# MANAGE DEPRECIATION

## Introduction

This procedure covers how to run depreciation on fixed assets at the end of the month.

This procedure is linked to the following Business Processes:

* FFA 3.02.03
* FFA 3.02.04
* FFA 3.00.02

## Contents

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## Prerequisites

* Acquire all assets from the fixed assets acquisition clearing account
* Dispose all assets from the fixed asset disposal clearing account
* Check account and tax books are synchronized i.e. Run a ‘Fixed Asset and Depreciation Schedule’ and ‘Fixed Asset Tax Depreciation Schedule’ report from the fixed asset module

## Terminology and Icons

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|  | Important / Note |
|  | Business rule |
|  | Create new journal |
|  | Delete selected line/journal |
|  | Go to journal lines |
|  | Validate/accept line/journal |
|  | Post journal |

## STEPS

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| DEPRECIATE FIXED ASSETS | |
|  | *Start by running the accounting depreciation*  Follow the menu path to open **GGNZ > Fixed assets > Journals > Fixed assets**  C:\Users\SAMANT~1\AppData\Local\Temp\SNAGHTMLedd92ab.PNG |
|  | *The* ***Fixed assets*** *window displays*  Click **New** |

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|  | *A blank line for the new journal displays at the top of the list*  Complete the following fields:   * **Name** – select FADEP (i.e. Fixed Asset Depreciation) |
|  | Click **Lines** |

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|  | *The* ***Journal voucher*** *window displays*  Click **Proposals > Depreciation journal**  C:\Users\SAMANT~1\AppData\Local\Temp\SNAGHTML9b08e50.PNG |
|  | *The* ***Depreciation proposal*** *window displays*  Complete the following fields and select the relevant query:   * Enter the **Date interval: To date** – i.e. last day of the month * Click **Select** |

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|  | *The* ***Asset Proposal Depreciation*** *window displays*  The first time you run depreciation you will need to set up your query. To set up a query:   * Select the **Value model by fixed asset** table with no criteria |
|  | Click **Add** |

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|  | In the new line, click the **Table** drop-down menu:   * Select **Value model by fixed asset** |
|  | Click the **Field** drop-down menu:   * Select **Dimension.Department** |

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|  | Enter the **Criteria** required:   * To run accounting depreciation for all departments *excluding Rental*, enter **!ERN** * To run accounting depreciation for *only Rental*, enter **ERN** * To run accounting depreciation *company-wide*, leave the ‘Criteria’ field blank |

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|  | Save the query for next time:   * Click **Modify > Save as** |
|  | *The* ***Save inquiry*** *window displays*  Give the query a relevant name e.g.:   * Fixed Asset Depreciation excl Rental * Rental Dept Depreciation * Company-wide Depreciation   Click **OK** |

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|  | Once the query is set up, next time you can simply select it from the drop down  Click **OK** |
|  | *Your selection will populate in the* ***Depreciation proposal*** *window*  Click **OK** |

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|  | Click **Validate > Validate** |
|  | *The* ***Infolog*** *window displays*  The Infolog will either be a confirmation there are no errors or will inform you of errors within the journal or vouchers that need to be fixed before the journal can be posted  Click **Close** |
|  | Click **Post > Post** |

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|  | *The* ***Infolog*** *window displays*  The Infolog will either be a confirmation there are no errors and advise the number of vouchers posted within that journal or will inform you of errors within the journal or vouchers that need to be fixed before the journal can be posted  Click **Close** |
|  | Click **Close** on the Fixed assets window |
|  | You then need to run the tax depreciation  Follow the menu path to open **Fixed assets > Journals > Depreciation book journal**  C:\Users\SAMANT~1\AppData\Local\Temp\SNAGHTMLee71e18.PNG |
|  | *The* ***Depreciation book journal*** *window displays*  Click **New** |

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|  | *A blank line for the new journal displays at the top of the list*  Complete the following fields:   * **Name** – select DEPBKJNL (i.e. Depreciation Book) |
|  | Click **Lines** |

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|  | *The* ***Journal line*** *window displays*  Click **Proposals > Depreciation proposal** |
|  | *The* ***Depreciation proposal*** *window displays*  Enter the **Date interval: To date** – i.e. last day of the month  Click the **Select** button to open the asset proposal depreciation window |

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|  | *The* ***Asset Proposal Depreciation*** *window displays*  Highlight the lowest row then press the keyboard down arrow to create a new line below the others |
|  | *The new line is highlighted below the others*  Select the **Table** drop-down menu for the new line |

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|  | *The dropdown selection is displayed*  Select the **Fixed assets/depreciation books** option |
|  | Select the **Dimension Department** option from the **Field** dropdown selection |

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|  | Enter the **Criteria** required:   * To run taxation depreciation for all departments *excluding Rental*, enter **!ERN** * To run taxation depreciation *for Rental only*, enter **ERN** * To run taxation depreciation *company-wide*, leave the ‘Criteria’ field blank   You can type the code in or select it from the **Criteria** dropdown menu |
|  | Note the line Criteria is populated with the value entered from the previous step. Save the query for the next time. Click **Modify > Save As** |

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|  | *The* ***Save Inquiry*** *window displays*  Give the inquiry a relevant name., e.g.   * Fixed Asset depreciation excl Rental * Rental Department Depreciation * Company-wide Depreciation   Click **OK** |
|  | *The new depreciation proposal displays with the criteria used and can now be used for future queries*  Click **OK** to close the window |

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|  | Once the query is set up, you can simply select it from the dropdown at the top of the window |
|  | Your selection will populate the Dimension code set value field in the **Depreciation proposal** window  Click **OK** |

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|  | Click **Validate** |
|  | *The* ***Infolog*** *window displays*  The Infolog will either be a confirmation there are no errors and advise the number of vouchers posted within that journal or will inform you of errors within the journal or vouchers that need to be fixed before the journal can be posted  Click **Close** |
|  | Click **Post > Post**  Click **Close** |