed Assets](#).

**Depreciation
methods that use the
mid-year convention
(Y)**

The system begins depreciation calculations for all methods that use the mid-year convention at the mid-point of a regular tax year. Examples include:

- If an asset is placed in service during the first half of a calendar year (for example, in April, or period 4) and assigned MACRS depreciation with the mid-year convention, the system calculates depreciation only for one-half year beginning in July.
- If an asset is placed in service during the second half of a calendar year (for example, in September, or period 9) and assigned MACRS depreciation with the mid-year convention, the system calculates depreciation only for the remaining periods.

Method 00 - Null Depreciation

No depreciation is calculated.

Method 01 - Straight Line

The system depreciates the asset's cost (less salvage value) in equal amounts or daily (days in period/365.25) over the estimated useful life (life periods) of the asset, depending on the compute direction.

When you use the straight-line depreciation method, you can designate a mid-month, mid-quarter, or mid-year averaging convention. If you do not designate a convention, the system depreciates the full month for the period that you place the asset in service.

When you use straight-line depreciation, you must indicate one of the following computation methods:

**Inception-to-date (I) (Daily
depreciation)**

$((\text{Cost} - \text{Salvage Value}) / \text{life months}) * \text{elapsed months}$ - accumulated depreciation = period depreciation.

For example, depreciation for January 1997 would be calculated as follows:

$$((100,000.00 - 0) / 60) * 6 - 8,333.00 = 1,667.00$$

**Remaining life (R) (Daily
depreciation)**

$((\text{Net book value} - \text{salvage}) / \text{Remaining life periods}) * \text{months elapsed year-to-date}$ - year-to-date depreciation = period depreciation.

For example, depreciation for January 1997 would be calculated as follows:

$$((91,667.00 - 0) / 55) * 1 - 0 = 1,667.00$$

The following rules apply to this calculation:

- The cost less accumulated depreciation for prior years equals the net book value (NBV).
- If the NBV less salvage value is greater than zero, it is divided by the remaining life months as of the beginning of the current fiscal year.

**Current period (P) (Equal
amounts depreciation)**

Adjusted cost / life months = period depreciation.

For example, depreciation for January 1997 would be calculated as follows:

$$(100,000.00 - 0) / 60 = 1,667.00$$

Method 02 - Sum of the Year's Digits

The system applies changing fractions each year to the adjusted cost of the asset. When you use this depreciation method, you must indicate the current year-to-date (C) computation method, as follows:

Current year-to-date (C) $(\text{Cost} - \text{salvage value}) * \text{remaining useful life} / \text{sum of the years} = \text{year's depreciation}$. $\text{Year's depreciation} / \text{number of normal periods in the year} = \text{period depreciation}$.

The following rules apply to this depreciation calculation:

- The system converts life periods into years, for example, 36 life months / 12 months = 3 years.
- The denominator is the sum-of-the-years digits (SYD), calculated as follows:
 - $\text{SYD} = n * ((n + 1) / 2)$ where $n = \text{useful life in years}$.

For example, if life months equals 36 (3 years), the SYD is 6:

- $3 * ((3 + 1) / 2) = 6$.
- The numerator is the remaining useful life at the beginning of the year.
- The system makes allocations throughout the useful life of the asset. For example, if you purchase an asset during the eighth month of the year, $5/12$ of the first full year's depreciation is deductible in that year. In the second year, $7/12$ of the first full year's depreciation, and $5/12$ of the second year's depreciation are allowed. These allocations are followed for the entire life of the asset.
- To accommodate the mid-year convention for an asset, you must change the depreciation start date to the midpoint of the year.

Methods 03, 04, and 05 - Declining Balance to Cross-Over

The declining balance to cross-over methods use the following percentages:

Method 03 125%

Method 04 150%

Method 05 200%

Although the system does not consider the salvage value of an asset during the depreciation calculation, it will not depreciate an asset below its salvage value.

When you use a declining balance to cross-over method to depreciate an asset, you must indicate one of the following methods of computation:

Inception-to-date (I) $((\text{NBV} * \text{percentage}) / \text{life periods} * \text{elapsed periods}) - \text{Accumulated Depreciation} = \text{period depreciation}$.

For example, using method 05, yearly depreciation would be calculated as follows:

$$1997: (((100,000.00 * 200\%) / 60) * 17) - 16,667.00 = 40,000.00$$

$$1998: ((100,000.00 - 16,667.00) * 200\% / 60) * 12 = 33,333.00$$

The following rules apply to this depreciation calculation:

- The cost less accumulated depreciation for prior years equals the net book value (NBV).
- Calculate NBV at the beginning of the year.
- When the NBV divided by remaining life months is greater than the depreciation for the period, you have reached cross-over for the asset. At this point, the depreciation for the period will equal the NBV divided by the remaining life months.

Remaining life (R) NBV (if greater than zero) * percentage / remaining life periods = period depreciation.

For example, yearly depreciation would be calculated as follows:

1996: $100,000.00 * 20\% / 60 * 5 = 16,667.00$

1997: $83,333.00 * 20\% / 60 * 12 = 33,333.00$

The following rules apply to this depreciation calculation:

- When NBV divided by the remaining periods is greater than the period depreciation, you have reached cross-over for the asset.
- The cost is reduced by the accumulated depreciation for purposes of calculating NBV at the end of each fiscal year.

Alternative minimum tax (AMT) You can use Method 04 (150% Declining Balance to Cross-over) for alternative minimum tax purposes.

Method 06 - Fixed Percent on Declining Balance

When you use the fixed percent on declining balance depreciation method, you must indicate one of the following methods of computation:

Current year-to-date (C) $((Cost - accumulated depreciation) * fixed percent) / number of normal periods = period depreciation.$

Current period (P) The current period method of computation is the same as current year-to-date except that it does not "catch up" depreciation amounts within the year. If you run your first depreciation in March, the system calculates depreciation for March only. The system does not calculate depreciation for January and February.

Method 07 - ACRS Standard

You can use the Accelerated Cost Recovery System (ACRS) method to compute the tax depreciation deduction for most tangible depreciable property that you place in service after 1980 but before 1987. Cost recovery methods and period are the same for both new and used property. The system does not use the asset's salvage value to compute ACRS allowances.

ACRS standard depreciation uses only one method of computation:

Current year-to-date (C) $((Cost - accumulated depreciation) * fixed percent based on ACRS IRS table) / number of normal periods = period depreciation.$

Personal Property

The ACRS statutory recovery percentage for personal property that is placed in service after 1980 and before 1987 is determined by an IRS-prescribed table. The table takes into account the type of property (3-year, 5-year, 10-year, or 15-year) and the year that you placed the property in service.

Real Property

Generally, the adjusted basis of real property is recovered over a period of 19 years for real property that is placed in service after May 8, 1985, but before 1987. For real property that is placed in service after March 15, 1984, but before May 9, 1985, the unadjusted basis is recovered over a period of 18 years. A 15-year recovery period applies to real property that is placed in service after 1980 but before March 16, 1984, and to low-income housing.

The recovery percentages for such property other than low-income housing is similar to the use of the 175% declining balance method with a later-year switch to the straight line method.

You can use the following conventions with the ACRS depreciation method:

- Full-month** Can be used for real property that you place in service before March 16, 1984, and for low-income housing. With the full-month convention, the system handles real property that you place in service at any time during a particular month as being placed in service on the first day of that month. This allows a full month's cost recovery for the month that you placed the property in service. If you dispose of the property anytime during a particular month, but before the end of a recovery period, you are not allowed cost recovery for the month that you disposed of the property.
- Mid-month** Can be used for real property that you place in service after March 15, 1984. With the mid-month convention, the system handles real property that you place in service anytime during a particular month as being placed in service at the middle of that month. This allows a one-half month's cost recovery for the month that you placed the property in service. If you dispose of the property during a month, but before the end of a recovery period, you are allowed cost recovery for one-half of the month that you disposed of the property.
- Mid-year** With the regular method of ACRS standard depreciation, the mid-year convention is mandatory and built into the applicable tables. You are not allowed any deduction for the year that you dispose of an asset.

Method 08 - ACRS Optional

If you prefer a slower recovery on the cost of ACRS property than the percentages provided, you might elect to use a straight-line recovery method. This method provides a longer recovery period.

The ACRS optional depreciation method uses one of two methods of computation:

- Inception-to-date (I)**
$$\text{(((Cost - Salvage Value) / life months) * elapsed months) - accumulated depreciation} = \text{period depreciation.}$$

For example, depreciation for January 1997 would be calculated as follows:

$$\text{(((100,000.00 - 0) / 60) * 6) - 8,333.00} = 1,667.00$$

Remaining life ((Net book value - salvage) / Remaining life periods) * months elapsed year-to-date -
(R) year-to-date depreciation = period depreciation.

For example, depreciation for January 1997 would be calculated as follows:

$$(((91,667.00 - 0) / 55) * 1) - 0 = 1,667.00$$

The following rules apply to this calculation:

- The cost less prior years' accumulated depreciation equals the net book value (NBV).
- If the NBV less salvage value is greater than zero, it is divided by the remaining life months as of the beginning of the current fiscal year.

The calculation for ACRS Optional is the same as Straight Line except for the following:

- The system bases the depreciation calculation on the cost, rather than the adjusted cost (cost less salvage value).
- The system uses the mid-year convention for personal property.
- The system calculates a full month of depreciation in the month that you acquire the property and no depreciation in the month that you dispose of it for 15-year real property.
- The system calculates one-half month of depreciation in the months that you acquire and dispose of 18- and 19-year real property.
- If depreciation information is 04 (ACRS method with Basis Reduction), the system reduces the cost by one-half of the Income Tax Credit (ITC) amount assigned on Master Information.

Method 09 - Units of Production

When you use the units of production depreciation method, you must indicate the current year-to-date method of computation, as follows:

Current year-to-date (Year-to-date production / depreciable unit base * (asset cost - accumulated depreciation)).
(C)

The system calculates the depreciable unit base as follows:

Original units revisions to estimate - prior year's production = depreciable unit base.

You must run the Units of Production Close procedure to roll current year information forward into the following year.

Method 11 - Fixed Percent Luxury Cars - Foreign

Calculation: NBV * fixed percent = year's depreciation. Year's depreciation / number of normal periods = period depreciation.

The following rules apply to this method of depreciation:

- You must use the current year-to-date (C) method of computation.
- The depreciation amount for a year is limited to 2,000.00.

Method 12 - MACRS Standard

You must depreciate most tangible property that you place in service after 1986 using MACRS, for tax purposes. Depending on the type of property, you will recover the cost over a 3-, 5-, 7-, 10-, 15-, 20-, 27 1/2-, 31 1/2-, or 39-year period. You recover the cost using the applicable depreciation method, the applicable recovery period, and the applicable convention.

MACRS calculations use the following statutory recovery methods and conventions:

3-, 5-, 7-, and 10-year period calculations	The system calculates depreciation using the 200% declining balance method and the mid-year or mid-quarter convention, with a switch to the straight-line method in later years.
27 1/2-, 31 1/2 , and 39-year period calculations	The system calculates depreciation using the straight line method and the mid-month convention.

To compute depreciation, the system uses MACRS depreciation tables, which contain the annual percentage depreciation rates to be applied to the adjusted basis of property in each tax year. The tables include the appropriate convention and a switch from the declining balance method to the straight-line method in the appropriate year.

Use one of the following conventions with this depreciation method:

Mid-month	You can apply this convention to residential and nonresidential real property. Based on this convention, the system calculates one-half month's depreciation for the month that you acquired or disposed of the property.
Half-year	Apply this convention to property other than residential and nonresidential property. Based on this convention, the system calculates one-half year's depreciation for the year that you acquire or dispose of the property.
Mid-quarter	You can apply this convention to all property other than nonresidential real property and residential rental property if more than 40 percent of the total basis of such property is placed in service during the last three months of the tax year. Based on this convention, the system calculates depreciation at the midpoint of the quarter that you acquire or dispose of the property. The system computes the MACRS deduction for the first year by determining the depreciation for the full tax year and then multiplying it by one of the following percentages, depending on the quarter that you placed the property in service: <ul style="list-style-type: none">• First quarter 87 1/2%• Second quarter 62 1/2%• Third quarter 37 1/2%• Fourth quarter 2 1/2%

Method 13 - MACRS Alternative

You can use the MACRS alternative depreciation method for the following categories of property:

- Tangible property used outside the U.S.
- Property that is tax exempt

- Property that is tax exempt and bond financed
- Property that is imported from a foreign country for which an executive order is in effect because the country maintains trade restrictions or engages in other discriminatory acts
- Property for which you have made an alternative MACRS election

If you use the MACRS Alternative depreciation method, you must indicate the inception-to-date (I), current period (P), or remaining life (R) method of computation. You must also indicate a mid-month, half-year, or mid-quarter convention.

Method 14 - ACRS Alternate Real Property

You can use this depreciation method to recover costs by using a straight-line method over the regular recovery period or a longer recovery period. You must make this election on your tax return for the year that you placed the property in service. The ACRS straight-line depreciation tables contain the annual percentage depreciation rates. The rates are applied to the unadjusted basis of property in each tax year.

You must indicate the current year-to-date method of computation with the ACRS Alternate Real Property depreciation method.

Method 15 - Fixed Percent of Cost

The system calculates the fixed percent of cost depreciation method as follows:

Cost * fixed percent = year's depreciation. Year's depreciation / number of normal periods = period depreciation.

You must indicate the current year-to-date (C) or current period (P) method of computation with this depreciation method. The current period method is the same as the current year-to-date with the exception that it does not "catch up" depreciation amounts within the year. If you run your first depreciation in March, the system calculates depreciation for the month of March only. The system does not calculate depreciation for January and February.

Method 16 - Fixed Percent on Declining Balance to Cross-Over

You must indicate one of the following methods of computation with the fixed percent on declining balance to cross-over depreciation method:

Remaining life (R) NBV (if greater than zero) * fixed percent / life months = period depreciation.

You must apply the following rules to this calculation:

- You have reached cross-over when the NBV divided by the remaining period is greater than the period depreciation. At this point, the period depreciation equals the NBV divided by the remaining periods.
- The cost is reduced by accumulated depreciation for purposes of calculating NBV at the end of each fiscal year.

Inception-to-date (I) NBV * fixed percent / number of life months = period depreciation.

Apply the following rules to this calculation:

- After each full year an asset is in service, the cost is reduced by the accumulated depreciation to determine the NBV.

- You have reached cross-over when the NBV divided by remaining life months is greater than the period depreciation. At this point, the depreciation for the period will equal the NBV divided by the remaining life months.

International Depreciation Methods

The demonstration data that is included in OneWorld includes several depreciation methods that are designed to meet international requirements. This appendix provides an overview of these methods so that you can determine whether any of them meets your requirements.

French Straight Line (Method 19)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/06/1997
- Modified Start Date: 15/06/1997
- Cost: 100.000 FRF (without tax)
- Asset Life: 5 years (60 life periods)

The table below shows the depreciation of an asset using depreciation method 19:

Year	End of Year Date	Accumulated Depreciation	Calculation
		Depreciation	Expense
1997	31/12/1997	-10904.11	10904.11 100.000 / 60*12 * 199 / 365
1998	31/12/1998	-20000.00	2000.00 100.000 / 60 * 12
1999	31/12/1999	-20000.00	2000.00 100.000 / 60 * 12
2000	31/12/2000	-20000.00	2000.00 100.000 / 60 * 12
2001	31/12/2001	-20000.00	2000.00 100.000 / 60 * 12
2002	31/12/2002	-9095.89	9095.89 100.000 / 60 * 12 * 166 / 365

Note

Even though the asset life is five years, the asset takes six fiscal years to depreciate. The first and last years are split depending on the actual start date. The number of days in the first year is 200 because it includes the start and end dates. The French straight line method requires 199 days, so one day is subtracted in the formula to calculate the correct apportionment percent for the first year. By default, the last year takes the remaining basis and includes salvage value.

The following table explains the requirements for method 19:

Asset life	The demonstration data includes versions of method 19 for an asset life of 48 life periods and 60 life periods.
Balance	<ul style="list-style-type: none"> • Year-end with annual depreciation

adjustments	<ul style="list-style-type: none"> • Apportioned by period in the year based on percent
Modified start date	The modified start date is the actual start date. This method calculates the initial year percent by the number of days in the first year.
Note	
	Typically, the number of days in a year includes the start day and end day. However, the French straight-line method uses one fewer day. The French requirement is calculated by subtracting one day from the current number of days in the year.
Conventions	The disposal year is the actual disposal date.
Life year rules	<ul style="list-style-type: none"> • Life year 1 to 1 contains the formula that calculates the initial year apportionment. • Life years 2 to 4 contain the standard, straight line formula for an annual amount.
Calculations	<p>Formulas calculate a year of straight-line depreciation.</p> <p>The basis includes salvage value.</p>
Disposals	Method 19 has no disposal rules.

French Declining Balance (Method 20)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/06/1997
- Modified Start Date: 01/06/1997
- Cost: 100.000 FRF (without tax)
- Asset Life: 5 years (60 life periods)

The table below shows the depreciation of an asset using depreciation method 20:

Year	End of Year Date	Accumulated Depreciation	Calculation
		Depreciation	Expense
1997	31/12/1997	-23.333,33	100.000 * 40% / 12*7
1998	31/12/1998	-30.666,66	(100.000-23.333,33) * 40%
1999	31/12/1999	-18.400,00	(76.666,67-30.666,66) * 40%
2000	31/12/2000	-13.800,00	(46.000,01-18.400,00)/2
2001	31/12/2001	-13.800,00	13.800,00

Note

Even though the asset life is complete on 31/05/02, the system calculates depreciation for five complete periods in the fiscal year (31/12/01). The calculations for the initial year are based on periods rather than on days.

The following table explains the requirements for method 19:

Asset life	The demonstration data includes versions of method 20 for an asset life of 36, 48, 60, 72, and 84 life periods.
Balance adjustments	<ul style="list-style-type: none">• End of the year with annual depreciation• Apportioned by period in the year based on percent
Modified start date	The modified start date is the start of the period. This method calculates the initial year percent by periods in the first year.
Conventions	No conventions are needed.
Life year rules	<ul style="list-style-type: none">• The first life year is from year 1 to 2 years less than the total number of years.• The second life year is for 1 year less than the total number of years.• The third life year is for the last year in the asset's life. <p>For example, if the asset has a life of five years, the first life year corresponds to years 1 through 3, the second life year corresponds to year four, and the third life year corresponds to year five.</p>
Disposals	Method 20 has no disposal rules.

Calculations

The declining balance is based on a declining coefficient, as illustrated in the following table:

Declining Coefficient	Probable Asset Life	Declining Rate
1.5	3 and 4 years	50 and 37.5%
2	5 and 6 years	40 and 33.33%
2.5	More than 6 years	2.5*life%

- Subtract half of the basis in the year before the total number of years.
- Use the remaining basis for calculations.

French Derogatory Depreciation (Method 21)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/06/1997
- Modified Start Date: 01/06/1997
- Cost: 100.000 FRF (without tax)
- Asset Life: 4 years (48 life periods)

The table below shows the depreciation of an asset using depreciation method 21:

Year	End of Year Date	Declining Balance	Straight Line	Derogatory Depreciation
1997	31/12/1997	28.125	17.809	10.316
1998	31/12/1998	26.953	25.000	1.953
1999	31/12/1999	22.461	25.000	-2.539
2000	31/12/2000	22.461	25.000	-2.539
2001	31/12/2001	0	7.191	-7.191

Note

This example uses the straight-line method in the AA ledger type and the declining balance method in a separate ledger type. The formula uses the calculated final balances to produce the balance adjustments for derogatory depreciation.

Another method to create derogatory depreciation is to use Enterprise Report Writer to calculate the difference between the two ledger types and create journal entries for posting. See the *Enterprise Report Writing Guide* for more information.

The following table explains the requirements for method 21:

Asset life	The demonstration data includes versions of method 21 for an asset life of 48 life periods and 60 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent <p>Straight-line and declining balance methods must be updated before derogatory depreciation can be calculated.</p>
Modified start date	The modified start date is the start of the period.
Conventions	<ul style="list-style-type: none"> • Allow Over Depreciation is set to option 3 (accumulated depreciation might exceed adjusted basis and continue beyond the asset's life). • Negative depreciation is allowed.
Life year rules	The life year from 1 to 998.
Calculations	Calculate the difference between declining balance and straight-line balance.
Disposals	Method 21 has no disposal rules.

German Building (Method 22)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/03/1997

- Modified Start Date: 01/03/1997
- Cost: 3.600.000,00 DEM (without tax)
- Asset Life: 5 years (60 life periods)

The table below shows the depreciation of an asset using depreciation method 22:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-210.000	210.000	3.600.000 * 7% for 10 periods
1998	31/12/1998	-252.000	252.000	3.600.000 * 7% for 12 periods
1999	31/12/1999	-252.000	252.000	3.600.000 * 7% for 12 periods
2000	31/12/2000	-252.000	252.000	3.600.000 * 7% for 12 periods
2001	31/12/2001	-252.000	252.000	3.600.000 * 7% for 12 periods
2002	31/12/2002	-132.000	132.000	3.600.000 * 7% for 2 periods
				3.600.000 * 5% for 10 periods
2003	31/12/2003	-108.000	108.000	3.600.000 * 5% for 12 periods
2004	31/12/2004	-108.000	108.000	3.600.000 * 5% for 12 periods
2005	31/12/2005	-108.000	108.000	3.600.000 * 5% for 12 periods
2006	31/12/2006	-108.000	108.000	3.600.000 * 5% for 12 periods
2007	31/12/2007	-132.000	132.000	3.600.000 * 5% for 2 periods
				3.600.000 * 2.5% for 10 periods
2008	31/12/2008	-90.000	90.000	3.600.000 * 2.5% for 12 periods
2009-2025	31/12/20xx	-90.000	90.000	3.600.000 * 2.5% for 12 periods
2026	31/12/2026	-90.000	90.000	3.600.000 * 2.5% for 12

				periods
2027	31/12/2027	-7.500	7.500	3.600.000 * 2.5% for 2 periods

Note

Use the life year reference to force depreciation to be calculated every period.

The following table explains the requirements for method 22:

Asset life	The demonstration data includes versions of method 22 for an asset life of 360 life periods.
Balance adjustments	<ul style="list-style-type: none"> • The depreciation percent changes based on the asset life year. • Use the asset life year reference to force period adjustments.
Modified start date	The modified start date is the start of the period.
Conventions	The life year reference should come from the modified start date.
Life year rules	<p>Asset life years are used instead of fiscal life years.</p> <ul style="list-style-type: none"> • Life year 1 to 5 takes 7%. • Life year 6 to 10 takes 3%. • Life year 11 to 20 takes 2.5%.
Calculations	<ul style="list-style-type: none"> • Formulas must use the multiplier times the annual percent. • The basis is cost.
Disposals	Method 22 has no disposal rules.

German Declining Balance (Method 23)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/03/1997
- Modified Start Date: 01/03/1997
- Cost: 100.000,00 DEM (without tax)
- Asset Life: 10 years (120 life periods)

The table below shows the depreciation of an asset using depreciation method 23:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-25.000	25.000	100.000*30% * (10/12) periods
1998	31/12/1998	-22.500	22.500	(100.000-25.000) * 30% * (12/12) periods

1999	31/12/1999	-15.750	15.750	(100.000-47.500) * 30% * (12/12) periods
2000	31/12/2000	-11.025	11.025	(100.000-63.250) * 30% * (12/12) periods
2001	31/12/2001	-7.717,5	7.717,5	(100.000-74.275) * 30% * (12/12) periods
2002	31/12/2002	-5.402,25	5.402,25	(100.000-89.992,5) * 30% * (12/12) periods
2003	31/12/2003	-3.781,58	3.781,58	(100.000-87.394,75) * 30% * (12/12) periods
2004	31/12/2004	-2.786,42	2.786,42	(100.000-91.176,33) / (38*12) periods
2005	31/12/2005	-2.786,42	2.786,42	(100.000-93.962,75) / (26*12) periods
2006	31/12/2006	-2.786,43	2.786,43	(100.000-96.749,17) / (14*12) periods
2007	31/12/2007	-464,40	464,40	100.000-99.353,60 for last 2 periods

Note

The straight line lower limit replaces the declining balance calculation in the eighth year of the asset's life.

The following table explains the requirements for method 23:

Asset life	The demonstration data includes versions of method 23 for an asset life of 120 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the start of the period.
Conventions	No conventions are needed.
Life year rules	Life year 1 to 10 takes 30% declining balance.
Calculations	<ul style="list-style-type: none"> • Use 30% as a multiplier for the declining balance. • The upper limit is three times straight line. • The lower limit is straight line.
Disposals	Method 23 has no disposal rules.

German Compound (Method 24)

For the example that follows, the following assumptions apply:

- Actual Start Date: 12/06/1997
- Modified Start Date: 01/06/1997
- Cost: 100.000,00 DEM (without tax)
- Asset Life: 12 years (144 life periods)

The tables below show the depreciation of an asset using depreciation method 24:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense
1997	31/12/1997	-4.882,50	4.882,50
1998	31/12/1998	-8.327,63	8.327,63
1999	31/12/1999	-8.327,63	8.327,63
2000	31/12/2000	-8.350,44	8.350,44
2001	31/12/2001	-8.327,63	8.327,63
2002	31/12/2002	-8.327,63	8.327,63
2003	31/12/2003	-8.327,63	8.327,63
2004	31/12/2004	-8.350,44	8.350,44
2005	31/12/2005	-8.327,63	8.327,63
2006	31/12/2006	-8.327,63	8.327,63
2007	31/12/2007	-8.327,62	8.327,62
2008	31/12/2008	-8.350,44	8.350,44
2009	31/12/2009	-3.445,13	3.445,13

Year	2nd Accumulated Depreciation	2nd Depreciation Expense	Rule 1 Calculation	Rule 2 Calculation
1997	-7.328,77	7.328,77	100.000 / 4383 * 214 days	100.00 * 12.5% * 58.630,13 Initial Year %
1998	-12.500,00	12.500,00	(100.000 - 4.882,5) / 4169 * 365 days	100.000 * 12.5%
1999	-12.500,00	12.500,00	(100.000-13.215,13)	100.00 * 12.5%

			/ 3804 * 365 days
2000	-12.500,00	12.500,00	(100.000 - 21.537,76) / 3439 100.00 * 12.5% * 366 days
2001	-5.171,23	5.171,23	(100.000 - 29.888,20) / 3073 100.00 * 12.5% * 365 days * 41.369,87 Last Year %
2002			(100.000 - 38.215,83) / 2708 * 365 days
2003			(100.000 - 46.543,46) / 2343 * 365 days
2004			(100.000 - 54.871,09) / 1978 * 366 days
2005			(100.000 - 63.221,54) / 1612 * 365 days
2006			(100.000 - 71.549,17) / 1247 * 365 days
2007			(100.000 - 79.876,80) / 882 * 365 days
2008			(100.000 - 88.204,43) / 517 * 366 days
2009			(100.000 - 96.554,87) / 151 * 151 days

Note

The compound 50% is apportioned over five fiscal years. The first and last year have an apportionment percent combined of 100% to allow four years of 12.5% compound depreciation. Continuing depreciation beyond the asset's life is needed, so remaining basis is not taken in the last year of the asset's life, which reverses the compound depreciation. AAIs (SDA and SDE1) for secondary accounts were set up.

The following table explains the requirements for method 24:

Asset life	The demonstration data includes a version of method 24 for an asset life of 144 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the start of the period.
Conventions	<ul style="list-style-type: none"> • Secondary Accounts are set to Two Accumulated Depreciation accounts and Two

- Depreciation Expense accounts
 - Allow Over Depreciation is set to exceed adjusted basis and to continue beyond the asset's life
- Life year rules**
- Life years 1 to 998 take straight line for rule 1
 - The demonstration data includes examples for 50% over the first four years and for 50% in the first year. Different rules for the first, middle, and last years control the life year percent that matches the fiscal year.
- Calculations**
- Remaining number of days are used for straight line
 - An annual rule multiplier is used for the secondary 50%
- Disposals**
- Method 24 has no disposal rules.

German Investment Tax Credit (Method 25)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/06/1997
- Modified Start Date: 15/06/1997
- Cost: 100.000,00 DEM (without tax)
- Asset Life: 10 years (120 life periods)

The tables below show the depreciation of an asset using depreciation method 25:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense
1997	31/12/1997	-5.476,45	5.476,45
1998	31/12/1998	-9.994,52	9.994,52
1999	31/12/1999	-9.994,52	9.994,52
2000	31/12/2000	-10.021,91	10.021,91
2001	31/12/2001	-9.994,52	9.994,52
2002	31/12/2002	-9.994,52	9.994,52
2003	31/12/2003	-9.994,53	9.994,53
2004	31/12/2004	-10.021,91	10.021,91
2005	31/12/2005	-4.507,12	4.507,12
2006	31/12/2006		
2007	31/12/2007		

Year	2nd Accumulated	2nd Depreciation	Rule 1 Calculation	Rule 2 Calculation

Depreciation Expense

1997		100.000 / 3652 * 200 days	
1998		(100.000 - 5.476,45) / 3452 * 365 days	
1999		(100.00 - 15.470,97) / 3087 * 365 days	
2000		(100.000 - 25.465,49) / 2722 * 366 days	
2001		(100.000 - 35.487,40) / 2356 * 365 days	
2002		(100.000 - 45.481,92) / 1991 * 365 days	
2003		(100.000 - 55.476,44) / 1626 * 365 days	
2004		(100.000 - 65.470,97) / 1261 * 365 days	
2005 -8.156,42	8.156,42	100.000 - 20.000- 75.492,88	20.000 / 895 * 365 days
2006 -8.156,43	8.156,43	(100.000 - 35.487,40) / 2356 * 365 days	(20.000 - 8.156,42) / 530 * 365 days
2007 -3.687,15	3.687,15		(20.000 - 16.312,85) / 165 * 165 days

Note

Remaining basis uses the investment tax credit as a salvage value to stop depreciating. AAIs (SDA and SDE1) for secondary accounts were set up.

The following table explains the requirements for method 25:

Asset life	The demonstration data includes a version of method 25 for an asset life of 120 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the actual start date.
Conventions	<ul style="list-style-type: none"> • Secondary Accounts are set to Two Accumulated Depreciation accounts and to Two Depreciation Expense accounts • Allow Over Depreciation is set to not exceed adjusted basis and continue beyond the asset's life

	<ul style="list-style-type: none"> Disposal Conventions is set to the actual disposal date
Life year rules	<ul style="list-style-type: none"> Life years 1 to 998 take straight line for rule 1 with Investment Tax Credit as part of salvage Start depreciating the Investment Tax Credit in a separate account in the eighth year
Calculations	<ul style="list-style-type: none"> Remaining number of days are used for straight line Remaining number of days are used for straight line of the Investment Tax Credit, which is used as basis
Disposals	Method 25 has no disposal rules.

German Replacement Cost (Method 26)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/06/1997
- Modified Start Date: 01/06/1997
- Cost: 100.000,00 DEM (without tax)
- Asset Life: 5 years (60 life periods)

The table below shows the depreciation of an asset using depreciation method 26:

Year	End of Year Date	GL Statistic	Accumulated Depreciation	Depreciation Expense	Rule 1 Calculation
1997	31/12/1997	95.000	-10.000	10.000	100.00 / 95.000 * 95.000
1998	31/12/1998	90.000	-9.473,68	9.473,68	100.00 / 95.000 * 90.000
1999	31/12/1999	85.000	-8.947,37	8.947,37	100.00 / 95.000 * 85.000
2000	31/12/2000	80.000	-8.421,05	8.421,05	100.00 / 95.000 * 80.000
2001	31/12/2001	75.000	-7.894,74	7.894,74	100.00 / 95.000 * 75.000
2002	31/12/2002	70.000	-7.368,42	7.368,42	100.00 / 95.000 * 70.000

Note

The AAI (DS4) must be set up for the GL Statistic. The GL Statistic must come from the AU ledger type. Other ledger types can be retrieved with elements from both the F1202 and F0902 balances. The calculation can continue beyond the asset's life.

The following table explains the requirements for method 26:

Asset life	The demonstration data includes a version of method 26 for an asset life of 60 life periods.
Balance adjustments	<ul style="list-style-type: none"> Year-end with annual depreciation

	<ul style="list-style-type: none"> • Apportioned by period in the year based on percent
Modified start date	The modified start date is the start of the period.
Conventions	Allow Over Depreciation is set to not exceed adjusted basis and continue beyond the asset's life
Life year rules	Life years 1 to 998 use the formula calculation.
Calculations	Use the cost divided by the insurance value and multiplied by the G/L Actual Unit Statistic.
Disposals	Method 26 has no disposal rules.

Italy Straight Line (Method 27)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/04/1997
- Modified Start Date: 01/01/1997
- Cost: 10.000.000 ITL (without tax)
- Asset Life: 5 years (60 life periods)

The table below shows the depreciation of an asset using depreciation method 27:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	2.000.000	10.000.000 / 60 / 12	
1998	31/12/1998	-2.000.000	2.000.000	10.000.000 / 60 / 12
1999	31/12/1999	-2.000.000	2.000.000	10.000.000 / 60 / 12
2000	31/12/2000	-2.000.000	2.000.000	10.000.000 / 60 / 12
2001	31/12/2001	-2.000.000	2.000.000	10.000.000 / 60 / 12

Note

Because the asset's life starts at the beginning of the fiscal year, the asset is fully depreciated in five complete years.

The following table explains the requirements for method 27:

Asset life	The demonstration data includes a version of method 27 for an asset life of 36, 60, and 120 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the whole year.

Conventions	No conventions are needed.
Life year rules	Life year 1 to the year-end of the asset.
Calculations	<ul style="list-style-type: none"> • Formulas calculate a year of straight line depreciation for the whole year • Basis includes the salvage value
Disposals	Method 27 has no disposal rules.

Italy Anticipated (Method 28)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/04/1997
- Modified Start Date: 01/01/1997
- Cost: 10.000.000 ITL (without tax)
- Asset Life: 4 years (48 life periods)

The tables below show the depreciation of an asset using depreciation method 28:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Rule 1 Calculation	Rule 2 Calculation
1997	31/12/1997	-1.500.000	1.500.000	10.000.000 * 15%	10.000.000 * 15%
1998	31/12/1998	-1.500.000	1.500.000	10.000.000 * 15%	10.000.000 * 15%
1999	31/12/1999	-1.500.000	1.500.000	10.000.000 * 15%	10.000.000 * 15%
2000	31/12/2000	-1.000.000	1.000.000		
				10.000.000 -30.000.00	10.000.000 -30.000.00

Note

The AAIs (SDA and SDE1) need to be set up for the secondary accounts. Other variations of the anticipated life-year percent are set up with method 28.

The following table explains the requirements for method 28:

Asset life	The demonstration data includes a version of method 28 for an asset life of 48 life periods at 15%, 48 life periods at 20%, 60 life periods at 30%, and 84 life periods at 10%.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the whole year.
Conventions	<ul style="list-style-type: none"> • Secondary Accounts are set to Two Accumulated Depreciation accounts and to Two Depreciation Expense accounts • Allow Over Depreciation is set to not exceed adjusted basis and continue beyond the asset's life
Life year rules	<ul style="list-style-type: none"> • Life year 1 to 3 times 15% • Life year 4 takes the remaining basis in the primary rule (through year 998)
Calculations	<ul style="list-style-type: none"> • Multiply cost by 15% • Basis includes the salvage value
Disposals	Method 28 has no disposal rules.

Italy Complete (Method 29)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/04/1997
- Modified Start Date: 01/01/1997
- Cost: 10.000.000 ITL (without tax)
- Asset Life: 1 year (12 life periods)

The table below shows the depreciation of an asset using depreciation method 29:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-10.000.000	10.000.000	10.000.000

Note

The requirement to depreciate only assets with a cost under 1.000.000 lira can be done with data selection that is less than the amount in the Asset Balance Column (F1202) for Year to Date Amount (FLAPYN) or the Balance Forward (FLAPYC).

The following table explains the requirements for method 29:

Asset life	The demonstration data includes a version of method 29 for an asset life of 12 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent

Modified start date	The modified start date is the whole year.
Conventions	No conventions are needed.
Life Year Rules	Life year 1 to 1
Calculations	<ul style="list-style-type: none"> • Fully depreciate cost • Basis includes the salvage value
Disposals	Method 29 has no disposal rules.

Spain Declining Balance (Method 30)

For the example that follows, the following assumptions apply:

- Actual Start Date: 11/07/1997
- Modified Start Date: 11/07/1997
- Cost: 10.000.000 ESP (without tax)
- Asset Life: 6.66 years (72 life periods)

The table below shows the depreciation of an asset using depreciation method 30:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-1.430.137	1.430.137	$10.000.000 * 30\% * (174 / 365)$ Days
1998	31/12/1998	-2.570.959	2.570.959	$(10.000.000 - 1.430.137) * 30\%$
1999	31/12/1999	-1.799.671	1.799.671	$(10.000.000 - 4.001.096) * 30\%$
2000	31/12/2000	-1.259.770	1.259.770	$(10.000.000 - 5.800.7670) * 30\%$
2001	31/12/2001	-881.839	881.839	$(10.000.000 - 7.060.537) * 30\%$
2002	31/12/2002	-617.287	617.287	$(10.000.000 - 7.942.376) * 30\%$
2003	31/12/2003	-1.440.337	1.440.337	$10.000.000 - 8.559.663$

Note

Life year 7 automatically depreciates to remaining basis.

The following table explains the requirements for method 30:

Asset life	The demonstration data includes a version of method 30 for an asset life of 72 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the actual start date, next period date, or start of period.
Conventions	Disposal convention is the actual disposal date with the actual start date.
Life year rules	<ul style="list-style-type: none"> • Life year 1 to 1 declining balance with initial year apportionment • Life year 2 to 6 declining balance • Life year 7 is remaining basis
Calculations	<ul style="list-style-type: none"> • Declining balance of 30% • Basis includes the salvage value
Disposals	Method 30 has no disposal rules.

Czechoslovakia Rate Percent (Method 31)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/05/1997
- Modified Start Date: 01/01/1997
- Cost: 90.000 CSK (without tax)
- Asset Life: 4 years (48 life periods)

The table below shows the depreciation of an asset using depreciation method 31:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-12.780	12.780	$90.000 * 14.2\% * (12 / 12) \text{ Periods in Year}$
1998	31/12/1998	-25.740	25.740	$90.000 * 28.6\% * (12 / 12) \text{ Periods in Year}$
1999	31/12/1999	-25.740	25.740	$90.000 * 28.6\% * (12 / 12) \text{ Periods in Year}$
2000	31/12/2000	-25.740	25.740	$90.000 * 28.6\% * (12 / 12) \text{ Periods in Year}$
2001	31/12/2001			90.000 - 90.000

Note

The compute direction by period uses the life year reference to calculate the percent rate based on the asset's life and not a fiscal year. The compute direction for current year

calculates the percent rate based on a fiscal year and apportion the first year differently depending on the start date of the asset. The five year methods apply a different percent rate in later years.

The following table explains the requirements for method 31:

Asset life	The demonstration data includes a version of method 31 for an asset life of 48 and 60 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent • Period with life year reference
Modified start date	The modified start date is the whole year, midyear, or start of period.
Conventions	<ul style="list-style-type: none"> • No conventions are needed for current year compute direction. • Disposal convention is set for the midyear modified start date. • Life year reference is needed for compute direction by period.
Life year rules	<ul style="list-style-type: none"> • Life year 1 to 1, including initial year apportionment • Life year 2 to 4 percent rate • Life year 5 is remaining basis
Calculations	<ul style="list-style-type: none"> • Basis times the percent rate of 14.2 for the 1st year and 28.6 for every year thereafter • Basis includes the salvage value
Disposals	Method 31 has no disposal rules.

Japan Fixed Installment (Method 32)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/05/1997
- Modified Start Date: 2/7/1997
- Cost: 10.000 JPY (without tax)
- Salvage: 10% of cost
- Asset Life: 5 years (60 life periods)

The table below shows the depreciation of an asset using depreciation method 32:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-900	900	9.000 * 20% * (6 / 12) Periods in Year
1998	31/12/1998	-1.800	1.800	9.000 * 20% * (12 / 12) Periods in Year

1999	31/12/1999	-1.800	1.800	9.000 * 20% * (12 / 12) Periods in Year
2000	31/12/2000	-1.800	1.800	9.000 * 20% * (12 / 12) Periods in Year
2001	31/12/2001	-1.800	1.800	9.000 * 20% * (12 / 12) Periods in Year
2002	31/12/2002	-900	900	10.000 - 8.100 + 1.000

Note

The years for a five-year asset overlap into a sixth fiscal year due to the initial term of apportionment.

The following table explains the requirements for method 32:

Asset life	The demonstration data includes versions of method 32 for an asset life of 60 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the midyear, start of period, or half year.
Conventions	Disposal conventions are set for modified start dates of midyear and half year.
Life year rules	<ul style="list-style-type: none"> • Life year 1 to 5 at a fixed rate percent • Life year 6 is remaining basis
Calculations	<ul style="list-style-type: none"> • Basis times the percent rate of 20% • Basis includes the salvage value
Disposals	Method 32 has no disposal rules.

Japan Declining Percentage (Method 33)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/05/1997
- Modified Start Date: 2/7/1997
- Cost: 10.000 JPY (without tax)
- Salvage: 10% of cost
- Asset Life: 5 years (60 life periods)

The table below shows the depreciation of an asset using depreciation method 33:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-1.845	1.845	$10.000 * 36.9\% * (6 / 12) \text{ Periods in Year}$
1998	31/12/1998	-3.009	3.009	$(10.000 - 1.845) * 36.9\% * (12 / 12) \text{ Periods in Year}$
1999	31/12/1999	-1.899	1.899	$(10.000 - 4.854) * 36.9\% * (12 / 12) \text{ Periods in Year}$
2000	31/12/2000	-1.198	1.198	$(10.000 - 6.753) * 36.9\% * (12 / 12) \text{ Periods in Year}$
2001	31/12/2001	-756	756	$(10.000 - 7.951) * 36.9\% * (12 / 12) \text{ Periods in Year}$
2002	31/12/2002	-293	293	$10.000 - 8.707 + 1.000$

Note

The years for a five-year asset overlap into a sixth fiscal year due to the initial term of apportionment.

The following table explains the requirements for method 33:

Asset life	The demonstration data includes versions of method 33 for an asset life of 60 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the midyear, start of period, or half year.
Conventions	Disposal conventions are set for modified start dates of midyear and half year.
Life year rules	<ul style="list-style-type: none"> • Life year 1 to 5 at a fixed rate percent • Life year 6 is remaining basis including salvage
Calculations	<ul style="list-style-type: none"> • Basis times the percent rate of 36.9% including accumulated depreciation • Basis includes the salvage value
Disposals	Method 33 has no disposal rules.

Japan Beginning Special (Method 34)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/05/1997
- Modified Start Date: 2/7/1997
- Cost: 10.000 JPY (without tax)
- Salvage: 10% of cost
- Asset Life: 5 years (60 life periods)

The tables below show the depreciation of an asset using depreciation method 34:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	
1997	31/12/1997	-1.845	1.845	
1998	31/12/1998	-2.456	2.456	
1999	31/12/1999	-1.549	1.549	
2000	31/12/2000	-978	978	
2001	31/12/2001	-617	617	
2002	31/12/2002	-55	55	

Year	2nd Accumulated Depreciation	2nd Depreciation Expense	Rule 1 Calculation	Rule 2 Calculation
1997	-1.500	1.500	$10.000 * 36.9\% (6 / 12) \text{ Periods}$	$10.000 * 15\%$
1998			$10.000 * 36.9\% * (12 / 12) \text{ Periods}$	
1999			$(10.000 - 5.801) * 36.9\% * (12 / 12) \text{ Periods}$	
2000			$(10.000 - 7.350) * 36.9\% * (12 / 1) \text{ Periods}$	
2001			$(10.000 - 8.328) * 36.9\% * (12 / 12) \text{ Periods}$	
2002			$(10.000 - 8.945) - 1.000$	

This example uses primary and secondary rules. The demonstration data also includes a version using primary rules only. The primary and secondary rules use current year to date. The primary rules use only remaining compute direction.

Note

The SDA and SDE1 AAIs need to be set up for the secondary accounts. The AAIs can be set up with the same account as the primary accounts. These calculations can be done using only primary rules by including the secondary calculations within the primary rule formulas.

The following table explains the requirements for method 34:

Asset life	The demonstration data includes versions of method 34 for an asset life of 60 life periods.
Balance adjustments	<ul style="list-style-type: none">• Year-end with annual depreciation• Apportioned by period in the year based on percent
Modified start date	The modified start date is the midyear, start of period, or half year.
Conventions	<ul style="list-style-type: none">• The secondary account percent is set to allow two accumulated depreciation accounts and two depreciation expense accounts.• The disposal convention matches the midyear and half year initial term apportionment.
Life year rules	<ul style="list-style-type: none">• Life year 1 to 5 at a fixed rate percent.• Secondary rule 1 to 1 takes an extra 15% the first year.• Life year 6 is remaining basis (primary and secondary accounts) including salvage.
Calculations	<ul style="list-style-type: none">• Basis times the percent rate of 36.9% including accumulated depreciation• Basis includes the salvage value
Disposals	Method 34 has no disposal rules.

Japan Accelerated (Method 35)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/05/1997
- Modified Start Date: 2/7/1997
- Cost: 10.000 JPY (without tax)
- Salvage: 10% of cost
- Asset Life: 7 years (84 life periods)

The tables below show the depreciation of an asset using depreciation method 35:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense
1997	31/12/1997	-1.400	1.400
1998	31/12/1998	-2.337	2.337

1999	31/12/1999	-1.572	1.572
2000	31/12/2000	-1.057	1.057
2001	31/12/2001	-714	714
2002	31/12/2002	-484	484
2003	31/12/2003	-244	244
Year	2nd Accumulated Depreciation	2nd Depreciation Expense	Rule 1 Calculation
1997	-252	252	$10.000 * 28\% * (6 / 12) \text{ Periods}$
1998	-397	397	$(10.000 - 1.400 - 252) * 28\% * (12 / 12) \text{ Periods} * 17\%$
1999	-267	267	$(10.000 - 3.737 - 649) * 28\% * (12 / 12) \text{ Periods}$
2000	-169	169	$(10.000 - 5.309 - 916) * 28\% * (12 / 12) \text{ Periods}$
2001	-107	107	$(10.000 - 6.366 - 1.085) * 28\% * (12 / 12) \text{ Periods}$
2002			$(10.000 - 7.080 - 1.192) * 28\% * (12 / 12) \text{ Periods}$
2003			$10.000 - 7.564 - 1.192 - 1000$
Year	2nd Accumulated Depreciation	2nd Depreciation Expense	Rule 2 Calculation
1997	-252	252	$10.000 * 28\% * (6 / 12) \text{ Periods} * 18\%$
1998	-397	397	$(10.000 - 1.400 - 252) * 28\% * (12 / 12) \text{ Periods} * 17\%$
1999	-267	267	$(10.000 - 3.737 - 649) * 28\% * (12 / 12) \text{ Periods} * 17\%$
2000	-169	169	$(10.000 - 5.309 - 916) * 28\% * (12 / 12) \text{ Periods} * 16\%$
2001	-107	107	$(10.000 - 6.366 - 1.085) * 28\% * (12 / 12) \text{ Periods} * 15\%$
2002			
2003			

The example shown uses primary and secondary rules. The demonstration data also includes a version using primary rules only. The primary and secondary rules use current year to date. The primary rules use only remaining compute direction.

Note

The SDA and SDE1 AAIs need to be set up for the secondary accounts. The AAIs can be set up with the same account as the primary accounts. These calculations can be done using only primary rules by including the secondary calculations within the primary rule formulas.

The following table explains the requirements for method 35:

Asset life	The demonstration data includes versions of method 35 for an asset life of 84 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent

Modified start date	The modified start date is the midyear, start of period, or half year.
Conventions	<ul style="list-style-type: none"> • The secondary account percent is set to allow two accumulated depreciation accounts and two depreciation expense accounts. • The disposal convention matches the midyear and half year initial term apportionment.
Life year rules	<ul style="list-style-type: none"> • Primary rule life year 1 to 6 at a declining rate of 28%. • Primary rule life year 7 is remaining basis (primary and secondary accounts) including salvage. • Secondary rule life year 1 takes 18% of the declining balance. • Secondary rule life years 2 to 3 take 17% of the declining balance. • Secondary rule life year 4 takes 16% of the declining balance. • Secondary rule life year 5 takes 15% of the declining balance.
Calculations	<ul style="list-style-type: none"> • Basis times the percent rate of 28% including accumulated depreciation • Basis includes the salvage value
Disposals	Method 35 has no disposal rules.

Japan Increased (Method 36)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/05/1997
- Modified Start Date: 2/7/1997
- Cost: 10.000 JPY (without tax)
- Salvage: 10% of cost
- Asset Life: 7 years (84 life periods)

The tables below show the depreciation of an asset using depreciation method 36:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense
		Depreciation	Expense
1997	31/12/1997	-1.400	1.400
1998	31/12/1998	-2.353	2.353
1999	31/12/1999	-1.579	1.579
2000	31/12/2000	-1.137	1.137
2001	31/12/2001	-785	785
2002	31/12/2002	-529	529
2003	31/12/2003	-261	261

Year	2nd Accumulated Depreciation	2nd Depreciation Expense	Rule 1 Calculation	Rule 2 Calculation
1997	-196	196	$10.000 * 28\% * (6 / 12) \text{ Periods}$	$10.000 * 28\% * (6 / 12) \text{ Periods} * 14\%$
1998	-412	412	$(10.000 - 1.400 - 196) * 28\% * (12 / 12) \text{ Periods}$	$(10.000 - 1.400 - 196) * 28\% * (12 / 12) \text{ Periods} * 17.5\%$
1999			$(10.000 - 3.737 - 649) * 28\% * (12 / 12) \text{ Periods}$	< 10%
2000	-119	119	$(10.000 - 5.332 - 608) * 28\% * (12 / 12) \text{ Periods}$	$(10.000 - 5.332 - 608) * 28\% * (12 / 12) \text{ Periods} * 10.5\%$
2001	-130	130	$(10.000 - 6.469 - 727) * 28\% * (12 / 12) \text{ Periods}$	$(10.000 - 6.469 - 727) * 28\% * (12 / 12) \text{ Periods} * 16.62\%$
2002	-99	99	$(10.000 - 7.254 - 857) * 28\% * (12 / 12) \text{ Periods}$	$(10.000 - 7.254 - 857) * 28\% * (12 / 12) \text{ Periods} * 18.72\%$
2003			10.000 - 7.783 - 956 - 1000	

The example shown uses primary and secondary rules. The demonstration data also includes a version using primary rules only. The primary and secondary rules use current year to date. The primary uses only remaining compute direction.

Note

The SDA and SDE1 AAIs need to be set up for the secondary accounts. The AAIs can be set up with the same account as the primary accounts. These calculations can be done using only primary rules by including the secondary calculations within the primary rule formulas.

The following table explains the requirements for method 36:

Asset life	The demonstration data includes versions of method 36 for an asset life of 84 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the midyear, start of period, or half year.
Conventions	<ul style="list-style-type: none"> • The secondary account percent is set to allow two accumulated depreciation accounts and two depreciation expense accounts. • The disposal convention matches the midyear and half year initial term apportionment.
Life year rules	<ul style="list-style-type: none"> • Primary rule life years 1 to 6 at a declining rate of 28%. • Primary rule life year 7 is remaining basis (primary and secondary accounts) including salvage. • Secondary rule life year 1 takes 14% of the declining balance.

- Secondary rule life year 2 takes 17.5% of the declining balance.
- Secondary rule life year 3 takes 7%, but since it is less than 10%, no balances are adjusted.
- Secondary rule life year 4 takes 10.5% of the declining balance.
- Secondary rule life year 5 takes 16.2% of the declining balance.
- Secondary rule life year 6 takes 18.72% of the declining balance.

Calculations

- Basis times the percent rate of 28% including accumulated depreciation
- Basis includes the salvage value

Disposals Method 36 has no disposal rules.

Japan Excess (Method 37)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/05/1997
- Modified Start Date: 2/7/1997
- Cost: 10.000 JPY (without tax)
- Salvage: 10% of cost
- Asset Life: 5 years (60 life periods)

The tables below show the depreciation of an asset using depreciation method 37:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense
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1997	31/12/1997	-900	900
1998	31/12/1998	-1.800	1.800
1999	31/12/1999	-1.800	1.800
2000	31/12/2000	-1.800	1.800
2001	31/12/2001	-1.800	1.800
2002	31/12/2002	-900	900

Year	2nd Accumulated Depreciation	2nd Depreciation Expense	Rule 1 Calculation	Rule 2 Calculation
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1997	-540	540	$10.000 - 1.000 * 20\% * (6 / 12)$ Periods * 60%	$10.000 - 1.000 * 20\% * (6 / 12)$ Periods * 60%
1998	-1.080	1.080	$10.000 - 1.000 * 20\% * (12 / 12)$ Periods	$10.000 - 1.000 * 20\% * (12 / 12)$ Periods * 60%
1999	-1.080	1.080	$10.000 - 1.000 * 20\% * (12 / 12)$ Periods	$10.000 - 1.000 * 20\% * (12 / 12)$ Periods * 60%

2000	-1.080	1.080	10.000 - 1.000 * 20% * (12 / 12) Periods	10.000 - 1.000 * 20% * (12 / 12) Periods * 60%
2001	-1.080	1.080	10.000 - 1.000 - * 20% * (12 / 12) Periods	10.000 - 1.000 * 20% * (12 / 12) Periods * 60%
2002	-540	540	10.000 - 1.000 * 20% * (6 / 12) Periods	10.000 - 1.000 * 20% * (6 / 12) Periods * 60%

The example shown uses primary and secondary rules. The demonstration data also includes a version using primary rules only. The primary and secondary rules use current year to date. The primary rules use only remaining compute direction.

Note

The SDA and SDE1 AAIs need to be set up for the secondary accounts. The AAIs can be set up with the same account as the primary accounts. These calculations can be done using only primary rules by including the secondary calculations within the primary rule formulas.

The following table explains the requirements for method 37:

Asset life	The demonstration data includes versions of method 37 for an asset life of 60 life periods.
Balance adjustments	<ul style="list-style-type: none"> Year-end with annual depreciation Apportioned by period in the year based on percent
Modified start date	The modified start date is the midyear, start of period, or half year.
Conventions	<ul style="list-style-type: none"> The secondary account percent is set to allow two accumulated depreciation accounts and two depreciation expense accounts. The disposal convention matches the midyear and half year initial term apportionment.
Life year rules	<ul style="list-style-type: none"> Primary rule life years 1 to 5 at a declining rate of 20%. Primary rule life year 6 is remaining basis of the primary accounts, including salvage. Secondary rule life year 1 to 5 take 60% at a declining rate of 20%, Secondary rule life year 6 takes 60% of the remaining basis of the primary account, including salvage.
Calculations	<ul style="list-style-type: none"> Basis times the percent rate of 20% including accumulated depreciation Basis includes the salvage value
Disposals	Method 37 has no disposal rules.

Japan Salvage (Method 38)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/05/1997
- Modified Start Date: 2/7/1997
- Cost: 10.000 JPY (without tax)
- Salvage: 5% of cost
- Asset Life: 5 years (60 life periods)

The table below shows the depreciation of an asset using depreciation method 38:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-1.845	1.845	$10.000 * 36.9\% * (6 / 12)$ Periods
1998	31/12/1998	-3.009	3.009	$(10.000 - 1.845) * 36.9\%$
1999	31/12/1999	-1.899	1.899	$(10.000 - 4.854) * 36.9\%$
2000	31/12/2000	-1.198	1.198	$(10.000 - 6.753) * 36.9\%$
2001	31/12/2001	-756	756	$(10.000 - 7.951) * 36.9\%$
2002	31/12/2002	-477	477	$(10.000 - 8.707) * 36.9\%$
2003	31/12/2003	-301	301	$(10.000 - 9.184) * 36.9\%$
2004	31/12/2004	-15	15	$(10.000 - 9.485) - 500$

The example shown stops at 5% of cost with the current year compute direction. The demonstration data also includes a depreciation version to 1 yen past the 5% salvage value using the remaining compute direction.

Note

Depreciation to 1 yen can be accomplished by using remaining compute direction. The asset's life is 5 years, but depreciation of salvage continues beyond the asset's life.

The following table explains the requirements for method 38:

Asset life The demonstration data includes versions of method 38 for an asset life of 60 life periods.

Balance adjustments

- Year-end with annual depreciation
- Apportioned by period in the year based on percent

Modified start date The modified start date is the midyear, start of period, or half year.

Conventions	<ul style="list-style-type: none"> Disposal conventions are set for the modified start dates of midyear and half-year. Set the convention to allow depreciation beyond the asset life, but not to exceed remaining basis.
Life year rules	<ul style="list-style-type: none"> Life year 1 to 1 uses a fixed rate percent of 36.9% with the initial periods apportionment. Life years 2 to 8 uses fixed rate percent of 36.9. Life years 9 to 10 uses formulas to depreciate the 5% of salvage for three years (DIR1 = Remaining). Life years 11 and onward depreciate to remaining basis of 1 year (DIR1 = Remaining).
Calculations	<ul style="list-style-type: none"> Basis times the percent rate of 36.9% Basis includes the salvage value
Disposals	Method 38 has no disposal rules.

Japan Reserve Reduction (Method 39)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/05/1997
- Modified Start Date: 2/7/1997
- Cost: 20.000.000 JPY (without tax)
- Salvage: 10% of cost
- Investment Tax Credit: 10.000.000 JPY (government subsidized amount for tax depreciation)
- Asset Life: 20 years (240 life periods)

The tables below show the depreciation of an asset using depreciation method 39:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense
1997	31/12/1997	-1.090.000	1.090.000
1998	31/12/1998	-2.061.190	2.061.190
1999	31/12/1999	-1.836.520	1.836.520
2000	31/12/2000	-1.636.340	1.636.340
2001	31/12/2001	-1.457.979	1.457.979
...			
2016	31/12/2002	-258.176	258.176
2017	31/12/2002	-110.415	110.415

Year	2nd Accumulated Depreciation	2nd Depreciation Expense	Rule 1 Calculation	Rule 2 Calculation
1997	-545	545	$20.000.000 * 10.9\% * (6 / 12)$ Periods	$20.000.000 - 10.000.000 * 10.9\% * (6 / 12)$ Periods
1998	-1.030.595	1.030.595	$(20.000.000 - 1.090.000) *$ 10.9%	$(20.000.000 - 10.000.000 - 545.000) *$ 10.9%
1999	-918.260	918.260	$(20.000.000 - 3.151.190) *$ 10.9%	$(20.000.000 - 10.000.000 - 1.575.595)$ * 10.9%
2000	-818.170	818.170	$(20.000.000 - 4.987.710) *$ 10.9%	$20.000.000 - 10.000.000 - 2.493.855) *$ 10.9%
2001	-728.989	728.989	$(20.000.000 -$ $6.624.050) * 10.9\%$	$(20.000.000 - 10.000.000 - 3.312.025)$ * 10.9%
...				
2016	-129.088	129.088	$(20.000.000 - 17.631.409) *$ 10.9%	$(20.000.000 - 10.000.000 - 8.815.703)$ * 10.9%
2017	-55.209	55.209	$20.000.000 - 2.000.000 -$ $17.889.585$	$20.000.000 - 10.000.000 - 1.000.000 -$ $8.944.791$

Note

The SDA and SDE1 AAIs need to be set up for the secondary accounts. The secondary rules could be set up as primary rules so that only the subsidized tax amount is depreciated.

The following table explains the requirements for method 39:

Asset life	The demonstration data includes versions of method 39 for an asset life of 240 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the midyear, start of period, or half year.
Conventions	<ul style="list-style-type: none"> • Disposal conventions are set for the modified start dates of midyear and half-year. • Set the convention to allow depreciation beyond the asset life and to exceed remaining basis.
Life year rules	<ul style="list-style-type: none"> • Primary life years 1 to 998 use a fixed rate percent of 10.9%, including accumulated depreciation. • Secondary life years 1 to 998 use a fixed rate percent of 10.9%, including accumulated depreciation and tax credit.
Calculations	<ul style="list-style-type: none"> • Basis times the percent rate of 10.9%.

- Basis includes the salvage value.
- Secondary formulas include the investment tax credit for the subsidized government amount.

Disposals Method 39 has no disposal rules.

Japan Composite (Method 40)

The tables below show the depreciation of an asset using depreciation method 40:

For the example that follows, use a parent asset to group the assets as a composite. The cost accounts need to be the same for each parent composite group. No other assets should be booked to the composite cost account except for assets within the composite. The general ledger cost balance is used in the depreciation calculation.

Parent Composite Cost	Salvage
Asset 1	10.000
Asset 2	12.000
Asset 3	8.000
Asset 4	15.000
Asset 5	20.000
Asset 6	25.000
1997 Total	90.000 9.000
Asset 7	8.000
Asset 8	5.000
1998 Total	103.000 10.300

Asset 1	10.000	
Asset 2	12.000	
Asset 3	8.000	
Asset 4	15.000	
Asset 5	20.000	
Asset 6	25.000	
1997 Total	90.000	9.000
Asset 7	8.000	
Asset 8	5.000	
1998 Total	103.000	10.300

- Salvage: 10% of cost
- Asset life: 10 years (120 life periods)

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-9.270	9.270	$90.000 * 20.6\% * (6 / 12)$ Periods
1998	31/12/1998	-19.308	19.308	$(103.000 - 9.270) * 20.6\%$
1999	31/12/1999	-15.331	15.331	$(103.000 - 28.578) * 20.6\%$
2000	31/12/2000	-12.173	12.173	$(103.000 - 43.909) * 20.6\%$

2001 31/12/2001	-9.665	9.665	(103.000 - 56.082) * 20.6%
2002 31/12/2002	-7.674	7.674	(103.000 - 65.747) * 20.6%
2003 31/12/2003	-6.903	6.903	(103.000 - 73.421) * 20.6%
2004 31/12/2004	-4.838	4.838	(103.000 - 79.514) * 20.6%
2005 31/12/2005	-3.841	3.841	(103.000 - 84.352) * 20.6%
2006 31/12/2006	-3.050	3.050	(103.000 - 88.193) * 20.6%
2007 31/12/2007	-1.457	1.457	103.000 - 91.243 - 10.300

Note

This rule uses a parent asset to depreciate a composite total. The asset must be booked into the same cost account to use the balance in the depreciation calculation. The DSA5 AAI must be set up for using element 61 to retrieve the general ledger balance.

You can set up the composite depreciation amount with the application report writer to combine totals and create journal entries for the desired calculation.

The following table explains the requirements for method 40:

Asset life	The demonstration data includes versions of method 40 for an asset life of 240 life periods.
Balance adjustments	<ul style="list-style-type: none"> Year-end with annual depreciation Apportioned by period in the year based on percent
Modified start date	The modified start date is the midyear, start of period, or half year.
Conventions	<ul style="list-style-type: none"> Disposal conventions are set for the modified start dates of midyear and half-year. Set the convention to allow depreciation beyond the asset life and to exceed remaining basis.
Life year rules	<ul style="list-style-type: none"> Primary life years 1 to 1 use a fixed rate percent of 20.6%, including initial year apportionment. Primary life years 2 to 998 use a fixed rate percent of 20.6%, including accumulated depreciation.
Calculations	<ul style="list-style-type: none"> Basis times the percent rate of 20.6% Basis (the cost from the general ledger balance) includes the salvage value
Disposals	Method 40 has no disposal rules.

Korea Straight Line (Method 41)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/07/1997
- Modified Start Date: 1/1/1997
- Cost: 500.000 WON (without tax)
- Salvage: 1 WON
- Asset Life: 4 years (48 life periods)

The table below shows the depreciation of an asset using depreciation method 41:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-125.000	125.000	$500.000 * 48 / 12$
1998	31/12/1998	-125.000	125.000	$500.000 * 48 / 12$
1999	31/12/1999	-125.000	125.000	$500.000 * 48 / 12$
2000	31/12/2000	-124.00	124.000	$500.000 - 375.000 - 1$
2001	31/12/2001			

Example prior to 1/1/1995:

- Actual Start Date: 15/07/1994
- Modified Start Date: 1/1/1994
- Cost: 500.000 WON (without tax)
- Salvage: 10% cost for 48 periods, 8%, 6%, 4%, 2% of cost and 1000
- Asset Life: 4 years (48 life periods)

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1994	31/12/1994	-112.500	112.500	$(500.000 - 50.000) * 48 / 12$
1995	31/12/1995	-112.500	112.500	$(500.000 - 50.000) * 48 / 12$
1996	31/12/1996	-112.500	112.500	$(500.000 - 50.000) * 48 / 12$
1997	31/12/1997	-112.500	112.500	$(500.000 - 50.000) * 48 / 12$
1998	31/12/1998	-10.000	-10.000	$(500.000 - 450.000 - 40.000)$
1999	31/12/1999	-10.000	-10.000	$(500.000 - 460.000 - 30.000)$

2000	31/12/2000	-10.000	-10.000	(500.000 - 470.000 - 20.000)
2001	31/12/2001	-10.000	-10.000	(500.000 - 480.000 - 10.000)
2002	31/12/2002	-9.00	-9.000	(500.000 - 490.000 - 1.000)
2003	31/12/2003			

Note

The asset was revalued in the 4th year of the asset's life. The revaluation amount is including the remaining calculations to finish depreciation.

The following table explains the requirements for method 41:

Asset life	The demonstration data includes versions of method 41 for asset lives of 48 and 60 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the whole year, first half/second half, or midyear.
Conventions	Disposal conventions are set for first half/second half
Life year rules	<ul style="list-style-type: none"> • Life years 1 to 1 straight line with initial year apportionment. • Life years 2 to 4 straight line. • Life year 5 depreciates to 8% salvage. • Life year 6 depreciates to 6% salvage. • Life year 7 depreciates to 4% salvage. • Life year 8 depreciates to 2% salvage. • Life year 9 depreciates to 1.000.
Calculations	<ul style="list-style-type: none"> • Straight line is the asset life divided by normal number of periods. • Basis includes salvage value for the remaining compute direction.
Disposals	Method 41 has no disposal rules.

Korea Revaluation Straight Line (Method 42)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/07/1997
- Modified Start Date: 1/1/1997
- Cost: 500.000 WON (without tax) additional revaluation 300.000 in 2000
- Salvage: 1,000 WON
- Asset Life: 4 years (48 life periods)

The table below shows the depreciation of an asset using depreciation method 42:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-125.000	125.000	500.000 * 25%
1998	31/12/1998	-125.000	125.000	500.000 * 25%
1999	31/12/1999	-125.000	125.000	500.000 * 25%
2000	31/12/2000	-212.500	212.500	(800.000 - 375.000) * 25%
2001	31/12/2001	-211.500	211.500	(800.000 - 587.500 - 1000)

Note

The asset was revalued in the 4th year of the asset's life. The revaluation amount is included in the remaining calculations to finish depreciation.

The following table explains the requirements for method 42:

Asset life	The demonstration data includes versions of method 42 for asset lives of 48 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the whole year.
Conventions	Allow depreciation beyond the asset's life, but do not exceed remaining basis.
Life year rules	<ul style="list-style-type: none"> • Life years 1 to 3 take 25%. • Life years 4 to 4 take 50% remaining basis, not including salvage. • Life year 5 depreciates remaining basis including salvage.
Calculations	<ul style="list-style-type: none"> • Cost at the rate of 25% • Half of remaining basis not including salvage • Basis includes salvage value
Disposals	Method 42 has no disposal rules.

Korea Capital Expenditure Straight Line (Method 43)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/07/1997
- Modified Start Date: 1/1/1997
- Cost: 500.000 WON (without tax) additional revaluation 300.000 in 2000
- Salvage: 1,000 WON
- Asset Life: 4 years (48 life periods)

The table below shows the depreciation of an asset using depreciation method 43:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-125.000	125.000	500.000 * 25%
1998	31/12/1998	-125.000	125.000	500.000 * 25%
1999	31/12/1999	-125.000	125.000	500.000 * 25%
2000	31/12/2000	-200.000	200.000	800.000 * 25%
2001	31/12/2001	-200.000	200.000	800.000 * 25%
2002	31/12/2002	-24.000	24.000	800.000 - 775.000 - 1.000

Note

The asset was revalued in the 4th year of the asset's life. The revaluation amount is included in the remaining calculations to finish depreciation.

The following table explains the requirements for method 43:

Asset life	The demonstration data includes versions of method 43 for asset lives of 48 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the whole year.
Conventions	Allow depreciation beyond the asset's life, but do not exceed remaining basis.
Life year rules	<ul style="list-style-type: none"> • Life years 1 to 3 take 25%. • Life years 4 to 4 take 50% remaining basis, not including salvage. • Life year 5 depreciates remaining basis including salvage.
Calculations	<ul style="list-style-type: none"> • Cost at the rate of 25% • Half of remaining basis not including salvage • Basis includes salvage value
Disposals	Method 43 has no disposal rules.

Korea Special Rate Straight Line (Method 44)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/07/1997
- Modified Start Date: 1/1/1997
- Cost: 500.000 WON (without tax)
- Salvage: 1,000 WON

- Asset Life: 4 years (48 life periods)

The tables below show the depreciation of an asset using depreciation method 44:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense
1997	31/12/1997	-125.000	125.000
1998	31/12/1998	-125.000	125.000
1999	31/12/1999	-124.000	124.000
2000	31/12/2000		
2001	31/12/2001		

Year	2nd Accumulated Depreciation	2nd Depreciation Expense	Rule 1 Calculation	Rule 2 Calculation
1997	-62.500	62.500	500.000 * 25%	(500.000 * 25%) * 50%
1998	-62.500	62.500	500.000 * 25%	(500.000 * 25%) * 50%
1999			500.000 - 250.000 - 125.000 - 1.000	
2000				
2001				

Note

The SDA and SDE1 AAIs need to be set up for the secondary accounts. The AAIs can be set up with the same account as the primary accounts. These calculations can be done using only primary rules by including the secondary calculations within the primary rule formulas.

The following table explains the requirements for method 44:

Asset life	The demonstration data includes versions of method 44 for asset lives of 48 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the whole year.
Conventions	<ul style="list-style-type: none"> • Allow depreciation beyond the asset's life, but do not exceed remaining basis. • Set the convention to allow two accumulated depreciation accounts and two depreciation expense accounts.
Life year rules	<ul style="list-style-type: none"> • Primary life years 1 to 2 take 25% of cost. • Secondary life years 1 to 2 take 25% of cost at the rate of 50%.

	<ul style="list-style-type: none"> • Primary life year 3 and onward depreciate remaining basis including salvage.
Calculations	<ul style="list-style-type: none"> • Primary 25% • Secondary 25% of cost at the rate of 50% • Basis includes salvage value
Disposals	Method 44 has no disposal rules.

Korea Declining Balance (Method 45)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/07/1997
- Modified Start Date: 1/1/1997
- Cost: 500.000 WON (without tax)
- Salvage: 1,000 WON
- Asset Life: 4 years (48 life periods)

The table below shows the depreciation of an asset using depreciation method 45:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-264.000	264.000	500.000 * 52.8%
1998	31/12/1998	-124.608	124.608	(500.000 - 264.000) * 52.8%
1999	31/12/1999	-58.815	58.815	(500.000 - 388.608) * 52.8%
2000	31/12/2000	-51.577	51.577	(500.000 - 447.423) - 1.000
2001	31/12/2001			

Note

There is also another rule set up for assets in service prior to January 1, 1995.

The following table explains the requirements for method 45:

Asset life	The demonstration data includes versions of method 45 for asset lives of 48 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the whole year.
Conventions	No conventions are needed.
Life year rules	<ul style="list-style-type: none"> • Life years 1 to 3 at a fixed rate of 52.8% including accumulated depreciation. • Life year 4 is remaining basis including salvage.

Calculations	<ul style="list-style-type: none"> • Basis times the percent rate of 52.8% including accumulated depreciation • Basis includes salvage value
Disposals	Method 45 has no disposal rules.

Korea Revaluation Declining Balance (Method 46)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/05/1997
- Modified Start Date: 1/1/1997
- Cost: 500.000 WON (without tax) and 300.000 was added in 2000
- Salvage: 1,000
- Asset Life: 4 years (48 life periods)

The table below shows the depreciation of an asset using depreciation method 46:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-264.000	264.000	500.000 * 52.8%
1998	31/12/1998	-124.608	124.608	(500.000 - 264.000) * 52.8%
1999	31/12/1999	-58.815	58.815	(500.000 - 388.608) * 52.8%
2000	31/12/2000	-317.319	317.319	(800.000 - 447.423) * 90%
2001	31/12/2001	-34.258	34.258	800.000 - 764.742 - 1.000

Note

The asset was revalued with an additional 300.000 in the third year of the life.

The following table explains the requirements for method 46:

Asset life	The demonstration data includes versions of method 46 for asset lives of 48 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the whole year.
Conventions	Set the convention to continue depreciation beyond the asset's life, but not to exceed remaining basis.
Life year rules	<ul style="list-style-type: none"> • Life years 1 to 3 at a fixed rate of 52.8% including accumulated depreciation. • Life year 4 takes 90% including accumulated depreciation. • Life years 5 to 998 take remaining basis including salvage.

Calculations	<ul style="list-style-type: none"> Basis times the percent rate of 52.8% including accumulated depreciation Remaining basis includes salvage value
Disposals	Method 46 has no disposal rules.

Korea Capital Expenditure Declining Balance (Method 47)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/05/1997
- Modified Start Date: 1/1/1997
- Cost: 500.000 WON (without tax) and 300.000 was added in 2000
- Salvage: 1,000
- Asset Life: 4 years (48 life periods)

The table below shows the depreciation of an asset using depreciation method 47:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense	Calculation
1997	31/12/1997	-264.000	264.000	500.000 * 52.8%
1998	31/12/1998	-124.608	124.608	(500.000 - 264.000) * 52.8%
1999	31/12/1999	-58.815	58.815	(500.000 - 388.608) * 52.8%
2000	31/12/2000	-186.161	186.161	(800.000 - 447.423) * 52.8%
2001	31/12/2001	-87.868	87.868	(800.000 - 633.584) * 52.8%
2002	31/12/2002	-77.549	77.549	800.000 - 721.451 - 1.000

Note

The asset was revalued with an additional 300.000 in the third year of the life.

The following table explains the requirements for method 47:

Asset life	The demonstration data includes versions of method 47 for asset lives of 48 life periods.
Balance adjustments	<ul style="list-style-type: none"> Year-end with annual depreciation Apportioned by period in the year based on percent
Modified start date	The modified start date is the whole year.
Conventions	Set the convention to continue depreciation beyond the asset's life, but not to exceed remaining basis.
Life year rules	<ul style="list-style-type: none"> Life years 1 to 5 at a fixed rate of 52.8% including accumulated depreciation. Life years 6 to 998 take remaining basis including salvage.

Calculations	<ul style="list-style-type: none"> Basis times the percent rate of 52.8% including accumulated depreciation Remaining basis includes salvage value
Disposals	Method 47 has no disposal rules.

Korea Special Rate Declining Balance (Method 48)

For the example that follows, the following assumptions apply:

- Actual Start Date: 15/07/1997
- Modified Start Date: 1/1/1997
- Cost: 500.000 WON (without tax)
- Salvage: 1,000 WON
- Asset Life: 4 years (48 life periods)

The tables below show the depreciation of an asset using depreciation method 48:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense
1997	31/12/1997	-264.000	264.000
1998	31/12/1998	-54.912	54.912
1999	31/12/1999	-11.422	11.422
2000	31/12/2000	-3.499	3.499
2001	31/12/2001		

Year	2nd Accumulated Depreciation	2nd Depreciation Expense	Rule 1 Calculation	Rule 2 Calculation
1997	-132.000	132.000	$500.000 * 52.8\%$	$(500.000 * 52.8\%) * 50\%$
1998	-27.546	27.546	$(500.000 - 396.000) * 52.8\%$	$(500.000 - 396.000) * 52.8\% * 50\%$
1999	-5.711	5.711	$(500.000 - 478.368) * 52.8\%$	$(500.000 - 478.368) * 52.8\% * 50\%$
2000			$500.000 - 495.501$	- 1.000
2001				

Note

The SDA and SDE1 AAIs need to be set up for the secondary accounts. The AAIs can be set up with the same account as the primary accounts. These calculations can be done using only primary rules by including the secondary calculations within the primary rule formulas.

The following table explains the requirements for method 48:

Asset life	The demonstration data includes versions of method 48 for asset lives of 48 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the whole year.
Conventions	<ul style="list-style-type: none"> • Allow depreciation beyond the asset's life, but do not exceed remaining basis. • Set the convention to allow two accumulated depreciation accounts and two depreciation expense accounts.
Life year rules	<ul style="list-style-type: none"> • Primary life years 1 to 3 take 52.8% of cost. • Secondary life years 1 to 3 take 52.8% of cost at the rate of 50%. • Primary life year 4 and onward depreciate remaining basis including salvage.
Calculations	<ul style="list-style-type: none"> • Primary 52.8% • Secondary 52.8% of cost at the rate of 50% • Remaining basis includes salvage value
Disposals	Method 48 has no disposal rules.

Primary Secondary Tertiary (Method 49)

For the example that follows, the following assumptions apply:

- Actual Start Date: 17/05/1997
- Modified Start Date: 17/05/1997
- Cost: 500.000
- Salvage: 10% at the end of the asset's life
- Asset Life: 6 years (72 life periods)

The table below shows the depreciation of an asset using depreciation method 49:

Year	End of Year Date	Accumulated Depreciation	Depreciation Expense
		Depreciation	Expense
1997	31/12/1997	-156.849	156.849
1998	31/12/1998	-250.000	250.000
1999	31/12/1999	-93.151	93.151
2000	31/12/2000		
2001	31/12/2001		
2002	31/12/2002		

2003 31/12/2003

Year	2nd Accumulated Depreciation	2nd Depreciation Expense	3rd Depreciation Expense	Rule 1 Calculation	Rule 2 Calculation
1997				$500.000 * .5 *$.62739726 (First %)	
1998				$500.000 * .5$	
1999	-156.849	156.849		$500.000 * .5 *$.37260284 (First %)	$500.000 * .5 * .62739726$ (First %)
2000	-250.000	250.000			$500.000 * .5$
2001	-93.151	93.151			$500.000 * .5 * .37260284$ (First %)
2002	345.068		-345.068		$(500.000 - 500.000 - 500.000 -$ $50.000) * .62739726$ (First %)
2003	204.932		-204.932		$(500.000 - 500.000 154.932 +$ $50.000)$

Note

The SDA, SDE1, and SDE2 AAIs need to be set up for the secondary accounts. The AAIs can be set up with the same account as the primary accounts.

The following table explains the requirements for method 49:

Asset life	The demonstration data includes versions of method 4 for asset lives of 72 life periods.
Balance adjustments	<ul style="list-style-type: none"> • Year-end with annual depreciation • Apportioned by period in the year based on percent
Modified start date	The modified start date is the actual start date.
Conventions	<ul style="list-style-type: none"> • Set the secondary accounts to allow two accumulated depreciation and three depreciation expense accounts. • Set the allow over depreciation to exceed adjusted basis, but take remaining basis at the end of the life. • Set the allow negative depreciation.
Life year rules	<ul style="list-style-type: none"> • Primary rules: depreciate 100% of the cost in the first two years of the asset's life. • Secondary rules: after the primary has depreciated the cost, depreciate 100% of cost. • Secondary rules: recover the over depreciated amount in the last two years to 10% of cost.

Calculations	<ul style="list-style-type: none"> • Multiplier with apportionments for start, middle, and end years • Basis (primary and secondary depreciation) includes salvage value
Disposals	Method 49 has no disposal rules.

Formula Elements

The Fixed Assets system includes the following elements that you can include in your depreciation formulas:

- 01 Inception to Date Cost
- 02 Accumulated Depreciation Balance Forward Primary
- 03 Asset Life Periods
- 04 Asset Life Periods Elapsed at Beginning of Current Year
- 05 Asset Life Periods Remaining at Beginning of Current Year
- 06 Asset Life Periods Current Year
- 07 Salvage Value
- 08 Annual Depreciation Base Amount
- 09 Annual Depreciation Limit
- 10 Basis
- 11 Annual Rule Multiplier
- 12 Multiplier/Constant
- 13 Asset Life in Days
- 14 Asset Life in Days Expired at Beginning of Current Year
- 15 Asset Life in Days Remaining at Beginning of Current Year
- 16 Asset Life in Days to Depreciate Current Year
- 17 Asset Life Days Percent Expired at Beginning of Current Year
- 18 Asset Life Days Percent in Current Year
- 19 Asset Life Days Percent Remaining at Beginning of Current Year
- 20 Asset Life Days Percent Inception Through End of Current Year
- 21 Asset Life Days Percent in First Year
- 22 Year-to-Date Accumulated Depreciation Primary
- 23 Accumulated Depreciation Balance Forward Secondary
- 24 Year-to-Date Accumulated Depreciation Secondary
- 25 Statistic Percent Inception to Date Through Current Year
- 26 Statistic Percent Current Period
- 27 Statistic Unit Current Period DS1xxx
- 28 Statistic Year to Date DS1xxx
- 29 Statistic Unit Inception to Date Original DS2xxx

- 30 Statistic Unit Inception to Date Base DS3xxx
- 31 Statistic General Ledger Unit Inception to Date DS4xxx
- 32 Statistic General Ledger Percent
- 33 Units of Production Current Year Percent
- 34 Units of Production Current Year
- 35 Units of Production Prior Year
- 36 Units of Production Total
- 37 Sum of the Years Digits Denominator
- 38 Sum of the Years Digits Numerator
- 39 Sum of the Years Digits Inverse of Years Digit
- 40 Sum of the Years Digits First Year Percent
- 41 Sum of the Years Digits Last Year Percent
- 42 Asset Master Investment Tax Credit Amount
- 43 Replacement Cost
- 44 Replacement Cost Last Year
- 45 Insurance Value
- 46 Salvage Value From Asset Balances
- 47 Asset Method Percent
- 48 Company/LT Method Percent
- 49 Normal Number of Periods
- 50 Initial Year Apportionment Percent
- 51 Intermediate Accumulated Depreciation - Primary Rule
- 52 Intermediate Accumulated Depreciation - Secondary Rule
- 53 Life Year in Process
- 54 Intermediate Accumulated Depreciation - Best Rule
- 55 Asset Life Periods Current Year (Rounded to Half Periods)
- 56 Disposal Year Apportionment Percentage
- 57 Amount One (Asset Balances) DSA1 AAI
- 58 Amount Two (Asset Balances) DSA2 AAI
- 59 Amount Three (Asset Balances) DSA3 AAI
- 60 Amount One (General Ledger) DSA4 AAI
- 61 Amount Two (General Ledger) DSA5 AAI
- 62 Amount Three (General Ledger) DSA6 AAI
- 63 Initial Period Apportionment Percent

01	Source: F1202 (FLAPYC + period buckets)
(Inception to Date Cost)	Sum of the prior year balance and all current year posting fields from the Asset Balances table (F1202) for an asset, ledger type, subledger, subledger type. The account type of 1 should be used for retrieval. (CHCD = 1 in F1202).
02	Source: F1202 (FLAPYC)
(Accumulated Depreciation Balance Forward Primary)	The prior year balance from the Asset Balances table (F1202) for an asset, ledger type, subledger, subledger type. The account type of 2 should be used for retrieval of the primary depreciation. (CHCD = 2 in F1202).
03	Source: F1202 (FLADLM)
(Asset Life Periods)	Application: Depreciation Information (P1202) Asset Life Periods is retrieved from the Asset Balances table (F1202).
04	Calculated: Element 03 - Element 05. (Asset Life Periods - Asset Life Periods Remaining at Beginning of Current Year).
(Asset Life Periods Elapsed at Beginning of Current Year)	
05	Calculated: Element 15 / 365.25 * Element 49. (Asset Life Days Remaining at Beginning of Current Year / 365.25 * Normal Number of Periods).
(Asset Life Periods Remaining at Beginning of Current Year)	
06	Calculated: Element 18 * Element 03. (Asset Life Days Percent in Current Year * Asset Life Periods).
(Asset Life Periods Current Year)	
07	Source: F12852 (LVFORS)
(Salvage Value)	Application: Depreciation Rule Revisions (P12851) Calculate results from the formula associated with the Salvage Value formula defined in the current life year rule. Use the Salvage value (Element 07) in any formula for Upper/Lower Limits, Basis, or Depreciation formulas. Default value is zero.
Note	
Element 07 has precedence if both Element 07 and Element 46 are defined.	
Calculated: Element 03 - Element 05. (Asset Life Periods - Assets Life Periods Remaining at Beginning of Current Year).	
08	Source: F12852 (LVFORL)
(Annual Depreciation Base Amount)	Application: Depreciation Rule Revisions (P12851) Calculate results from the formula associated with the Lower Limit formula defined in the current life year rule. Use the Lower Limit value (Element 08) in any formula for Basis, or Depreciation formulas. Default value is zero.

Runtime Processing after Depreciation Formula calculation:

Example 1:

Annual Depreciation = 800

Lower Limit = 1000

Adjust Annual Depreciation = 1000

Example 2:

Annual Depreciation = 1000

Lower Limit = 800

No Adjustment

09

Source: F12852 (LVFORU)

(Annual Depreciation Limit)

Application: Depreciation Rule Revisions (P12851)

Calculate results from the formula associated with the Upper Limit formula defined in the current life year rule. Use the Upper Limit value (Element 09) in any formula for Basis, or Depreciation formulas. Default value is zero.

Runtime Processing after Depreciation Formula calculation:

Example 1:

Annual Depreciation = 1000

Upper Limit = 800

Adjust Annual Depreciation = 800

Example 2:

Annual Depreciation = 800

Upper Limit = 1000

No Adjustment

10

Source: F12852 (LVFORB)

(Basis)

Application: Depreciation Rule Revisions (P12851)

Calculate results from the formula associated with the Basis formula defined in the current life year rule. Use the Basis value (Element 10) in Depreciation formulas. Default Value is Element 01 (Inception to Date Cost).

11

Source: F12852 (LVANMP)

(Annual Rule Multiplier)

Application: Depreciation Rule Revisions (P12851) Annual Rule Formula.

Use this element as a constant multiplier for a life year rule.

If a depreciation formula is not defined, it will default to depreciation formula 95.

Calculated: Element 10, * Element 11. (Basis * Annual Rule Multiplier) For example, MACRS methods 12 and 13.

12

Source: F12853 (LWDFAM)

(Multiplier/Constant)

Application: Depreciation Formula Revisions (P12853)

Use the multiplier/constant in any formula. To define a constant for Upper/Lower limits, the formula is defined as 12 with the appropriate constant value in the Multiplier/Constant field.

13	Calculated: Element 03 / Element 49. (Asset Life Periods / Normal Number of Periods * 365.25).
(Asset Life in Days)	
14	Calculated: Element 13 - Element 15. (Asset Life in Days - Asset Life in Days Remaining at Beginning of Current Year).
(Asset Life in Days Expired at Beginning of Current Year)	
15	Calculated: if (Modified Start Date Fiscal Year < F0008 Start PO Through Date Fiscal Year) Element 13 - F0008 Start PO Through Date - Modified Start Date else Element 13.
(Asset Life in Days Remaining at Beginning of Current Year)	
16	Calculated: if (Modified Start Date Fiscal Year = F0008 Start PO Through Date Fiscal Year) F0008 Last Period - Modified Start Date else if (Fully Depreciated Date Fiscal Year = F0008 Start PO Through Date Fiscal Year) Fully Depreciated Date - F0008 Start PO Through Date else if (Disposal Date Fiscal Year = F0008 Start PO Through Date Fiscal Year) Disposal Date - F0008 Start PO Through Date else F0008 Last Period - F0008 Start PO Through Date.
17	Calculated: Element 14 / Element 13. (Asset Life Days Expired at Beginning of Current Year / Asset Life in Days).
(Asset Life Days Percent Expired at Beginning of Current Year)	
18	Calculated: Element 16 / Element 13. (Asset Life in Days to Depreciate Current Year / Asset Life in Days).
(Asset Life Days Percent in Current Year)	
19	Calculated: Element 15 / Element 13. (Asset Life Days Remaining at Beginning of Current Year / Asset Life in Days).
(Asset Life Days Percent Remaining at Beginning of Current Year)	
20	Calculated: (Element 14 + Element 16) / Element 13. ((Asset Life Days Expired at Beginning of Current Year + Asset Life in Days to Depreciate Current Year) / Asset Life in Days).
(Asset Life Days Percent Inception Through End of Current Year)	
21	Calculated: If ((Disposal Date □ Blank) and (Disposal Date Fiscal Year < Modified Depreciation Start Date Fiscal Year)) (Disposal Date - Modified Depreciation Start Date + 1) / Element 13. Else (End of Fiscal Year Date for the modified start fiscal year - Modified Depreciation Start Date + 1) / Element 13.
(Asset Life Days Percent in First Year)	
22	Source: F1202 (sum of period buckets)
(Year-to-Date Accumulated Depreciation Primary)	Sum of the prior all current year posting fields from the Asset Balances table (F1202) for an asset, ledger type, subledger, subledger type. The account

		type of 2 should be used for retrieval. (CHCD = 2 in F1202).
23	Source: F1202 (FLAPYC)	
(Accumulated Depreciation Balance Forward Secondary)		The prior year balance from the Asset Balances table (F1202) for an asset, ledger type, subledger, subledger type. The account type of 3 should be used for retrieval of the secondary depreciation. (CHCD = 3 in F1202).
24	Source: F1202 (sum of period buckets)	
(Year To Date Accumulated Depreciation Secondary)		Sum of the prior all current year posting fields from the Asset Balances table (F1202) for an asset, ledger type, subledger, subledger type. The account type of 3 should be used for retrieval. (CHCD = 3 in F1202).
25		Calculated: Element 28 / Element 30. (Statistic Year to Date DS1xxx / Statistic Unit Inception To Date Base DS3xxx). Ledger Type: AU from F1202
26		Calculated: Element 27 / Element 30. (Statistic Unit Current Period / Statistic Unit Inception To Date Base). Ledger Type: AU from F1202
27		Source: Concatenate the category number defined from Fixed Asset Constants (F1200.LNDPCC) with DS1, and validate the DS1xxx AAI with company 00000. If the DS1xxx AAI fails, validate the DS1 with company 00000. If the AAI is successful, use the F1202 Key: FLNUMB = F1201.FANUMB (Asset Number) FLCTRY = F1202.FLCTRY (Century) FLFY = F1202.FLFY (Fiscal Year) FLLT = AU (Actual Units) from F1202 FLMCU = F1201.FAMCU or F0012.KGMCU (Business Unit) FLOBJ = F0012.KGOBJ (Object Account) FLSUB = F0012.KGSUB (Subsidiary) The DS1 AAI is used with DS1xxx (category code) or DS1, company = 00000, MCU is optional, OBJ is required, and SUB is optional. If the F1202 fetch is successful, use the Current Period for the Result (Period) else default value is zero.
28		Source: Concatenate the category number defined from Fixed Asset Constants (F1200.LNDPCC) with DS1, and validate the DS1xxx AAI with company 00000. If the DS1xxx AAI fails, validate the DS1 with company 00000. If the AAI is successful, use the F1202 Key: FLNUMB = F1201.FANUMB (Asset Number) FLCTRY = F1202.FLCTRY (Century) FLFY = F1202.FLFY (Fiscal Year) FLLT = AU (Actual Units) from F1202 FLMCU = F1201.FAMCU or F0012.KGMCU (Business Unit) FLOBJ = F0012.KGOBJ (Object Account)

		FLSUB = F0012.KGSUB (Subsidiary)
		The DS1 AAI is used with DS1xxx (category code) or DS1, company = 00000, MCU is optional, OBJ is required, and SUB is optional. If the F1202 fetch is successful, use Balance Forward with Balance Up to Current Period (FLAPYC + sum of period buckets) else default value is zero.
29	(Statistic Unit Inception to Date Original DS2xxx)	<p>Source: Concatenate the category number defined from Fixed Asset Constants (F1200.LNDPCC) with DS2, and validate the DS2xxx AAI with company 00000.</p> <p>If the DS2xxx AAI fails, validate the DS2 with company 00000.</p> <p>If the AAI is successful, use the F1202 Key:</p> <p>FLNUMB = F1201.FANUMB (Asset Number) FLCTRY = F1202.FLCTRY (Century) FLFY = F1202.FLFY (Fiscal Year) FLLT = AU (Actual Units) from F1202 FLMCU = F1201.FAMCU or F0012.KGMCU (Business Unit) FLOBJ = F0012.KGOBJ (Object Account) FLSUB = F0012.KGSUB (Subsidiary)</p> <p>The DS2 AAI is used with DS2xxx (category code) or DS2, company = 00000, MCU is optional, OBJ is required, and SUB is optional. If the F1202 fetch is successful, use Balance Forward with Balance Up to Current Period (FLAPYC + sum of period buckets) else default value is zero.</p>
30	(Statistic Unit Inception to Date Base DS3xxx)	<p>Source: Concatenate the category number defined from Fixed Asset Constants (F1200.LNDPCC) with DS3, and validate the DS3xxx AAI with company 00000.</p> <p>If the DS3xxx AAI fails, validate the DS3 with company 00000.</p> <p>If the AAI is successful, use the F1202 Key:</p> <p>FLNUMB = F1201.FANUMB (Asset Number) FLCTRY = F1202.FLCTRY (Century) FLFY = F1202.FLFY (Fiscal Year) FLLT = AU (Actual Units) from F1202 FLMCU = F1201.FAMCU or F0012.KGMCU (Business Unit) FLOBJ = F0012.KGOBJ (Object Account) FLSUB = F0012.KGSUB (Subsidiary)</p> <p>The DS3 AAI is used with DS3xxx (category code) or DS3, company = 00000, MCU is optional, OBJ is required, and SUB is optional. If the F1202 fetch is successful, use Balance Forward with Balance Up to Current Period (FLAPYC + sum of period buckets) else default value is zero.</p>
31	(Statistic General Ledger Unit Inception to Date DS4xxx)	<p>Source: Concatenate the category number defined from Fixed Asset Constants (F1200.LNDPCC) with DS4, and validate the DS4xxx AAI with company 00000.</p> <p>If the DS4xxx AAI fails, validate the DS4 with Company 00000.</p> <p>If the AAI is successful, use the F1202 Key:</p> <p>GBCTRY = F1202.FLCTRY (Century) GBFY = F1202.FLFY (Fiscal Year) GBLT = AU (Actual Units) from F0902 GBMCU = F1201.FAMCU or F0012.KGMCU (Business Unit) GBOBJ = F0012.KGOBJ (Object Account)</p>

	GBSUB = F0012.KGSUB (Subsidiary)
	The DS4 AAI is used with DS4xxx (category code) or DS4, company = 00000, MCU is optional, OBJ is required, and SUB is optional. If the F0902 fetch is successful, use Balance Forward with Balance Up to Current Period (FLAPYC + sum of period buckets) else default value is zero.
32 (Statistic General Ledger Percent)	Calculated: Element 31 / 100. (Statistic General Ledger Unit Inception to Date DS4xxx / 100)
33 (Units of Production Current Year Percent)	Calculated: Element 34 / Element 36 - Element 35. (Units of Production Current Year / Units of Production Total - Units of Production Prior Year).
34 (Units of Production Current Year)	Source: Retrieve Units of Production Current Year based on Schedule Number and Ledger Type. Fetch F1208 where F1208.FPADSN = F1202.FLADSN and F1208.FLLT = F1202.FLLT Units of Production Current Year (F1208.FPUPY). Application: Units of Production Schedule (P1208)
35 (Units of Production Prior Year)	Source: Retrieve Units of Production Prior Year based on Schedule Number and Ledger Type. Fetch F1208 where F1208.FPADSN = F1202.FLADSN and F1208.FLLT = F1202.FLLT Units of Production Prior Year (F1208.FPUPP). Application: Units of Production Schedule (P1208)
36 (Units of Production Total)	Source: Retrieve Units of Production Total based on Schedule Number and Ledger Type. Fetch F1208 where F1208.FPADSN = F1202.FLADSN and F1208.FLLT = F1202.FLLT Units of Production Total Revisions = Original + Prior Year Revisions + Current Year Revisions (F1208.FPTOU + F1208.FPPRV + F1208.FPCRV). Application: Units of Production Schedule (P1208)
37 (Sum of the Years Digits Denominator)	Calculated: Sum of the Asset's Life Years Example 1: 4 yr. = 4+3+2+1=10 Example 2: 5 yr. = 5+4+3+2+1=15
38 (Sum of the Years Digits Numerator)	Calculated: (Element 03 / Element 49) - Current Life Year +1. ((Asset Life Periods / Normal Number of Periods) - Current Life Year + 1).
39 (Sum of the Years Digits Inverse of Years	Calculated: Element 38 + 1. (Sum of Years Digits Numerator + 1).

Digit)	
40	Calculated: Element 50. (Initial Year Apportionment Percent).
(Sum of the Years Digits First Year Percent)	Note: Elements 40 and 50 are the same answer.
41	Calculated: 1 - Element 50. (Initial Year Apportionment Percent)
(Sum of the Years Digits Last Year Percent)	
42	Source: F1201 (FAAITY) Application: Asset Master Additional Information (P1201) Use the Asset Master Investment Tax Credit Amount.
43	Source: F1201 (FAARPC) Application: Insurance Information (P12012) Use the replacement cost from the Asset Master. This is generally updated through Asset Revaluations.
44	Source: F1201 (FAALRC) Application: Insurance Information (P12012) Use the replacement cost from last year in the Asset Master. This is generally updated through Asset Revaluations.
45	Source: F1201 (FAAIV) Application: Insurance Information (P12012) Use the Insurance value stored in the Asset Master.
46	Source: F1202 (FLTKER) Application: Depreciation Information (P1202) Use the salvage value stored in the Asset Balances.
Note	
Element 07 has precedence if both Element 07 and Element 46 are defined.	
47	Source: F1202 (FLADMP) Application: Depreciation Information (P1202) Use the asset method percent from the Asset Balances.
48	Source: F12003 (FFADMP) Fetch F12003 based on Key: FFCO = F1201.FACO (Company) FFDAOB = F1201.FAAOBJ (Object Account) FFDASB = F1201.FAASUB (Subsidiary) FFLT = F1202.FLLT (Ledger Type)

		Application: Depreciation Default Coding (P12002)
		Use the Asset Method Percent from the Depreciation Defaults.
49		Source: F0010 (CCCALD)
(Normal Number of Periods)		Application: Company Master (P0010)
		Normal Number of Periods from the Company Master.
50		Calculated: The number of life days in the initial year calculated as a percentage of all the days in that year. This element is important to include in the first year calculation because it adjusts the calculation for the modified start date in regards to the fiscal date pattern.
	Note	
		Most rules will require a Year 1 through Year 1 rule that multiplies the rule * this element with I, C and R compute directions that are annual.
51		Calculated: Inception to date computation methods I or F only. The sum of yearly accumulated depreciation amounts calculated from inception through the Element 53 (Life Year in Process) for a primary life year rule.
(Intermediate Accumulated Depreciation - Primary Rule)		
52		Calculated: Inception to date computation methods I or F only. The sum of yearly accumulated depreciation amounts calculated from inception through the Element 53 (Life Year in Process) for a secondary life year rule.
(Intermediate Accumulated Depreciation - Secondary Rule)		
53		Calculated: The current Life Year in Process is calculated from the modified start date to the current through date. It counts the life year in the depreciation calculation process. Used only with computation methods I (depreciation calculated from inception through each life year in process) or F (inception to date for the primary rule). These computation methods calculate every life year to catch up any lost depreciation.
54		Calculated: The best result of accumulated depreciation from Element 51 (Intermediate Accumulated Depreciation - Primary Rule) and Element 52 (Intermediate Accumulated Depreciation - Secondary Rule).
(Intermediate Accumulated Depreciation - Best Rule)		
55		Calculated: Element 06 (Asset Life Periods Current Year) rounded to the nearest half period.
(Asset Life Periods Current Year (Rounded to Half Periods))		
56		Calculated: The number of life days in the disposal year as a percentage of all the days in that year.
(Disposal Year Apportionment Percentage)		
	Note	
		This is recommended on 999 rules, final year From and Through rules, and secondary % continuation of 9 as the rule * this element.

57	Source: F1202 (FLAPYC + Period Buckets)
(Amount One (Asset Balances))	Retrieve from DSA1 AAI. Default company is used (company 00000). Fetch the AA ledger type only. If Business Unit is left blank in AAI, use Responsible Business Unit from F1201 of the asset.
58	Source: F1202 (FLAPYC + Period Buckets)
(Amount Two (Asset Balances))	Retrieve from DSA2 AAI. Default company is used (company 00000). Fetch the current ledger type only. If Business Unit is left blank in the AAI, use Responsible Business Unit from F1201 of the asset.
59	Source: F1202 (FLAPYC + Period Buckets)
(Amount Three (Asset Balances))	Retrieve from DSA3 AAI. Fetch the ledger type definition line 4 of the AAI description. If Business Unit is left blank in the AAI, use Responsible Business Unit from F1201 of the asset.
60	Source: F0902 (FLAPYC + Period Buckets)
(Amount One (General Ledger))	Retrieve from DSA4 AAI. Default company is used (company 00000). Fetch the AA ledger type only. If Business Unit is left blank in the AAI, use Responsible Business Unit from F1201 of the asset.
	AAI Line 5 = LT
61	Source: F1202 (FLAPYC + Period Buckets)
(Amount Two (General Ledger))	Retrieve from DSA5 AAI. Default company is used (company 00000). Fetch the current ledger type only. If Business Unit is left blank in the AAI, use Responsible Business Unit from F1201 of the asset.
62	Source: F1202 (FLAPYC + Period Buckets)
(Amount Three (General Ledger))	Retrieve from DSA6 AAI. Fetch the ledger type from AAI description line 4. If Business Unit is left blank in the AAI, use Responsible Business Unit from F1201 of the asset.
	AAI Line 5 = LT
63	Calculated: Number of days elapsed / the number of actual days in a period.
(Initial Period Apportionment Percent)	<p>Note</p> <p>For ITAC = P (Period) processing only. Recommend for use in Year 1 of assets that start during a period and use period depreciation.</p>

