QAD Enterprise Applications
Enterprise Edition

User Guide
QAD Fixed Assets

Introduction to Fixed Assets
Setting Up Fixed Assets
Creating and Managing Fixed Assets
Maintaining Fixed Assets
Fixed Assets Reports

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Chapter 1

Introduction to Fixed Assets

The financial modules provide a wide range of tools to help businesses manage corporate finances. Core financial modules such as General Ledger, Accounts Payable, and Accounts Receivable are described in *User Guide: QAD Financials*.

Overview

Use Fixed Assets to set up, maintain, transfer, and retire your company's fixed assets. The Fixed Asset depreciation system is integrated with the General Ledger module. See *User Guide: QAD Financials* for information on General Ledger.

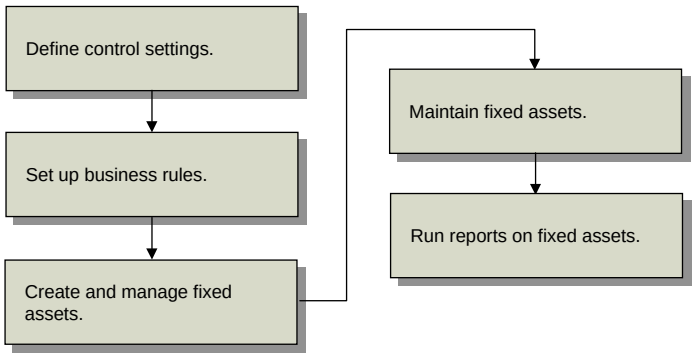
Often, depreciation is calculated one way for internal reporting and another way for tax purposes. Using Fixed Assets, you can set up asset records specifying how depreciation is calculated for each kind of reporting. Depreciation is calculated using either equations or tables. Conventions can be used in conjunction with equations for depreciation calculations in the first, last, and disposal years of an asset's life.

Fixed assets are tangible assets that a business uses to produce income. Fixed assets represent a substantial financial investment for a business. The costs of acquiring, maintaining, insuring, and replacing fixed assets, along with depreciation, can have a substantial impact on both financial statements and tax liabilities.

Fixed-Asset Workflow

Figure 1.1 summarizes the steps for setting up and managing your company's fixed assets.

Fig. 1.1
Fixed-Assets Workflow



Control Settings

Setting up the control program defines system-wide parameters for Fixed Assets. You specify:

- If asset IDs are generated by the system or assigned manually
- If the system creates summary or detailed journal entries for fixed-asset general ledger (GL) transactions

See "Setting Up Control Parameters" on page 12 for details.

Business Rules

Setting up business rules lets you define your accounting needs and customize Fixed Assets to meet your specific needs. Business rules provide defaults for assets entered in Fixed Asset Maintenance (32.3) and Fixed Asset Batch Maintenance (32.7).

See “Setting Up Business Rules” on page 13 for details.

Create and Manage Fixed Assets

You can enter fixed assets into the system individually or in a batch. See Chapter 3, “Creating and Managing Fixed Assets,” on page 37 for details.

After you create assets, you can perform the following tasks:

- Maintain asset account information.
- Retire or transfer an asset.
- Enter asset comments.
- Maintain user fields for customizations.
- Maintain insurance data.
- Adjust depreciation books.
- Adjust posted depreciation.
- Maintain book detail.
- Maintain information for the units-of-production depreciation method.
- Maintain information about asset components.
- Divide an asset into two separate assets.
- Retire or transfer a group of assets.

Maintain Fixed Assets

You can post general ledger (GL) entries for acquisitions, depreciation expenses, transfers, retirement of assets, and adjustments. You can also correct any GL errors by creating reverse GL transactions for the original GL entries. See Chapter 4, “Maintaining Fixed Assets,” on page 65 for details.

At period or year end, you can optionally delete/archive retired assets.

Fixed-Asset Reports

You can run fixed-asset reports that provide accounting and management information. The following reports are included in Fixed Assets:

- Periodic Activity Report
- Depreciation Adjustment Report
- Acquisition Report
- Depreciation Expense Report
- Asset Depreciation Array Report
- Asset Owned Report
- Primary Book Activity Report
- Primary Book Acquisition Report
- Primary Book Retirement Report

See “Other Fixed Assets Reports” on page 73 for details.

Fixed-Asset Programs

Fixed Assets consists of the following programs.

Table 1.1
Fixed-Asset Programs

Menu Number	Description	Program
32.1.1	Method Maintenance	famtmt.p
32.1.2	Method Report	famtrp.p
32.1.5	Fixed Asset Calendar Maintenance	facalmt.p
32.1.6	Fixed Asset Calendar Report	facalrp.p
32.1.9	Book Maintenance	fabkmt.p
32.1.10	Book Browse	fabr012.p
32.1.13	Fixed Asset Location Maintenance	falcmt.p
32.1.14	Fixed Asset Location Report	falcrp.p
32.1.17	Class Maintenance	faclmt.p
32.1.18	Class Report	faclrp.p
32.3	Fixed Asset Maintenance	fafamt.p
32.4	Fixed Asset Browse	fabr019.p
32.5.1	Periodic Activity Report	fapaderp.p
32.5.3	Depreciation Adjustment Report	faajrp.p
32.5.5	Acquisition Report	faaqrp.p
32.5.7	Depreciation Expense Report	faderp.p
32.5.9	Asset Depreciation Array Report	fadarp.p
32.5.11	Asset Owned Report	faaorp.p
32.5.13	Primary Book Activity Report	fapaderp.p
32.5.15	Primary Book Acquisition Report	faacqrp.p
32.5.17	Primary Book Retirement Report	faretrp.p
32.7	Fixed Asset Batch Maintenance	fabchmt.p
32.8	Fixed Asset Batch Report	fabchrp.p
32.11	Fixed Asset Meter Maintenance	famtrmt.p
32.12	Fixed Asset Meter Report	famtrrp.p
32.13	Fixed Asset Transaction Post	fapsmt.p
32.14	Fixed Asset Transaction Void	favdmt.p
32.16	Fixed Asset Transfers	fatrmt.p
32.17	Fixed Asset Transfer Report	fatrrp.p
32.19	Fixed Asset Retirements	fartmt.p
32.20	Fixed Asset Retirement Report	fartrp.p
32.23	Retired Asset Delete/Archive	fartup.p
32.24	Fixed Asset Control	fafapm.p
32.25.2	Fixed Assets Migration Utility	facvmt.p
32.25.3	Fixed Assets Migration Report	facvrp.p

Base Data

The Fixed Assets module requires base data set up in other modules. The base data includes the following:

- Entities
- GL daybooks
- GL accounts, sub-accounts, cost centers, and projects

Entities

An entity is an independent financial unit used for financial reporting. Define entities in Entity Create (36.1.1.2.1). You specify an entity for each fixed-asset location in Fixed Asset Location Maint (32.1.13).

In Fixed Asset Transaction Post (32.13), you create unposted GL transactions by entity. The user posting the transactions must have access to the entities in User Domain/Entity Access.

Each entity in a domain references cross-company accounts defined for the domain for tracking transfers of fixed assets between entities. See *User Guide: QAD Financials* for details on defining cross-company accounts.

These accounts are only used when processing information for more than one entity in a domain. When a transfer transaction is processed referencing more than one entity, the system automatically creates the required intercompany balancing entries using the intercompany code associated with each entity.

Example A fixed asset that costs $2,400 is being transferred from entity A to entity B. The total accumulated depreciation is $2,000. The following GL transactions are created for entity A:

- Debit Accumulated Expense account $2,000
- Credit Asset account $2,400
- Debit Cross-Company Fixed Assets account $2,400 using intercompany code for entity A
- Credit Cross-Company Fixed Assets account $2,000 using intercompany code for entity A

The following GL transactions are created for entity B:

- Credit Cross-Company Fixed Assets account $2,400 using intercompany code for entity B
- Debit Cross-Company Fixed Assets account $2,000, using intercompany code for entity B
- Credit Accumulated Expense account $2,000
- Debit Asset account $2,400

Daybooks

Daybooks are used to group GL transaction for satisfying legal reporting requirements or for organizing GL reporting in a manner consistent with common business practices. Set up daybooks in Daybook Create (25.8.1.1).

You can specify a daybook in Fixed Asset Transaction Post and it is used as the default for FA transaction types and FA document types. All transactions created by Fixed Asset Transaction Post use this daybook.

If a default daybook is not defined for FA, the system daybook is used.

Accounts

Fixed Assets uses the following account data set up with functions on the GL Setup Menu (25.3):

- GL accounts
- Sub-accounts
- Cost centers
- Project codes

In Domain Create (36.1.1.1.1), you enter the GL intercompany account, sub-account, and cost center for tracking transfers of fixed assets between companies.

In Location Maintenance (32.1.13), you optionally enter a sub-account and cost center for each location.

In Class Maintenance (32.1.17), after maintaining the books, you set up default GL accounts for each class-book combination. Table 1.2 lists the account types you need to set up in Account Create (25.3.13.1).

Table 1.2
Fixed-Asset Accounts

Account	GL Type	Category	Debit/ Credit	Description
Asset Account	Fixed Asset	Asset	Debit	Tracks the acquisition cost of a fixed asset.
Accumulated Expense	Standard	Liability	Credit	Tracks the amount of depreciation that has accumulated and been posted since the start of the depreciation calculation.
Periodic Expense	Standard	Liability	Debit	Tracks the amount of depreciation expense for the accounting period.
Construction in Process	Standard	Liability	Credit	Tracks the purchase cost of a fixed asset.
Gain on Disposal	Standard	Liability	Credit	Tracks gains from fixed asset disposal.
Loss on Disposal	Standard	Liability	Debit	Tracks losses from fixed asset disposal.
Asset Suspense	Standard	Liability	Debit	Tracks the remaining value of fixed asset when it is disposed.

In Fixed Asset Maintenance (32.3), you can modify the default account data for each individual asset. You can also add a project code.

Navigation

The Fixed Assets module contains navigation buttons for modifying information or accessing additional screens within a program. The buttons at the bottom of the screen include standard buttons and program-specific buttons. The standard buttons are:

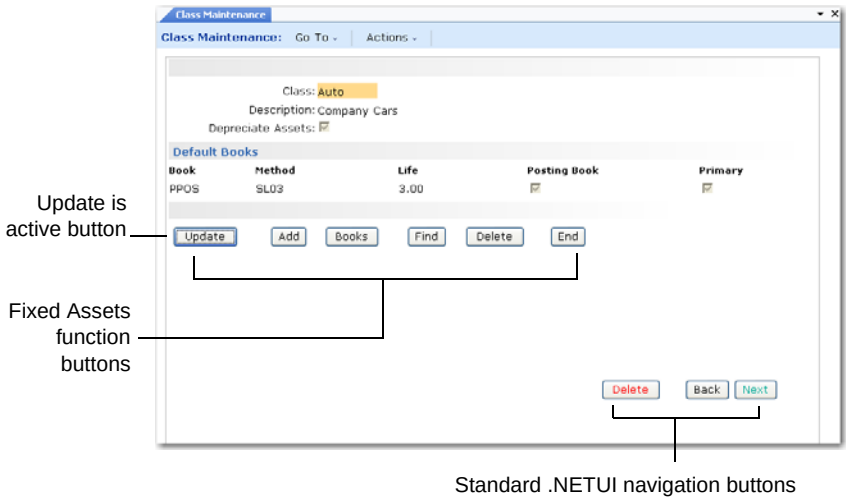
- Update: Update, change, or correct an entry.
- Add: Add a new record.
- Find: Enter an ID to go directly to a record.
- Delete: Delete a record.
- End: Return to the previous function.

In the .NET User Interface, click the button to execute the associated function. In the character UI, use the arrow keys or tab keys to access the buttons and then press Enter or F1.

For keyboard navigation in the .NET UI, use the Tab key to move forward between the buttons and Shift+Tab to move backward. Press the spacebar to execute the function associated with the active button.

Note In the .NET UI, pressing Enter is the same as clicking Next. This typically has no effect when the buttons are active.

Fig. 1.2
Fixed Asset Control (32.24)



The Fixed Asset End button and the .NET UI Back button execute the same function; similarly, the two Delete buttons execute the same function.

Validated Fields

Some fixed-asset functions use codes that are defined in Generalized Codes Maintenance (36.2.13). They give you flexibility in organizing and implementing functions, since you can define values that are meaningful in your own business environment.

Table 1.3 lists the generalized codes referenced by fixed-asset functions. Use this table to plan which codes to set up for your implementation.

Table 1.3
Generalized Codes in Fixed Assets

Code	Label	Where Used
cd_type	Type	Fixed Asset Maintenance
fa_code	Sort Code	Fixed Asset Maintenance
fa_disp_rsn	Disposition Reason	Fixed Asset Maintenance Fixed Asset Retirements

Language Detail Codes

Some fixed-asset options appear on the screen using alphabetic codes or words. Internally, these options are controlled by numeric codes. Mnemonics and labels provided in English may not be appropriate in other languages. Use Language Detail Maintenance (36.4.2) to change, add, and delete mnemonic codes and labels.

Table 1.4 lists the language detail codes referenced by fixed-asset functions. Use this table if you need to change a label.

Table 1.4
Language Detail Codes

Data Set	Field	Code	Label	Where Used
famt_mstr	famt_desc	1	Straight Line	Method Maintenance
		2	Units of Production	
		3	Declining Balance	
		4	Sum of the Years' Digits	
		5	Flat Rate	
		6	Custom Table	
famt_mstr	famt_conv	1	Full Period	Method Maintenance
		2	Half Period	
		3	Next Period	
		4	Full Quarter	
		5	Half Quarter	
		6	Full Year	
		7	Half Year (Standard)	
		8	Half Year (Version 1)	
		9	Half Year (Version 2)	
facd_det	facd_acctype	1	Asset Account	Class Maintenance
		2	Accumulated Expense	
		3	Periodic Expense	
		4	Construction in Process	
		5	Gain on Disposal	
		6	Loss on Disposal	
		7	Asset Suspense	

Data Set	Field	Code	Label	Where Used
faadj_mstr	faadj_type	1	Bonus	Fixed Asset Maintenance
		2	Basis	
		3	Method	
		4	Life	
		5	Suspend	
		6	Reinstat	
		90	Retire	
		91	UOP	
		92	Split	

Fixed Assets and Statutory Currency

You have the option to use an additional base currency for reporting purposes. This second currency is known as the *statutory currency.* The need for a statutory currency arises from a combination of global IFRS requirements and local GAAP in some countries. The statutory currency is set at domain level, and is inherited by the entities assigned to the domains. See *User Guide: QAD Financials* for more information on statutory currency and on domain setup.

The Fixed Assets module does not support dual currencies. It only handles transactions in base currency that are translated to statutory currency during the GL posting of investments and depreciations that use the statutory exchange rate valid at the posting date. If you want to manage your fixed assets in statutory currency, you can do so in an indirect way by creating an additional domain and running the fixed assets functions there. The steps are:

1. Create a new domain.
2. Set the statutory currency from your primary domain as the base currency in the new domain.
3. Run the fixed asset functions in the new domain.
4. Transfer the resulting fixed asset postings from the new domain to the primary domain by exporting them to Excel or XML format.
5. In the resulting file, copy the base currency amounts to the statutory currency amounts, and place a calculated base currency equivalent in the base currency fields.
6. Import the fixed assets transactions to the primary domain using Excel integration or the XML daemon.

See *User Guide: QAD Financials* for more information on Excel integration and *User Guide: QAD System Administration* for more information on the XML daemon.

Chapter 2

Setting Up Fixed Assets

This chapter discusses the data that must be configured before you can manage fixed assets.

Overview

Before you can add fixed assets to the system, you must define:

- Intercompany accounts
- Settings in Fixed Asset Control
- Business rules
- Meters for the units-of-production depreciation method (optional)

If your company used the Fixed Assets module with QAD applications prior to MFG/PRO 9.0, you must convert your fixed-asset data before setting up and using the new Fixed Assets module. See your conversion guide for instructions.

Intercompany Accounts

For users upgrading from an earlier QAD ERP application version, the conversion process must create Fixed Assets intercompany accounts for every entity, even if this module is not used. In the absence of a specific Fixed Assets intercompany account, the conversion uses the inventory intercompany account.

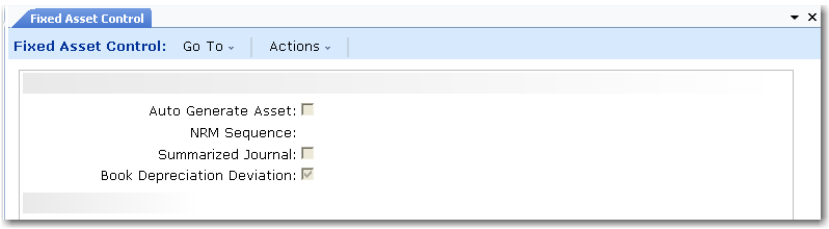
If you decide to implement the Fixed Assets module after conversion, the system starts recording both inventory and Fixed Assets intercompany transactions on the same account. If you want to use separate accounts for these areas, change the Fixed Assets intercompany account after the conversion process.

Setting Up Control Parameters

Use Fixed Asset Control (32.24) to specify:

- If asset IDs are generated by the system or assigned manually
- If the system creates summary or detailed journal entries for fixed-asset GL transactions
- Whether the differences between the primary and secondary books are posted to the GL or the full amounts of the secondary posting books are posted to the GL

Fig. 2.1
Fixed Asset Control (32.24)



Auto Generate Asset. If Yes, the system assigns unique asset IDs, using the Number Range Management (NRM) sequence for assets entered in Fixed Asset Maintenance and Fixed Asset Batch Maintenance. NRM is used to generate, control, and audit sequence numbers. Users cannot specify them manually. For details, see *User Guide: QAD System Administration.*

NRM Sequence. If Auto Generate Asset is Yes, enter the predefined NRM Sequence ID set up for the target dataset of fa_id.

Use Number Range Maintenance (36.2.21.1) and Sequence Number Maintenance (36.2.21.5) to define the NRM Sequence ID. The sequence must be 12 characters or less.

Summarized Journal. If Yes, Fixed Asset Transaction Post (32.13) creates transactions by account, sub-account, cost center, and project combination.

When you first implement Fixed Assets, consider creating detailed journal entries. You can verify that each transaction is being processed with the right account numbers and then correct any mistakes. After you verify that the entries are correct, you can switch to a summarized journal, which takes less space and is easier to handle in the GL.

Book Depreciation Deviation. If Yes, the full amounts of the secondary posting books are posted to the GL. If No, the differences between the primary and secondary books are posted to the GL.

Setting Up Business Rules

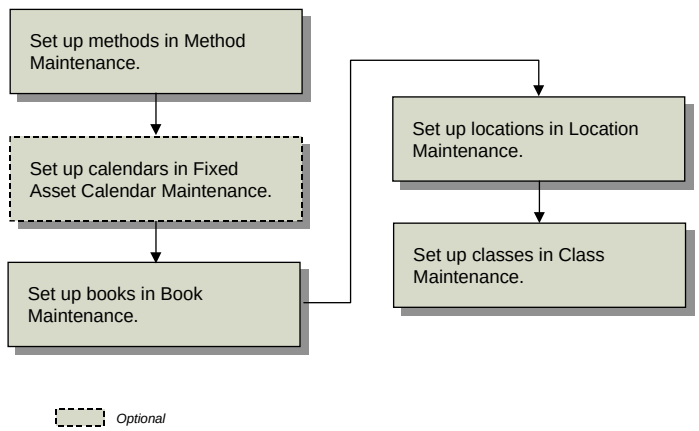
Set up business rules to define your accounting needs and customize Fixed Assets to meet your specific needs. Business rules provide defaults for assets entered in Fixed Asset Maintenance (32.3), minimizing data entry and errors.

Before you begin setting up your company's business rules, you should decide on some basic information.

- Your company's fixed-asset locations
- If your company uses custom calendars for non-posting fixed-asset books or if your books follow the GL calendar
- What and how many fixed-asset books your company needs to set up
- Which system-supplied depreciation methods your company uses
- Which depreciation methods you use for financial and tax purposes
- What classes you define for grouping similar assets

Figure 2.2 summarizes the steps required to set up the business rules.

Fig. 2.2
Business Rules Workflow



Setting Up Methods

Use Method Maintenance (32.1.1) to specify the depreciation methods that your company uses. Depreciation allocates an asset cost to periods in its service life. Depreciation affects both tax and financial reporting.

Before you can use one of the supplied methods, you must copy it and give it a new ID. After the method is copied, you can update, modify, or delete the copied method.

Active depreciation methods are assigned to assets in Fixed Asset Maintenance and can be assigned as class defaults in Class Maintenance. Methods identify how annual depreciation is calculated for the asset. You cannot modify methods that are assigned to assets.

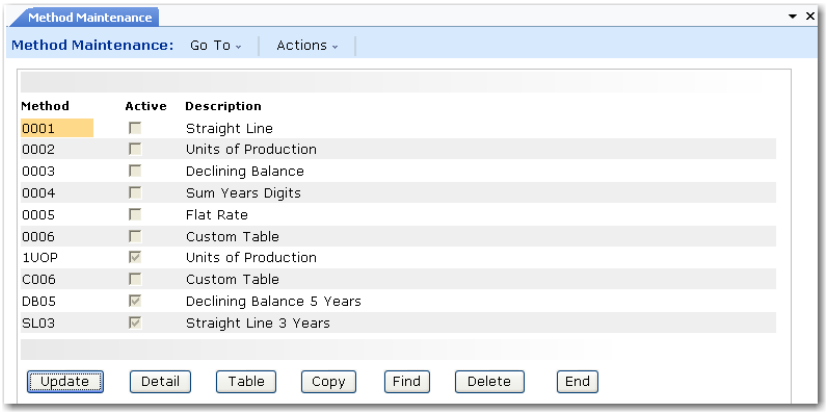
You can use several methods to calculate depreciation. Assets can be depreciated one way for tax reporting purposes and another for financial purposes. Depreciation methods for tax purposes are usually based on the type of asset and the tax laws in effect when the asset was placed in service. Depreciation methods for financial or management purposes usually follow generally accepted accounting practices and policies.

The following depreciation methods are supplied with Fixed Assets:

1. Straight Line
2. Units of Production
3. Declining Balance
4. Sum of the Years' Digits
5. Flat Rate
6. Custom Table

See "Using Depreciation Methods" on page 23.

Fig. 2.3
Method Maintenance (32.1.1)



Select one of the standard methods and click Copy to create a new method based on it. You are prompted to specify an ID.

Method. Enter an identifier for the copied depreciation method. This is a four-character alphanumeric ID and cannot start with a zero.

Methods starting with a zero are system-supplied. To use a system-supplied depreciation method, you must copy it and then make it active.

Click Update to indicate if the method is active and provide a description.

Active. Enter Yes if this depreciation method is active. Enter No if it is not active. Active is always set to No for system-supplied depreciation methods and cannot be changed. After you copy the method, you can set the Active field to Yes.

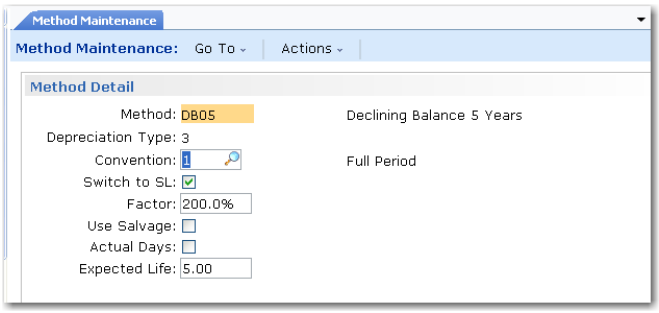
Note If you change this field from Yes to No and this method is used by any classes, update the classes to use another active method before using them again. Otherwise, an error displays when you create new assets that use the classes.

Description. Enter a brief (55 characters) description of the method to display on lookups and reports.

Choose the Detail function to display attributes of the copied method. Click Update to enable the attribute fields for changes.

Note You cannot modify a method after it has been associated with a fixed asset.

Fig. 2.4
Method Maintenance, Method Detail



Convention. Conventions determine how much depreciation is taken in the first and last period of an asset life. See “Using Conventions” on page 28

Enter the number that corresponds to the convention for this method.

1: Full Period. A full-period depreciation is calculated for the first period of the asset life. No depreciation is calculated for the last period of the asset life. Depreciation is calculated as if the asset was put into and taken out of service the first day of the month.

2: Half Period. A half-period depreciation is calculated for the first and last period of the asset life.

3: Next Period. A full-period depreciation is calculated for the period following the period that the asset was placed into service. A full-period depreciation is taken in the last period of the asset life.

4: Full Quarter. A full-quarter depreciation is calculated for the first quarter of the asset life. No depreciation is calculated for the last quarter of the asset life.

Table 2.1 lists the factors used in calculating depreciation for the asset acquisition quarter.

Table 2.1
Full-Quarter Depreciation Factors

Quarter in Service	Acquisition Factor	Retirement Factor
1	100%	0%
2	75%	25%
3	50%	50%
4	25%	75%

5: Half Quarter. A half-quarter depreciation is calculated for the first and last quarter of the asset life.

Table 2.2 indicates the factors used in calculating depreciation for the asset acquisition and retirement quarters.

Table 2.2
Half-Quarter Depreciation Factors

Quarter in Service	Acquisition Factor	Retirement Factor
1	87.5%	12.5%
2	62.5%	37.5%
3	37.5%	62.5%
4	12.5%	87.5%

6: Full Year. A full year of depreciation is taken regardless of the period that the asset was put into service. No depreciation is calculated for the last year of the asset life.

7: Half Year (Standard). A half-year depreciation is calculated for the first and last year of the asset life.

8: Modified Half Year (Version 1). If the asset is put into service in the first half of the year, a full year of depreciation is calculated for the year. If the asset is put in service in the second half of the year, no depreciation is taken. If the asset is disposed of in the first half of the year, no depreciation is calculated for the year. If the asset is disposed of in the second half of the year, a full-year depreciation is taken.

9: Modified Half Year (Version 2). If the asset is put into service in the first half of the year, a full year of depreciation is calculated for the year. If the asset is put in service in the second half of the year, a half-year depreciation is calculated. If the asset is disposed of in the first half of the year, no depreciation is calculated for the year. If the asset is disposed of in the second half of the year, a half-year depreciation is calculated.

Table 2.3 indicates which conventions are valid for each depreciation method.

Table 2.3
Valid Depreciation Method and Convention Combinations

		Conventions								
		1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**
Depreciation Methods	Straight Line	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Units of Production	✓								
	Declining Balance	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Sum of the Years' Digits	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Flat Rate	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Custom Table									

Switch to Straight Line (SL). If Yes, the declining-balance depreciation method switches to the straight-line method when the depreciation calculated using the straight-line method is greater than the depreciation calculated using the declining-balance method.

Factor. Enter the depreciation factor rate expressed as a percentage. This percentage is used to calculate the depreciation per period. Factor only applies to declining-balance and flat-rate depreciation methods.

Declining balance uses the factor percentage against the net book value of the asset at the beginning of each fiscal year.

Use Salvage. This field indicates whether the depreciation method reduces the cost by the salvage value to calculate the depreciation basis. Salvage value is the book value the asset is expected to have at the end of its expected life.

Actual Days. If Yes, the actual calendar days in the period that the asset is put into service are used when calculating the depreciation expense.

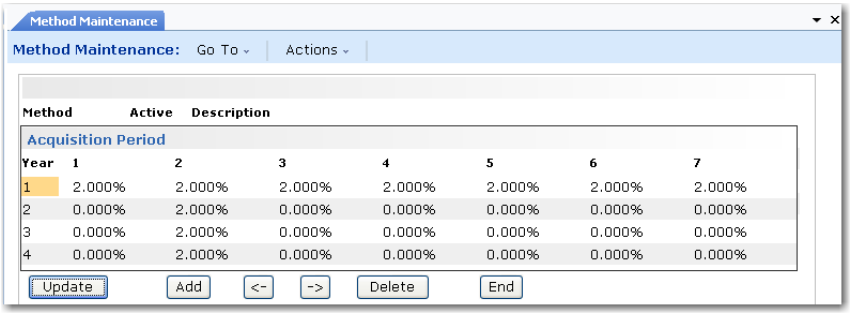
After the annual depreciation is calculated, it is divided by a standard 365 to determine the calendar-day depreciable expense. Depreciation expense for each period is defined as the number of calendar days in the period times the daily depreciation expense.

Expected Life. Enter the expected useful life for assets depreciated by this method. The expected life is used in calculating depreciation over the life of the asset.

This field is required if the depreciation method is a custom table. Otherwise, it is used as the default life for the method in Class Maintenance and Fixed Asset Maintenance.

If the method is based on the QAD Custom Table method, you can use the Table function to create a custom depreciation table.

Fig. 2.5
Method Maintenance, Custom Table



Click Add to add information to the table. A new row opens where you can specify the year and percentage amounts for each period. Use the arrow functions to move right or left through the period detail.

Year. Enter a year for the estimated asset life. For example, enter 1 if this is the first year of the asset life. This field cannot exceed the estimated asset life plus one year.

Percentage Factor. Enter a percentage factor to use for calculating the annual amount of depreciation. The total percentage of each period column must equal 100%.

Setting Up Fixed-Asset Calendars

Use Fixed Asset Calendar Maintenance (32.1.5) to set up optional fixed-asset calendars for non-posting books. Use this program to add and delete fixed-asset calendars. You can use the Find function to go directly to a fixed-asset calendar by entering the calendar ID.

You can associate a fixed-asset calendar with non-posting books in Book Maintenance (32.1.9). You cannot associate a fixed-asset calendar with posting books. Posting books automatically follow the GL calendar set up in Financial Calendar Setup Menu (25.4).

You cannot modify a fixed-asset calendar after an asset has been assigned to a book that uses the calendar.

Fig. 2.6
Fixed Asset Calendar Maintenance (32.1.5)

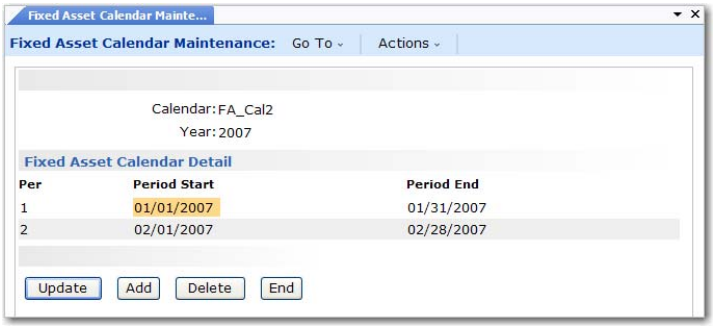
Click Add to create a new calendar.

Calendar. Enter up to an eight-character calendar ID.

Year. Enter the year that applies to this fixed-asset calendar.

Click Detail and then Update to define fixed-asset calendar periods and their start and end dates.

Fig. 2.7
Fixed Asset Calendar Maintenance, Fixed Asset Calendar Detail



Period Start. Enter the start date for this period. The default is one day after the previous Period Finish date. Periods cannot overlap.

Period End. Enter the end date for this period. Periods cannot overlap.

A warning displays if the calendar does not cover an entire year.

Setting Up Books

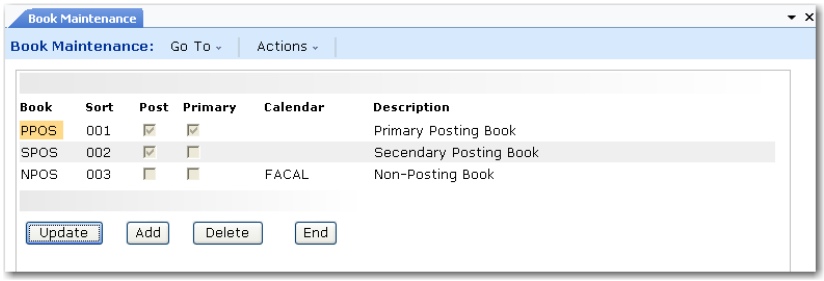
Use Book Maintenance (32.1.9) to set up depreciation books for fixed assets. You can add, modify, and delete fixed-asset books. Any fixed assets that are depreciated must be assigned to a posting book.

For each book, you specify:

- If it is the primary posting book
- If the book updates the GL
- Any user-defined fixed-asset calendars associated with non-posting books
- The unique sort sequence used for reporting

A depreciable asset must be assigned to a posting book for fixed-asset transactions to be recorded in the GL. Multiple depreciation books are often required to meet different reporting needs. An asset can be depreciated under an unlimited number of non-posting books. However, only posting books affect the GL.

Fig. 2.8
Book Maintenance (32.1.9)



Click Add to add a new book or Update to modify the selected book.

Book. Enter a unique ID (maximum 4 characters) identifying the fixed-asset book. The information set up in Book Maintenance establishes default book information for assets set up in Fixed Asset Maintenance.

Sort. Enter the order in which the system should display this book in browses, reports, and on the Depreciation Books screen in Fixed Asset Maintenance.

Post. If Yes, this book posts to the GL. There can be more than one posting book, but only one can be a primary book; the others are secondary posting books. Fixed Asset Transaction Post (32.13) creates unposted transactions for accumulated depreciation and depreciation expense accounts based on depreciation calculated for this book. Posting books always follow the GL calendar.

Primary. If Yes, this book is referred to as the primary posting book. Only one primary posting book is allowed.

Calendar. This field only applies to non-posting books. Enter the calendar ID for the calendar you want associated with this non-posting book. Define calendar IDs in Fixed Asset Calendar Maintenance. If this field is blank, the non-posting book automatically follows the GL calendar.

See “Setting Up Fixed-Asset Calendars” on page 18.

Description. Enter a brief description (maximum 30 characters) describing this fixed-asset book. This description displays on various reports and inquiries.

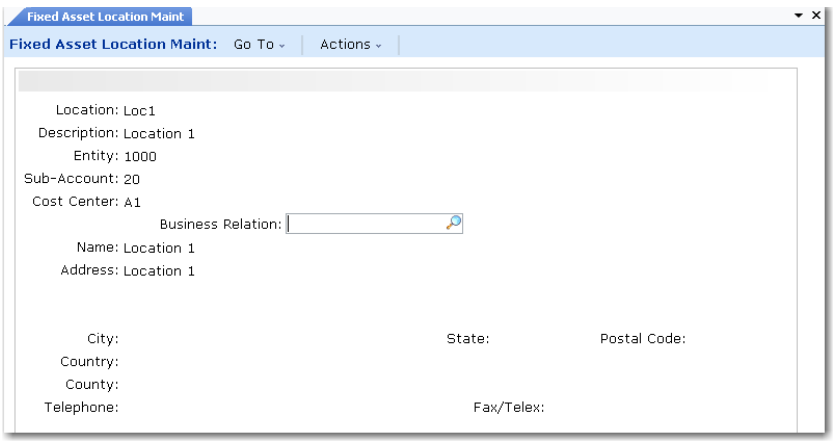
Setting Up Locations

Use Location Maintenance (32.1.13) to set up, modify, and delete fixed-asset locations. Use the Find function to view the Location Browse by location ID.

Asset locations identify the accounting location and entity of the fixed asset and the default sub-accounts and cost centers for depreciation reporting.

Note In contrast to location IDs used elsewhere in the system, fixed-asset location IDs are generally used to locate an asset for tax and asset tracking purposes. There is no connection between the fixed-asset location and inventory location. For example, you cannot issue inventory from a fixed-asset location.

Fig. 2.9
Location Maintenance (32.1.13)



Location. Enter a unique ID identifying a fixed-asset location.

Description. Enter a brief description (maximum 32 characters) of this fixed-asset location.

Entity. Enter a valid, active entity code to associate with this location.

Sub-Account. Enter a sub-account code. This sub-account defaults for assets entered in Fixed Asset Maintenance for this location.

Cost Center. Enter a cost center code. This cost center defaults for assets entered in Fixed Asset Maintenance for this location.

Business Relation. If address information is needed for the location, specify a business relation. Address details from the headoffice address type of this business relation are used. See *User Guide: QAD Financials* for details on business relations.

Setting Up Classes

Use Class Maintenance (32.1.17) to set up, modify, and delete fixed-asset classes. Also set up default depreciation books and GL accounts. Depreciation for assets in the same class generally affects the same GL accounts for the asset investment, accumulated depreciation, and depreciation expense.

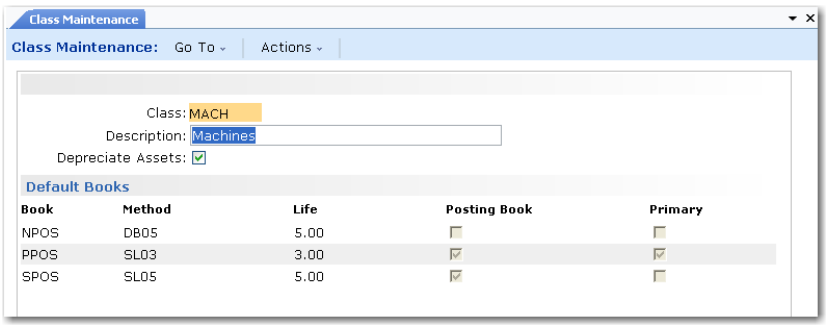
Primary criteria for a class are:

- Items are similar and grouping is reasonable.
- Items are related for accounting purposes, affecting the same GL accounts. These accounts are set as the default entries for the class.
- Items use the same books.
- Items have the same service lives for calculating depreciation.
- Items use the same depreciation methods for both book and tax purposes.

After you set up a class, assets can be assigned to it in Fixed Asset Maintenance. The information set up in Class Maintenance provides default book and account information for the asset.

In Fixed Asset Maintenance, accounts default from the class-book combination. The entity, sub-account, and cost center default from the location.

Fig. 2.10
Class Maintenance (32.1.17)



Class. Enter a unique class ID.

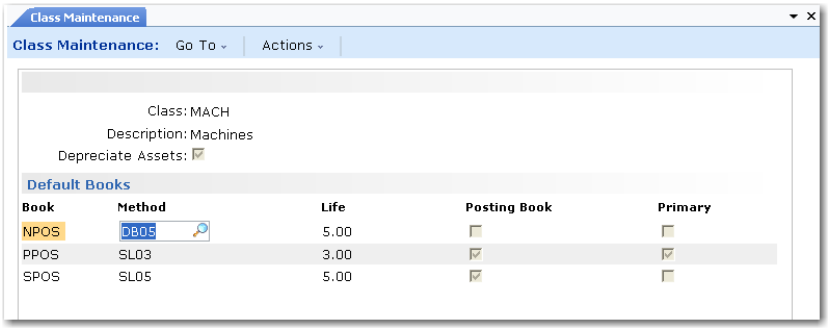
Description. Enter a brief (43 characters maximum) description of this fixed-asset class ID. This description displays on various reports and inquiries.

Depreciate Assets. If Yes, this fixed-asset class is depreciated. Depreciation schedules are created for assets assigned to this class.

Choose the Books function to specify default fixed-asset books.

Note You must choose the Books function before the Accts function, which lets you maintain the account numbers for the selected book of the fixed asset. Account numbers default from the class-book combination.

Fig. 2.11
Class Maintenance, Default Books



Book. Enter a predefined fixed-asset book ID for this class. Define book IDs in Book Maintenance (32.1.9). Any fixed assets that are depreciated must be assigned to a posting book. See “Setting Up Books” on page 19.

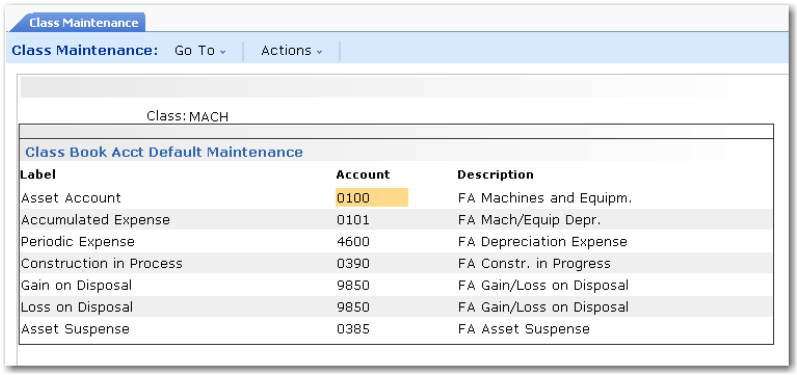
Method. Enter the predefined depreciation method ID. It cannot begin with a zero. Set up depreciation methods in Method Maintenance. Methods identify how depreciation is calculated for the asset service years. See “Setting Up Methods” on page 14.

Life. Enter the number of years for the book’s life. This number is used as a basis for depreciation calculations.

Posting Book, Primary. The system displays the values associated with the book in Book Maintenance. See “Post” on page 20.

Choose the Accts function to specify default GL accounts. This screen can only be accessed for a posting book. When the book is not a posting book and the Accts button is selected, an error displays. No accounts can be entered for a non-posting book.

Fig. 2.12
Class Maintenance, Class/Book Account Default Maintenance



Account. Enter valid, active GL accounts to be associated with each type of fixed-asset account. Table 1.2, “Fixed-Asset Accounts,” on page 6 lists the accounts and GL types that you specify here. The system validates the account types you enter.

Primary posting books and secondary posting books must have different accounts. If you try to enter an account for a secondary book that already exists for the primary book belonging to the same class, an error displays.

Depreciation Methods and Conventions

Using Depreciation Methods

Depreciation is the process of allocating the cost of an asset over its service life. There are several methods of calculating depreciation. Depreciation can be calculated one way for tax purposes and another for financial purposes.

Straight Line

Straight-line depreciation allocates the asset cost evenly over its service life. The formula for straight-line depreciation is:

Depreciation Charge = Depreciable Basis / Service Life

Depreciable Basis = Cost – Salvage Value

Example A company purchases a $20,000 car that has a $2,000 salvage value and a five-year service life.

Table 2.4 illustrates the straight-line depreciation schedule.

Table 2.4
Straight-Line Depreciation Schedule

Year	Calculation	Depreciation Expense
1	$18,000 / 5	$3,600
2	$18,000 / 5	$3,600
3	$18,000 / 5	$3,600

Year	Calculation	Depreciation Expense
4	$18,000 / 5	$3,600
5	$18,000 / 5	$3,600

Declining Balance

Declining balance is an accelerated method that provides higher depreciation charges in the earlier years of the asset life and lower depreciation charges in the later years.

The annual depreciation is calculated by using a constant depreciation percentage rate and multiplying it by the remaining net book value each year of the asset service life.

The formulas for declining-balance depreciation are:

Depreciation Rate = Percentage Multiplier / Service LIfe

*Depreciation Charge = Depreciation Rate * Net Book Value*

Each year the net book value is calculated with the following formula:

Net Book Value = Net Book Value – Depreciation Expense

Example A company purchases a $20,000 car that has a five-year service life. The company uses a percentage multiplier of 150% to calculate the depreciation for the automobile. The annual depreciation rate is calculated by annualizing the percentage multiplier over the automobile's service life:

150% / 5 years = 30%

Table 2.5 illustrates the declining-balance depreciation schedule.

Table 2.5
Declining-Balance Depreciation Schedule

Year	Net Book Value	Depreciation Rate	Calculation	Depreciation Expense
1	$20,000	30%	$20,000 * 30%	$6,000
2	$14,000	30%	$14,000 * 30%	$4,200
3	$9,800	30%	$9,800 * 30%	$2,940
4	$6,860	30%	$6,860 * 30%	$2,058
5	$4,802	30%	$4,802 * 30%	$1,441

With the declining-balance method, $3,361 ($4,802 - $1,441) of the asset cost is not depreciated. This amount is used to calculate a gain or loss at the time of retirement.

Declining Balance Switch to Straight Line

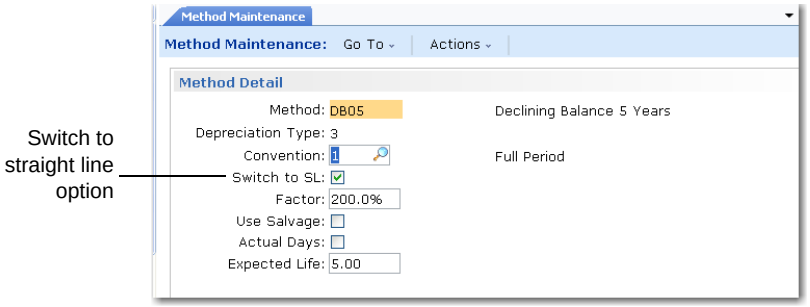
The standard declining-balance method does not depreciate the asset to zero. You can choose to switch the declining-balance method to the straight-line method when the depreciation calculated by the straight-line method is greater than the depreciation calculated by the declining-balance method. This method fully depreciates the asset.

When you specify the switch to straight-line method, the system uses a different calculation than for the standard straight-line method.

Depreciation Charge = (Depreciable Basis – Accumulated Depreciation) / Remaining Service Life

The system performs this calculation every year to compare the results against the declining balance. When the straight-line method yields higher annual depreciation, the calculation is switched.

Fig. 2.13
Switch to Straight Line Option in Method Maintenance



Example A company purchases a $20,000 car that has a $2,000 salvage value and a five-year service life. The company uses a percentage multiplier of 150% to calculate the depreciation for the automobile. The annual depreciation rate is calculated by annualizing the percentage multiplier over the automobile's service life:

150% / 5 years = 30%

Table 2.6 illustrates the depreciation charges for declining-balance and straight-line methods.

Table 2.6
Declining-Balance Switch to Straight-Line Depreciation Schedule

Year	Declining-Balance Depreciation	Straight-Line Depreciation	Declining-Balance Switch to Straight-Line Depreciation	Accumulated Depreciation
1	$5,400	$3,600	$5,400	$5,400
2	$3,780	$3,150	$3,780	$9,180
3	$2,646	$2,940	$2,940	$12,120
4	N/A	$2,940	$2,940	$15,060
5	N/A	$2,940	$2,940	$18,000

In year 3, the declining-balance depreciation charge is less than the straight-line depreciation charge. Therefore, the straight-line method will be used for the remaining years.

Sum of the Years' Digits

Sum of the years' digits is an accelerated method that provides a decreasing fraction to the asset depreciable basis.

The annual depreciation is calculated by applying a fraction to the asset depreciable basis. Each fraction uses the sum of the years' digits as the denominator and the remaining years in the asset service life as the numerator. The numerator decreases each year while the denominator remains constant.

The formula for sum-of-the-years'-digits depreciation is:

*Depreciation Charge = Depreciable Basis * (Number of Years Remaining / Sum-of-the-Years'-Digits)*

Depreciable Basis = Cost – Salvage Value

Sum-of-the-Years'-Digits = 1 + 2 + n . . .

Example A company purchases a $20,000 car that has a $2,000 salvage value and a five-year service life.

Depreciable Basis = $20,000 – $2,000 = $18,000

Sum of the Years' Digits = 1 + 2 + 3 + 4 + 5 = 15

Table 2.7 illustrates the sum-of-the-years'-digits depreciation schedule.

Table 2.7
Sum-of-the-Years'-Digits Depreciation Schedule

Year	Remaining Life	Depreciation Fraction	Calculation	Depreciation Expense
1	5	5 / 15	$18,000 * (5 / 15)	$6,000
2	4	4 / 15	$18,000 * (4 / 15)	$4,800
3	3	3 / 15	$18,000 * (3 / 15)	$3,600
4	2	2 / 15	$18,000 * (2 / 15)	$2,400
5	1	1 / 15	$18,000 * (1 / 15)	$1,200

Flat Rate

Flat rate calculates depreciation by using a constant percentage and multiplying it by the depreciable basis over the asset service life until the sum of the depreciation is greater than the basis amount. At this time, the final year of depreciation is adjusted so that the total of depreciation equals the basis amount.

The formula for flat-rate depreciation is:

*Depreciation Charge = Depreciable Basis * Flat-Rate Percentage*

Depreciable Basis = Cost – Salvage Value

When the sum of depreciation is greater than the basis amount, you use the following equation to calculate the last year of depreciation:

Depreciation Charge = Depreciable Basis – Accumulated Depreciation

Example A company purchases a $20,000 car that has a $2,000 salvage value and a five-year service life. The annual flat-rate is 23.6%.

Table 2.8 illustrates the flat-rate depreciation schedule.

Table 2.8
Flat-Rate Depreciation Schedule

Year	Flat-Rate	Calculation	Depreciation Expense	Accumulated Depreciation
1	23.6%	$18,000 * 23.6%	$4,248	$4,248
2	23.6%	$18,000 * 23.6%	$4,248	$8,496

Year	Flat-Rate	Calculation	Depreciation Expense	Accumulated Depreciation
3	23.6%	$18,000 * 23.6%	$4,248	$12,744
4	23.6%	$18,000 * 23.6%	$4,248	$16,992
5		$18,000 - $16,992	$1,008	$18,000

In year 5, the accumulated depreciation exceeds the asset depreciable basis. The depreciation charge is adjusted in year 5.

Units of Production

The units of production (UOP) method calculates depreciation based on items produced or units consumed from the asset. The formulas for units of production are:

Depreciation Per Unit of Production = Depreciable Basis / Total Units of Production

Depreciable Basis = Cost – Salvage Value

*Depreciation Charge = Units of Production Per Period * Depreciation Per Unit of Production*

Example A company purchases a $25,000 stamping machine with a $2,000 salvage value. The machine is expected to produce 150,000 units over its service life. The depreciation per unit of production is:

$25,000 – $2,000 / 150,000 = $0.15 per unit

Table 2.9 illustrates the units-of-production depreciation schedule for 5 years.

Table 2.9
Units-of-Production Depreciation Schedule

Year	Units of Production Per Period	Calculation	Depreciation Expense
1	30,000	30,000 * $0.15	$4,500
2	25,000	25,000 * $0.15	$3,750
3	20,000	20,000 * $0.15	$3,000
4	40,000	40,000 * $0.15	$6,000
5	30,000	30,000 * $0.15	$4,500

Custom Table

You can substitute custom depreciation tables for the standard depreciation methods for calculating depreciation. Depreciation is calculated by specifying a depreciation factor for each period and year of the asset life. The depreciation factors are user-defined and must equal 100% at the end of the asset service life.

The formulas for custom table are:

*Depreciation Charge = Depreciable Basis * Depreciation Factor*

Depreciable Basis = Cost – Salvage Value

Example A company purchases a $10,000 computer that has a $2,000 salvage value and a four-year service life. The depreciation factors for each year of the asset service life are:

Table 2.10
Custom-Table Depreciation Factors

Year	Depreciation Rate
1	7.0%
2	9.5%
3	27.0%
4	56.5%
Total	100.0%

Table 2.11 illustrates the custom-table depreciation schedule.

Table 2.11
Custom-Table Depreciation Schedule

Year	Depreciation Rate	Calculation	Depreciation Expense
1	7.0%	$8,000 * 7.0%	$560
2	9.5%	$8,000 * 9.5%	$760
3	27.0%	$8,000 * 27.0%	$2,160
4	56.5%	$8,000 * 56.5%	$4,520

Using Conventions

Fixed assets are not always acquired on the first day of the year, nor are they always retired on the last day of year. Fixed-asset conventions are used for averaging depreciation in the first and last years of an asset life.

Example A company purchases a $3,600 computer that has a three-year service life and does not have a salvage value. The computer is depreciated using the straight-line method.

Using the straight-line method, the first year depreciation calculation and depreciation per period are:

Annual Depreciation = $3,600 / 3 Years = $1,200

Depreciation Per Period = $1,200 / 12 = $100

This example is used to illustrate how each convention works.

Full Period

The computer is placed into service on March 14, 1999, and it is retired on October 13, 2000.

Table 2.12 illustrates the depreciation taken for each period.

Table 2.12
Full-Period Depreciation

Period	1999	2000
January	0	$100
February	0	$100
March	$100	$100
April	$100	$100
May	$100	$100

Period	1999	2000
June	$100	$100
July	$100	$100
August	$100	$100
September	$100	$100
October	$100	0
November	$100	0
December	$100	0

Half Period

The computer is placed into service on March 14, 1999, and it is retired on October 13, 2000.

Table 2.13 illustrates the depreciation taken for each period.

Table 2.13
Half-Period Depreciation

Period	1999	2000
January	0	$100
February	0	$100
March	$50	$100
April	$100	$100
May	$100	$100
June	$100	$100
July	$100	$100
August	$100	$100
September	$100	$100
October	$100	$50
November	$100	0
December	$100	0

Next Period

The computer is placed into service on March 14, 1999, and it is retired on October 13, 2000.

Table 2.14 illustrates the depreciation taken for each period.

Table 2.14
Next-Period Depreciation

Period	1999	2000
January	0	$100
February	0	$100
March	0	$100
April	$100	$100
May	$100	$100
June	$100	$100
July	$100	$100

Period	1999	2000
August	$100	$100
September	$100	$100
October	$100	$100
November	$100	0
December	$100	0

Full Quarter

The computer is placed into service in the third quarter on September 14, 1999, and it is retired in the fourth quarter on November 13, 2000.

The following factors are used for calculating depreciation using the full-quarter convention:

Table 2.15
Full-Quarter Factors

Quarter in Service	Acquisition Factor	Retirement Factor
1	100%	0%
2	75%	25%
3	50%	50%
4	25%	75%

The first year depreciation and depreciation per period calculations are:

*Annual Depreciation = $1,200 * 50% = $600*

Depreciation Per Period = $600 / 4 = $150

The retirement depreciation calculation is:

*Depreciation = $1,200 * 75% = $900*

When the computer is retired, $1,100 has already been taken in depreciation. There is a difference of $200 ($1,100 – $900) in the depreciation calculation due to the early retirement. Therefore, a depreciation expense credit of $100 is applied in the retirement period.

Table 2.16 illustrates the depreciation taken for each period.

Table 2.16
Full-Quarter Depreciation

Period	1999	2000
January	0	$100
February	0	$100
March	0	$100
April	0	$100
May	0	$100
June	0	$100
July	0	$100
August	0	$100
September	$150	$100

Period	1999	2000
October	$150	$100
November	$150	–$100
December	$150	0

Half Quarter

The computer is placed into service in the third quarter on September 14, 1999, and it is retired in the fourth quarter on November 13, 2000.

The factors listed in Table 2.17 are used for calculating depreciation using the half-quarter convention.

Table 2.17
Half-Quarter Factors

Quarter in Service	Acquisition Factor	Retirement Factor
1	87.5%	12.5%
2	62.5%	37.5%
3	37.5%	62.5%
4	12.5%	87.5%

The first year depreciation and depreciation per period calculations are:

*Annual Depreciation = $1,200 * 37.5% = $450*

Depreciation Per Period = $450 / 4 = $112.50

The retirement depreciation calculation is:

*Depreciation = $1,200 * 87.5% = $1050*

When the computer is retired, $1,100 has already been taken in depreciation. There is a difference of $50 ($1,100 – $1,050) in the depreciation calculation due to the early retirement. Therefore, a depreciation expense credit of $50 is applied in the retirement period.

Table 2.18 illustrates the depreciation taken for each period.

Table 2.18
Half-Quarter Depreciation

Period	1999	2000
January	0	$100
February	0	$100
March	0	$100
April	0	$100
May	0	$100
June	0	$100
July	0	$100
August	0	$100
September	$112.50	$100
October	$112.50	$100

Period	1999	2000
November	$112.50	–$50
December	$112.50	0

Full Year

The computer is placed into service on July 14, 1999, and it is retired on October 13, 2000.

The first year of depreciation is allocated to the six remaining periods.

Depreciation Per Period = $1,200 / 6 = $200

When the computer is retired, $1,000 has already been taken in depreciation. Depreciation must be reversed in the retirement period. Therefore, a depreciation expense credit of $1000 is applied in the retirement period.

Table 2.19 illustrates the depreciation taken for each period.

Table 2.19
Full-Year Depreciation

Period	1999	2000
January	0	$100
February	0	$100
March	0	$100
April	0	$100
May	0	$100
June	0	$100
July	$200	$100
August	$200	$100
September	$200	$100
October	$200	–$1000
November	$200	0
December	$200	0

Half Year

The computer is placed into service on March 14, 1999, and it is retired on October 13, 2000.

The first year depreciation and depreciation for the 10 periods of ownership calculations are:

Annual Depreciation = $1,200 / 2 = $600

Depreciation Per Period = $600 / 10 = $60

The retirement depreciation calculation is:

Depreciation = $1,200 / 2 = $600

When the computer is retired, $900 of depreciation has already been taken and only $600 is allowed in the retirement year. Depreciation must be reversed in the retirement period. Therefore, a depreciation expense credit of $300 ($900 – $600) is applied in the retirement period.

Table 2.20 illustrates the depreciation taken for each period.

Table 2.20
Half-Year Depreciation

Period	1999	2000
January	0	$100
February	0	$100
March	$60	$100
April	$60	$100
May	$60	$100
June	$60	$100
July	$60	$100
August	$60	$100
September	$60	$100
October	$60	–$300
November	$60	0
December	$60	0

Modified Half Year Version 1

The computer is placed into service on March 14, 1999, and it is retired on October 13, 2000.

The depreciation for the 10 periods of ownership calculations are:

Depreciation Per Period = $1,200 / 10 = $120

Since the computer is retired in the second half of the year, a full-year depreciation is taken. The remaining depreciation for the year is added to the retirement period.

Table 2.21 illustrates the depreciation taken for each period.

Table 2.21
Modified Half-Year (Version 1) Depreciation

Period	1999	2000
January	0	$100
February	0	$100
March	$120	$100
April	$120	$100
May	$120	$100
June	$120	$100
July	$120	$100
August	$120	$100
September	$120	$100
October	$120	$300
November	$120	0
December	$120	0

Modified Half Year Version 2

The computer is placed into service on March 14, 1999, and it is retired on October 13, 2000.

The depreciation for the 10 periods of ownership calculations are:

Depreciation Per Period = $1,200 / 10 = $120

The retirement depreciation calculation is:

Depreciation = $1,200 / 2 = $600

When the computer is retired, $900 of depreciation has already been taken and only $600 is allowed in the retirement year. Depreciation must be reversed in the retirement period. Therefore, a depreciation expense credit of $300 ($900 – $600) is applied in the retirement period.

Table 2.22 illustrates the depreciation taken for each period.

Table 2.22
Modified Half-Year (Version 2) Depreciation

Period	1999	2000
January	0	$100
February	0	$100
March	$120	$100
April	$120	$100
May	$120	$100
June	$120	$100
July	$120	$100
August	$120	$100
September	$120	$100
October	$120	–$300
November	$120	0
December	$120	0

Creating Meters

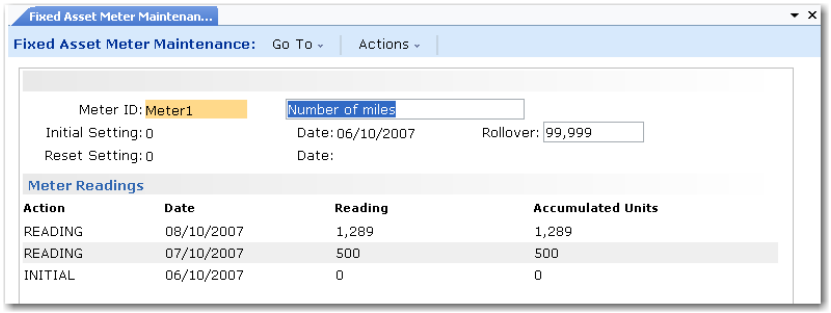
Use Fixed Asset Meter Maintenance (32.11) to create, modify, and delete meters, and enter meter readings. You can also view any assets and fixed-asset books that use the meter.

Meters measure asset usage for the units-of-production depreciation method. You can attach a meter to an asset or group of assets to collect the usage in Fixed Asset Maintenance.

For example, a punch press machine costs $5000 and the meter records that the machine produced 10,000 units for the period. The punch press is expected to produce 1,000,000 units during its service life. The depreciation per period calculation is:

*Depreciation Per Period = (10,000 Units / 1,000,000 Units) * $5,000 = $50*

Fig. 2.14
Fixed Asset Meter Maintenance (32.11)



Meter. Enter a code (maximum 12 characters) identifying a meter.

Description. Enter a brief description (maximum 30 characters) for this fixed asset meter.

Rollover. Enter the number after which the meter should reset to zero. For example, if a meter can read a maximum number of 1000, enter 1000. When the meter reaches 1001, it begins again at zero.

Initial Setting. Enter the beginning meter number. The default is 0.

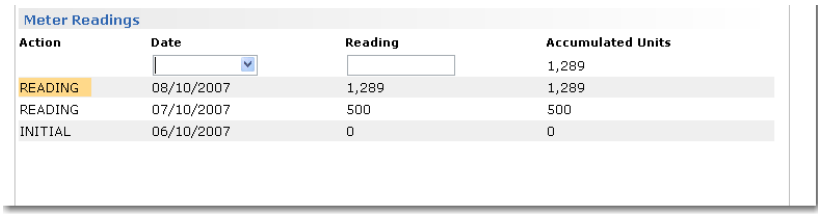
Date. Enter the initial date of the meter setting.

Reset Setting. Enter the initial setting for the new meter. You can use this field if you need to replace the meter. The reset setting represents the previous ending meter number.

Date. Enter the date of the reset setting. This date must be after the initial setting date.

Choose the Detail function to enter meter readings.

Fig. 2.15
Fixed Asset Meter Maintenance, Meter Readings



Action. The following are system-assigned actions:

INITIAL: Displays the initial meter setup number.

READING: Displays meter readings.

RESET: Displays the meter reset number.

Date. Enter the date for the meter reading. This date must be later than the previous reading date.

Reading. Enter the meter reading. You can delete only the most recent meter reading.

Accumulated Units. The system displays the total number of units since the meter was created.

Choose the Assets function to view assets and books that use the meter.

Chapter 3

Creating and Managing Fixed Assets

This chapter discusses how you can create new fixed assets and manage them on an ongoing basis.

Overview

After you define the control program parameters and your company's business rules, you can add fixed assets to the system. You can add fixed assets individually in Fixed Asset Maintenance (32.3) or create a batch of similar assets in Fixed Asset Batch Maintenance (32.7).

When you add a new asset, you can optionally create GL postings for the acquisition cost.

After assets are created, you can perform multiple functions using Fixed Asset Maintenance. Your company may not use all of these functions, and not all of the functions are required when managing assets in Fixed Asset Maintenance. The functions include:

- Maintaining asset account information
- Retiring or transferring an asset
- Entering asset comments
- Maintaining user fields for customizations
- Maintaining insurance data
- Adjusting depreciation books
- Adjusting posted depreciation
- Maintaining book detail
- Maintaining information for the units-of-production depreciation method
- Maintaining information about asset components
- Dividing an asset into two separate assets

If you are retiring or transferring a group of assets, you can use Fixed Asset Transfers (32.16) and Fixed Asset Retirements (32.19) to process a batch of assets.

Fixed Asset Maintenance

Use Fixed Asset Maintenance (32.3) to set up and maintain your company's fixed assets. Before you enter assets in Fixed Asset Maintenance, you must set up values in the following programs:

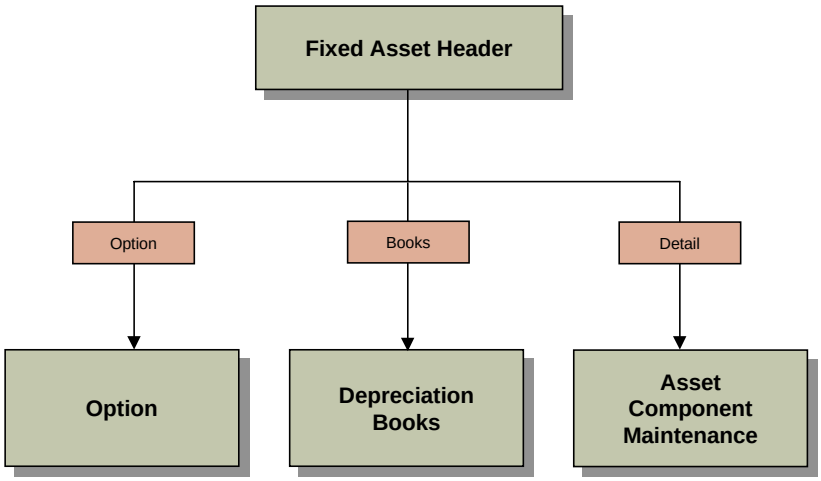
- Fixed Asset Control
- Method Maintenance
- Fixed Asset Calendar Maintenance (optional)
- Book Maintenance
- Location Maintenance
- Class Maintenance
- Fixed Asset Meter Maintenance (optional)

You can also use functions on the CIM Interface Menu (36.15) to update assets in Fixed Asset Maintenance. See "Using CIM to Load Fixed-Asset Data" on page 59.

Fixed Asset Maintenance Header

Figure 3.1 illustrates the different screens you can access with the navigation buttons.

Fig. 3.1
Fixed Asset Header

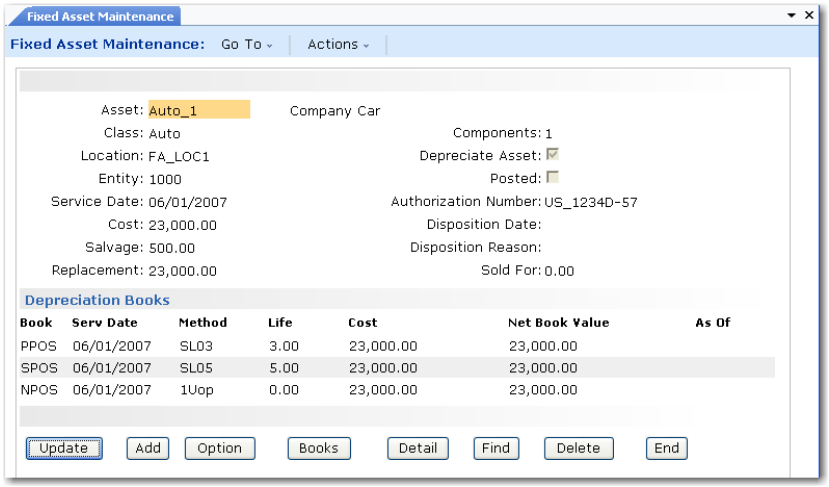


Use this header to enter your company's fixed assets. Asset IDs are assigned automatically by the system or manually, based on the value of Auto Generate Asset in Fixed Asset Control. See Chapter 2, "Setting Up Fixed Assets," on page 11.

After you have assigned an asset ID, you set up the following for each asset:

- Class
- Location
- Service date
- Asset cost
- Salvage amount
- Replacement cost
- Number of asset components
- If the asset is depreciated
- Authorization number

Fig. 3.2
Fixed Asset Maintenance (32.3), Header



Asset. Enter a unique alphanumeric asset ID for the fixed asset if Auto Generate Asset is No in Fixed Asset Control. Duplicate asset IDs are not allowed.

If Auto Generate Asset is Yes in Fixed Asset Control, the system automatically assigns an asset ID using the predefined Number Range Management sequence.

Description. Enter up to 50 characters describing the fixed asset.

Class. Enter a predefined class ID. Define class IDs in Class Maintenance (32.1.17). See “Setting Up Classes” on page 21.

If you change the class before the asset has been posted, the depreciation schedule is updated with the new values.

Important If you change the class after the asset is created, the accounts are not automatically updated.

Location. Enter a predefined location ID. Define location IDs in Location Maintenance (32.1.13). You cannot update the location if the asset has been posted to the GL. See “Setting Up Locations” on page 20.

Important If you change the location after the asset is created, the sub-accounts and cost centers are not automatically updated.

Service Date. Enter the date that this fixed asset was put into service. This date defaults as the service date for each asset book and is used to calculate depreciation.

The service date must exist in the GL calendar and any fixed-asset calendar associated with the default books. You cannot update the service date if the asset has been posted to the GL.

Cost. Enter the amount paid to acquire the asset. This cost is not necessarily a basis for a depreciation calculation. This cost defaults as the cost for each asset book.

You cannot update the cost if the asset has been posted to the GL. You must make a basis adjustment on the Depreciation Adjustments screen.

Salvage. Optionally enter a salvage value for this asset. The salvage value must be less than the asset cost.

Salvage value is the estimated value of property at the end of its useful life. It is the amount reasonably expected in an open market for the asset after it is no longer productive. If a salvage value is defined at the beginning of the depreciation calculation, it is used to reduce the depreciable base.

This amount defaults as the salvage amount for each asset book when the depreciation method uses salvage value.

You cannot update the salvage amount if the asset has been posted to the GL.

Replacement. Enter the replacement value for the asset. This value is not used for any calculations, but can be used for management purposes. For example, this value can be used to create budgets for assets replaced on a recurring basis.

Components. Enter the number of items that belong to this asset ID.

For example, if an asset is acquired that consists of 200 chairs, the chairs can be grouped as one asset. In this case, set Components to 200.

If you update the number of components in the Asset Component Maintenance screen, this field is automatically updated.

Depreciate Asset. If Yes, this is a depreciable asset and must be assigned to a posting book.

Auth Number. Optionally enter an authorization number for this fixed asset. This field is for reference only.

Acquisition Costs

After completing the header, you are prompted to post GL transactions related to acquisition costs. The frame containing these fields displays when you click Back or Add.

Whether you post to GL is determined by how you manage such costs. For example, if you account for the acquisition cost during purchase order receipt, you can enter No in Post to GL to avoid double-booking of the cost.

Fig. 3.3
Fixed Asset Maintenance, Post to GL

Note You can also post GL transactions when you use the Create function in Fixed Asset Batch Maintenance. See “Fixed Asset Batch Maintenance” on page 55.

If you choose to generate those transactions when you add the asset, set Post to GL to Yes. You then can specify an effective date and daybook, as well as display a report showing an audit trail for the resulting transactions.

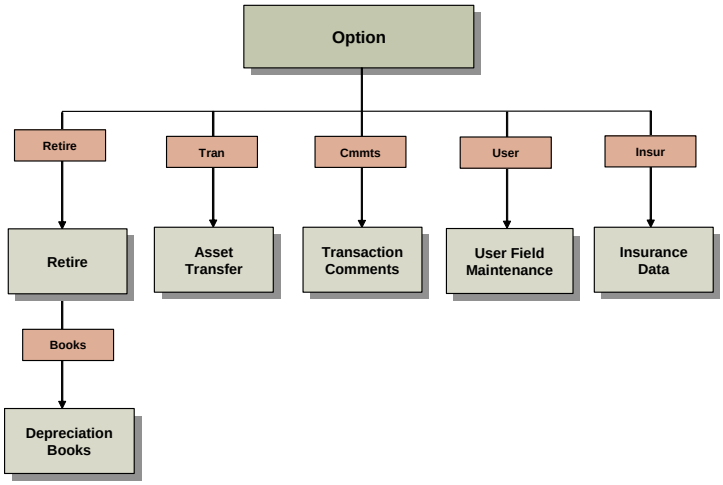
Note The setting of Summarized Journal in Fixed Asset Control has no effect on transactions created for acquisition costs. These transactions are always created in detail.

Option

Access this function by choosing Option on the Fixed Asset Maintenance header.

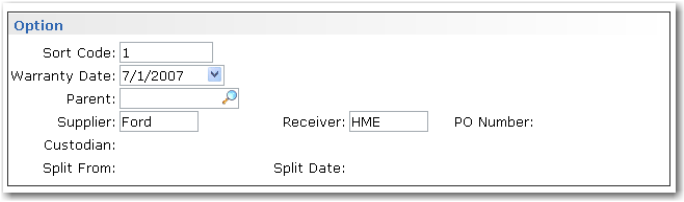
Figure 3.4 illustrates the different screens you can access with the navigation buttons.

Fig. 3.4
Option Screen



Use this function to maintain optional asset data, such as sort codes, warranty date, and an asset custodian. Also, specify the supplier and an associated PO or receiver number.

Fig. 3.5
Fixed Asset Maintenance, Option



Click Update to specify basic option values.

Sort Code. Optionally enter a sort code. Use sort codes for sorting purposes and grouping similar assets within a category. You can also use them to establish a standard for describing assets.

The field is validated against codes set up in Generalized Codes Maintenance for field fa_code.

For example, sort codes can include FC (Filing Cabinets), FC2 (Filing Cabinets, 2 drawer), FC4 (Filing Cabinets, 4 drawers).

Warranty Date. Optionally enter an expiration date for the asset warranty.

Parent. Enter the parent asset ID for this asset if it is a component for another asset. For example, a keyboard is a component of a computer, the parent asset.

Supplier. Optionally enter a predefined supplier of this asset. Define suppliers in Supplier Create (28.20.1.1) and complete the operational data in Supplier Data Maintenance (2.3.1).

Receiver. Optionally enter a receiver number for this fixed asset. When you receive fixed assets, you can create a receiving record for verification against the supplier invoice when it is entered into Accounts Payable (AP).

Note There is no interface between the AP module and the Fixed Assets module.

If you enter a receiver number, the associated purchase order number defaults in the PO Number field.

PO Number. Optionally enter a purchase order number for this asset. The default is the PO number associated with the receiver.

Custodian. Enter up to eight characters describing the name of the asset custodian. Custodians are employees responsible for tracking the location of fixed assets.

Retirement

Access this function by choosing Retire on the Option screen.

Use this function to retire an asset. Retirement removes the asset- acquisition cost from the books and posts any gains or losses to the GL.

Note If depreciation has not been posted for this asset, delete the asset instead of retiring it.

After retiring the asset, the system calculates and displays values for Basis Amount, Accumulated Depreciation, Net Amount, and Gain/Loss on Disposal. Appropriate GL retirement transactions and reversing transactions are created to void future depreciation periods.

You can view the adjustments on the Depreciation Query screen by choosing the Audit function on the Depreciation Books screen. Run Fixed Asset Transaction Post to create unposted transactions. After you run Fixed Asset Transaction Post, you must run Operational Transaction Post (25.13.7) to update the GL.

Fig. 3.6
Fixed Asset Maintenance, Retirement

Disposition Date. Enter the disposal date for the asset. The disposal date is the date the asset is removed from service and ownership interest is relinquished. If the asset is suspended as of the disposal date, you must reinstate the asset before retiring it.

The date must be a valid date in the GL calendar or any fixed-asset calendar associated with the book. It must also be in an open GL period and must be after the service date.

Disposition Reason. Enter the reason for the disposal of the asset. The field is validated against codes set up in Generalized Codes Maintenance for field fa_disp_rsn.

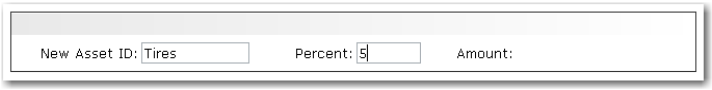
Disposition reason is the reason the asset is removed from service and ownership interest relinquished. Examples of disposition reasons are sold, stolen, destroyed, donated, and impaired.

Sold For. Enter the amount received for the disposal of the asset. This amount is optional and used when calculating the gain or loss on the disposition of an asset.

Partial. If Yes, this is a partial retirement and you split the existing asset into two separate assets. The new asset created is retired.

If this is a partial retirement and the asset has only one component, enter either a percentage of the original cost in the Percent field or a currency amount in the Amount field. Figure 3.7 illustrates this screen.

Fig. 3.7
Fixed Asset Maintenance, Partial Retirement



New Asset ID. Enter a unique asset ID for the components being removed from the asset. If Auto Generate Asset is Yes in Fixed Asset Control, the system automatically assigns an asset ID using the predefined sequence defined in Number Range Maintenance.

Percent. If the asset has only one component, enter the percentage of the original asset cost to assign to the new asset. You can also enter a currency amount in Amount.

Amount. If the asset has only one component, enter the base currency amount to assign to the new asset. You can also enter a percentage of the original cost in Percent.

If this is a partial retirement and the asset has multiple components, the system displays a list of assets. By default, all components are selected.

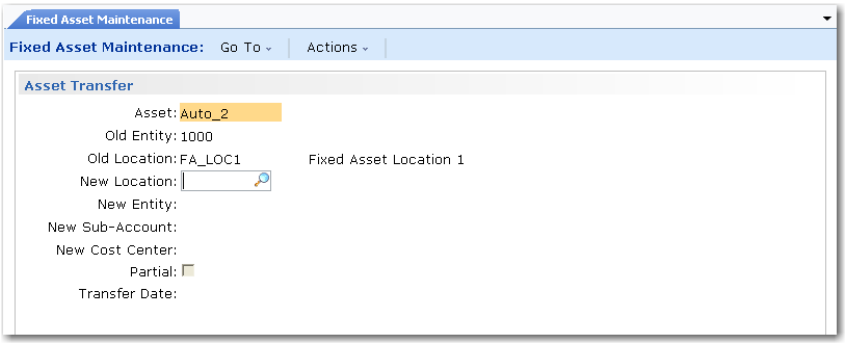
Asset Transfer

Access this function by choosing Tran on the Option screen.

Use this function to transfer an asset from one predefined location to another. The asset is transferred when you choose Move. Appropriate unposted transactions are created when you run Fixed Asset Transaction Post.

The new sub-account and cost center default from the new location. The new cost center and sub-account combination is validated with the accounts associated with the asset. You cannot complete the transfer if the combination is invalid.

Fig. 3.8
Fixed Asset Maintenance, Asset Transfer



New Location. Enter a predefined location for the transferred asset. Define locations in Location Maintenance.

The entity, cost center, and sub-account associated with this new location default for the transferred asset.

New Sub-Account. Enter a valid, active sub-account. Define sub-accounts in Sub-Account Create (25.3.17.1). The default is the sub-account for the new location.

New Cost Center. Enter a valid, active cost center. Define cost centers in Cost Center Create (25.3.20.1). The default is the cost center for the new location.

Partial. If Yes, this is a partial transfer and you split the existing asset into two separate assets. The new asset created is transferred.

Transfer Date. Enter the effective date for the transfer. This date determines the year and period of the GL transaction.

The transfer date must be a valid date in the GL calendar and any fixed-asset calendars associated with the asset books. It must also be in an open GL period and must be after the service date.

If this is a partial transfer and the asset has only one component, enter either a percentage of the original cost in the Percent field or a currency amount in the Amount field. This is exactly the same screen that displays when you do a partial retirement. See Figure 3.7 on page 44 for detailed field descriptions.

If this is a partial transfer and the asset has multiple components, the system displays a list of components. By default, all components are selected. Modify the selection as needed and click Next to continue.

Transaction Comments

Access this function by choosing Cmmts on the Option screen.

Use this function to enter comments about the asset.

Fig. 3.9
Fixed Asset Maintenance, Transaction Comments

Master Reference. To copy master comments, enter the reference code identifying the master comment. Reference codes identify a master comment, usually identifying the topic of the comment, perhaps by the item number or address code to which the comment text applies. Leave blank to enter your own comments.

Type. Enter the type code for this comment. Type codes group similar comments.

Type code can identify the source or use of the comment. Type can be left blank. This field is validated against codes set up in Generalized Codes Maintenance for field cd_type.

Language. Enter a valid, active language code for this master comment. Language codes identify the comment text language. Define language codes in Language Create (36.4.1.1). Leave blank if you are not using multiple languages.

Page. Enter the page number for this master comment. Multiple pages of text can be stored for any comment. Each page is identified and accessed by page number.

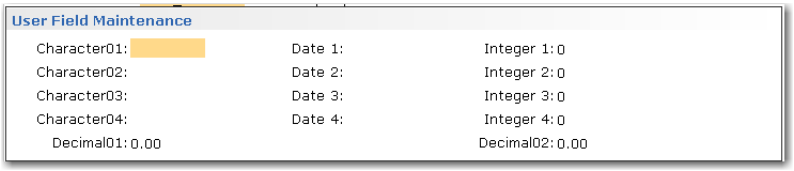
Comments. Enter the comments. Multiple pages of text can be stored for any transaction comment. Pages are identified and accessed by page number. Each page number of transaction comments can be copied from a different master comment by specifying an existing master comment reference, type, language, and page. Transaction comment text can also be entered manually with up to 15 lines of text per page.

User Field Maintenance

Access this function by choosing User on the Option screen.

Use this function to maintain user fields for customization.

Fig. 3.10
Fixed Asset Maintenance, User Field Maintenance

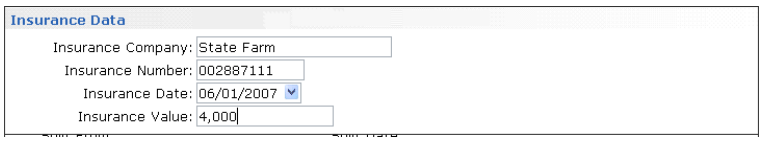


Insurance Data

Access this function by clicking Insur on the Option screen; then Update.

Use this function to set up insurance information for the asset, such as the insurance company, policy number, and the insurance value for the asset. Insurance data is for reference only.

Fig. 3.11
Fixed Asset Maintenance, Insurance Data



Insurance Company. Optionally enter the name of the company that insures the asset.

Insurance Number. Optionally enter an insurance policy number for the asset.

Insurance Date. Optionally enter the date that insurance coverage begins or ends for the asset. This date depends on how your company records coverage dates.

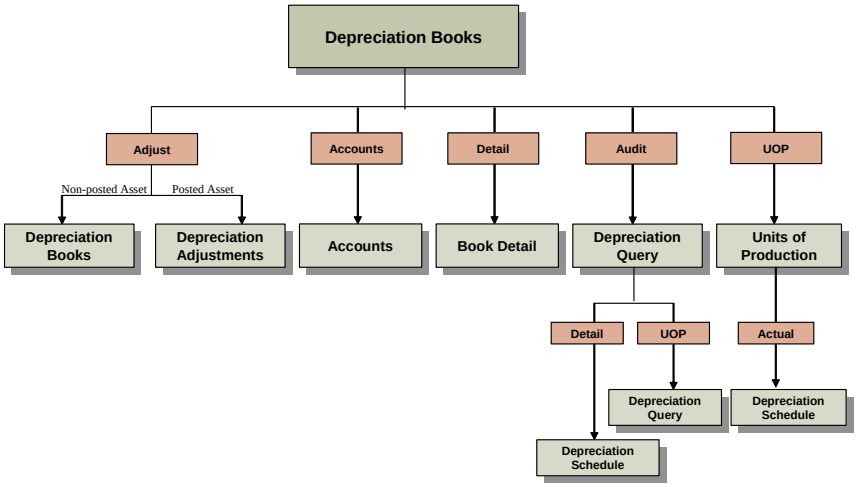
Insurance Value. Optionally enter an insurance value or replacement cost of the asset.

Depreciation Books

Access this function by choosing Books on the Fixed Asset Maintenance header.

Figure 3.12 illustrates the different screens you can access with the navigation buttons.

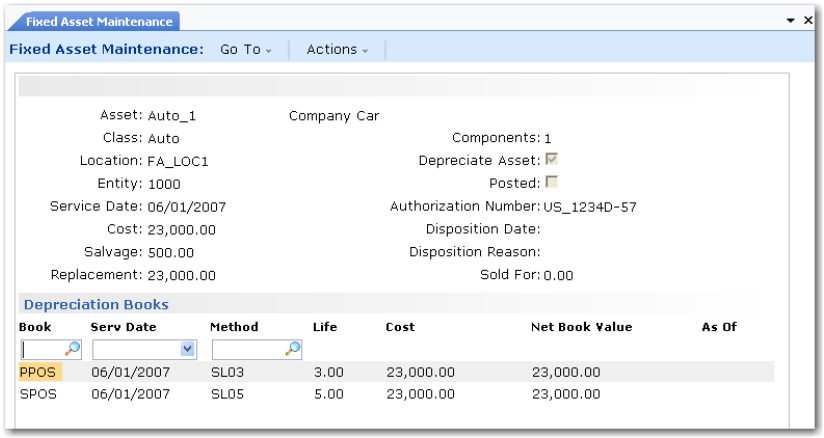
Fig. 3.12
Depreciation Books Screen



Use this function to assign or change depreciation books for the asset. Books default from the asset class. You can change the default books or add other books.

If the asset has been posted to the GL, you cannot modify the depreciation books.

Fig. 3.13
Fixed Asset Maintenance, Depreciation Books



Book. Enter a predefined book ID. Define books in Book Maintenance. An asset must have a posting book to record fixed-asset transactions in the GL. An asset can be depreciated under an unlimited number of non-posting books. See “Setting Up Books” on page 19.

Serv Date. Enter the date that depreciation calculation starts. The service date must be a valid date in the GL calendar or in the fixed-asset calendar associated with the book if it is a non-posting book.

Method. Enter an active depreciation method ID. Set up methods in Method Maintenance. The ID is a four-character alphanumeric ID and cannot start with a zero. See “Setting Up Methods” on page 14.

Life. Enter the expected useful life for assets depreciated by this method. The expected life is used in calculating depreciation over the life of the asset.

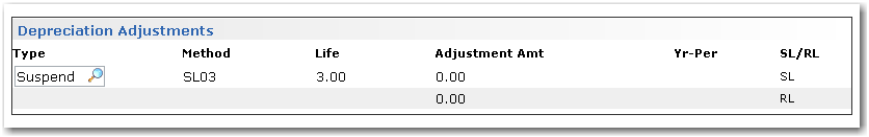
Cost. Enter the acquisition cost. This amount is used to determine the basis for the book. The default is the cost from the Fixed Asset Maintenance header.

Depreciation Adjustment

Access this function by choosing Adjust on the Depreciation Books screen.

You can only access this function if the asset has been posted to the GL. Use this function to add adjustments to the depreciation schedule. Run Fixed Asset Transaction Post to create unposted transactions. An audit trail is maintained showing a history of the depreciation activity. After you run Fixed Asset Transaction Post, you must run Operational Transaction Post (25.13.7) to update the GL.

Fig. 3.14
Fixed Asset Maintenance, Depreciation Adjustments



Type. Enter the adjustment type for the posted asset. Run Fixed Asset Transaction Post to create the adjustment transactions. An audit trail is maintained showing a history of the depreciation activity.

Note You cannot undo an adjustment for an asset that has been converted from a previous fixed-asset system. For details, see the *Conversion Guide*.

Fixed Assets supplies the following adjustment types:

Basis: Adjust Basis. Lets you change the cost of the asset after depreciation has been posted. The system uses the new basis to recalculate the depreciation schedule for the life of the asset. Then the difference between the old depreciation schedule and the new depreciation schedule is calculated. Any adjustments to posted periods are posted in the first open period. The new basis must be greater than the posted depreciation and cannot be negative.

Bonus: Bonus Adjustment. Lets you record additional depreciation for an asset. For example, bonus depreciation is used to indicate that an asset has become obsolete. Bonus adjustments are not allowed in posted, suspended, or final periods of the depreciation schedule. The bonus amount must not exceed the remaining total of the depreciation schedule.

Life: Adjust Life. Lets you change the estimated life of an asset after depreciation has been posted. The system calculates the difference between the old depreciation schedule and the new depreciation schedule. The new depreciation schedule begins in the first open period.

Method: Adjust Method. Lets you change the depreciation method after depreciation has been posted. The system calculates the difference between the old depreciation schedule and the new depreciation schedule. The new depreciation schedule begins in the first open period.

Reinstate: Reinstate Depreciation. Lets you reinstate the asset into service. The reinstate date must be after the suspension date.

Suspend: Suspend Depreciation. Lets you suspend the asset from service. Suspensions are not allowed if the asset is already suspended or the starting period is posted.

Method. If you are adjusting the method, enter a depreciation method ID. Set up methods in Method Maintenance. The ID is a four-character alphanumeric ID and cannot start with a zero. See “Setting Up Methods” on page 14.

Life. If you are adjusting the life, enter the new expected useful life for the asset. The expected life is used in calculating depreciation over the life of the asset.

Adj Amt. For Bonus Depreciation, enter the bonus amount. Bonus adjustments are not allowed in posted, suspended, or final periods of the depreciation schedule. The bonus amount must not exceed the remaining total of the depreciation schedule.

For Adjust Basis, enter the new asset basis. The new basis must be greater than the posted depreciation and cannot be negative.

Yr-Per. Enter the year and the period for this adjustment. The format is YYYYXX, where YYYY is the year and XX is the period.

You can modify this field only if the adjustment type is:

- Bonus Depreciation
- Suspend Depreciation
- Reinstate Depreciation

SL/RL. Assign the code indicating the type of recalculation to use for the depreciation.

SL: Service Life. Calculate the difference between the old depreciation schedule and the new depreciation and post the adjustments to posted periods in the first open period.

RL: Remaining Life. Calculate the difference between the old depreciation schedule and the new depreciation and spread the adjustments to posted periods over the remaining periods.

The system prompts you to enter this field when the recalculation of the depreciation of the fixed asset is performed for the *first* time *and* the adjustment type is Basis, Life, or Method.

Once chosen, the method is normally the same for later recalculations of the same asset, but you are not excluded from changing the life.

The following example illustrates the effect of this setting.

Fixed Asset Cost:	600.00	
Life:	5 years (60 periods)	
Depreciation Amt:	10.00	
Posted Periods:	24	
Cum Depreciation Amt:	240.00	
Adjustment Amt:	660.00 (Type = Basis)	
New Depr. Amt:	11.00	
Corr. Depr. Amt:	24.00 = (24 * 11.00 – 10.00)	
Cum Depreciation Amt:	254.00	
	Service Life	**Remaining Life**
Period 24	10.00	10.00
25	35.00	11.666.67
26	11.00	11.666.67
27	11.00	11.666.67

and so on....

Period 60 11.00 11.666.67

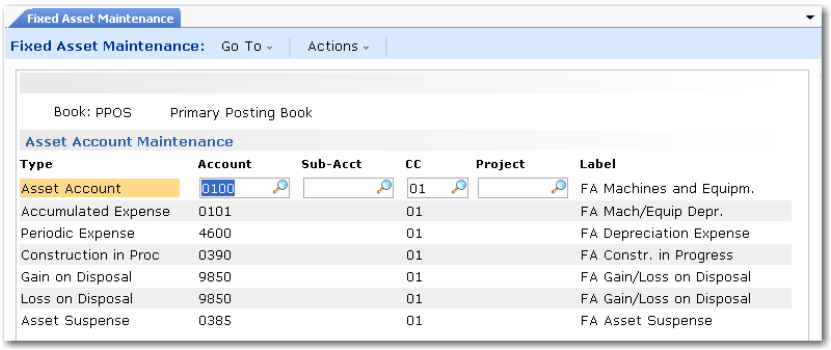
Asset Account Maintenance

Use Asset Account Maintenance to change the accounts, sub-accounts, and cost centers that defaulted from the asset book, class, and location. You can also add an optional project code. See *User Guide: QAD Financials* for details on accounts.

Access this function by choosing Accts on the Depreciation Books screen. You have to choose the Books function first to maintain the account numbers for the selected book of the fixed asset. The screen to maintain the asset account numbers can only be accessed for a posting book. No accounts can be entered for a non-posting book. When the book is not a posting book and the Accts option is selected, an error occurs.

The account, sub-account, cost center, and project combination must be valid.

Fig. 3.15
Fixed Asset Maintenance, Asset Account Maintenance



Account. For each type of FA account, enter a valid, active GL account code that records transactions for this fixed-asset book. Define accounts in Account Create (25.3.13.1). Fixed-asset accounts default from class-book combination defined in Class Maintenance.

The same restrictions on account types apply here that applied in Class Maintenance. See Table 1.2, “Fixed-Asset Accounts,” on page 6 for a list of accounts and GL types that you specify here.

Sub-Acct. Optionally enter a valid, active sub-account code that records transactions for this fixed-asset book. Define sub-accounts in Sub-Account Create (25.3.17.1). Fixed-asset sub-accounts default from Location Maintenance.

CC. Optionally enter a cost center code that records transactions for this fixed-asset book. Define cost centers in Cost Center Create (25.3.20.1). Fixed-asset cost centers default from Location Maintenance.

Project. Optionally enter a valid, active project code that records transactions for this fixed-asset book. Define project codes in Project Create (25.3.11.1.1).

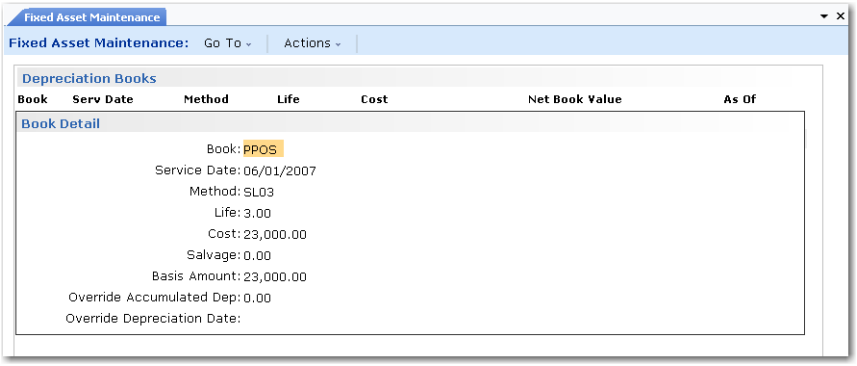
Book Detail

Access this function by choosing Detail on the Depreciation Books screen.

Use this function to view book detail and optionally override accumulated depreciation.

You might need to override accumulated depreciation if you convert from another fixed-assets system. Enter the date that the new fixed-assets system begins calculating depreciation in the Override Depreciation Date field. Enter the amount of depreciation previously taken in the Override Accumulated Dep field. If at the end of the asset life there was any difference in the total depreciation and the actual amount that was taken, it is added to the final period depreciation amount.

Fig. 3.16
Fixed Asset Maintenance, Book Detail



Override Accumulated Dep. Enter the amount of depreciation that was taken between the service date and the override depreciation date. You can update this amount only if the asset has not been posted to the GL.

Override Depreciation Date. Enter the date that the override depreciation calculation begins. You can update this date only if the asset has not been posted to the GL.

Depreciation Query

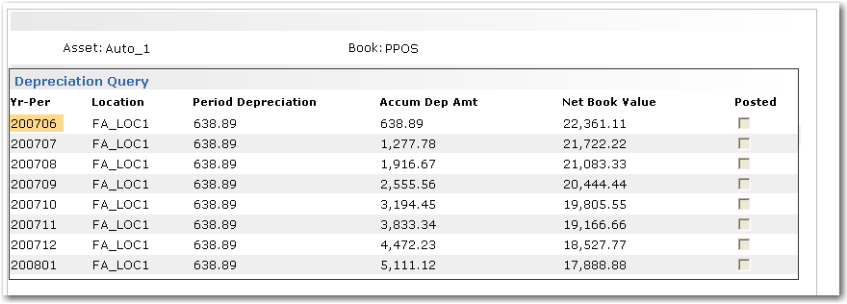
Access this function by choosing Audit on the Depreciation Books screen.

Use this function to view the original depreciation schedule and any adjustments. You can view the depreciation schedule in a rolled-up or detailed version.

- The rolled-up schedule displays the calculated depreciation amount.
- The detailed schedule displays the original depreciation calculation and any adjustments.

If you are using the units-of-production depreciation method, you can also view the estimated, actual, and estimated accumulated units for each period.

Fig. 3.17
Fixed Asset Maintenance, Depreciation Query

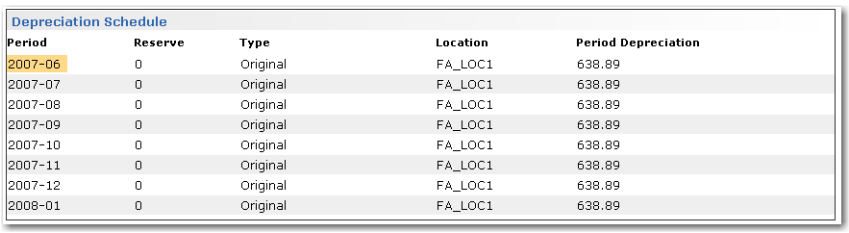

Asset: Auto_1 Book: PPOS

Depreciation Query

Yr-Per	Location	Period Depreciation	Accum Dep Amt	Net Book Value	Posted
200706	FA_LOC1	638.89	638.89	22,361.11	☐
200707	FA_LOC1	638.89	1,277.78	21,722.22	☐
200708	FA_LOC1	638.89	1,916.67	21,083.33	☐
200709	FA_LOC1	638.89	2,555.56	20,444.44	☐
200710	FA_LOC1	638.89	3,194.45	19,805.55	☐
200711	FA_LOC1	638.89	3,833.34	19,166.66	☐
200712	FA_LOC1	638.89	4,472.23	18,527.77	☐
200801	FA_LOC1	638.89	5,111.12	17,888.88	☐

Choose the Detail function to view the detailed depreciation schedule.

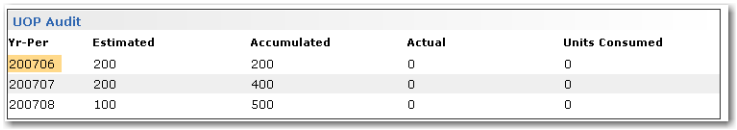
Fig. 3.18
Fixed Asset Maintenance, Depreciation Schedule


Depreciation Schedule

Period	Reserve	Type	Location	Period Depreciation
2007-06	0	Original	FA_LOC1	638.89
2007-07	0	Original	FA_LOC1	638.89
2007-08	0	Original	FA_LOC1	638.89
2007-09	0	Original	FA_LOC1	638.89
2007-10	0	Original	FA_LOC1	638.89
2007-11	0	Original	FA_LOC1	638.89
2007-12	0	Original	FA_LOC1	638.89
2008-01	0	Original	FA_LOC1	638.89

Choose the UOP function to view the units-of-production (UOP) information.

Fig. 3.19
Fixed Asset Maintenance, UOP Audit


UOP Audit

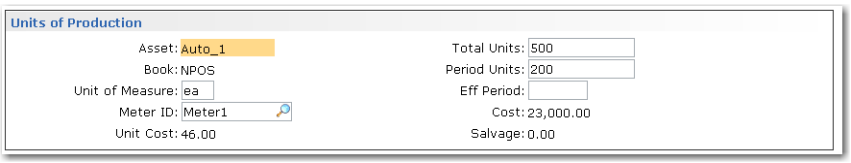
Yr-Per	Estimated	Accumulated	Actual	Units Consumed
200706	200	200	0	0
200707	200	400	0	0
200708	100	500	0	0

Units of Production and Depreciation Schedule

Access this function by choosing UOP on the Depreciation Books screen.

If you are using the UOP depreciation method, use this function to update the total and estimated units of production. You also track the actual period of production.

Fig. 3.20
Fixed Asset Maintenance, Units of Production


Units of Production

Asset: Auto_1 Total Units: 500
Book: NPOS Period Units: 200
Unit of Measure: ea Eff Period:
Meter ID: Meter1 Cost: 23,000.00
Unit Cost: 46.00 Salvage: 0.00

Unit of Measure. Enter the unit of measure for this asset; for example, inch or foot.

Meter ID. Enter a predefined meter ID. Meters are used to measure asset usage for the units-of-production depreciation method. You can attach a meter to an asset or group of assets to collect the usage in Fixed Asset Maintenance.

Total Units. Enter the estimated total number of units that this asset is expected to produce during its service life.

Eff Period. Enter the effective period that you want to use to adjust the total and estimated units of production. The format is YYYYXX, where YYYY is the year and XX is the period.

Important If you modify this number, all unposted periods are automatically adjusted.

Period Units. Enter the estimated number of units that this asset is expected to produce each period. This amount must be less than the total units.

Cost. Enter the cost to acquire this asset. This amount cannot be less than the amount of depreciation already taken for this asset.

Choose the Actual function to track the actual period of production.

Fig. 3.21
Fixed Asset Maintenance, Depreciation Schedule

Yr-Per. Enter the year and the period for the actual period of production.

The format is YYYYXX, where YYYY is the year and XX is the period.

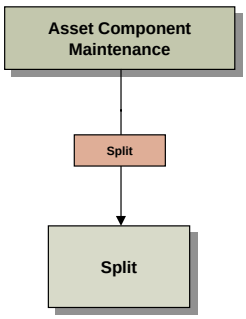
Actual Period Production. Enter the actual number of units that this asset produced this period. This number must be less than the remaining units for the asset.

Asset Component Maintenance

Access this function by choosing Detail on the Fixed Asset Maintenance header.

Figure 3.22 illustrates the different screens you can access with the navigation buttons.

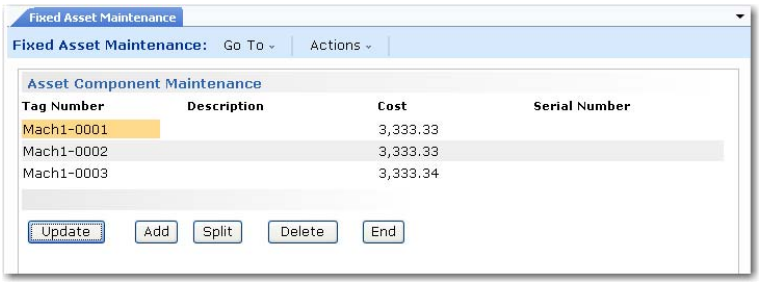
Fig. 3.22
Asset Component Maintenance Screen



Use this function to maintain serial numbers, tag numbers, and costs for each asset or asset component. For example, if the fixed asset has separate components, you can track the asset and all of its components. If you want to modify an existing tag, you must first delete it and then create a new tag.

When an asset is created, the asset component records are automatically created based on the value entered in the Components field on the Fixed Asset Maintenance header screen.

Fig. 3.23
Fixed Asset Maintenance, Asset Component Maintenance



Tag Number. Enter a unique tag number for the asset component. You can access this field only if you are adding a tag.

Description. Enter up to 20 characters describing this asset component.

Cost. Enter the amount paid to acquire the asset component. This amount is automatically calculated by dividing the cost by the number of components entered on the Fixed Asset Maintenance header screen. If you change this amount, the total amounts for all asset components must equal the value in the Cost field on the Fixed Asset Maintenance header.

Serial Number. Optionally enter a serial number for the asset. This number is a unique identifier for the asset and is not necessarily the same as the asset ID.

Split

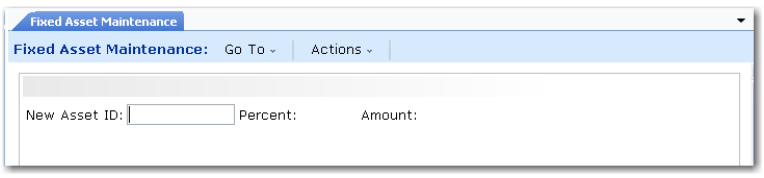
Access this function by choosing Split on the Asset Component Maintenance screen.

Use this function to divide an asset into two separate assets. This is referred to as splitting. Splitting is used to divide an asset containing a group of individual items into two separate assets. Splitting is also used for partial retirements and transfers.

Enter a unique asset ID for the components being removed from the asset. If Auto Generate Asset is Yes in Fixed Asset Control, the system automatically assigns an asset ID using the predefined Number Range Management sequence.

The new asset is created containing the separate items and the appropriate percentage of the original asset cost, salvage, depreciation, and depreciation adjustments. The Split From and Split Date fields on the Option screen are updated to reflect the source asset and the date of creation.

Fig. 3.24
Fixed Asset Maintenance, Split



New Asset ID. Enter a unique asset ID for the components being removed from the asset. If Auto Generate Asset is Yes in Fixed Asset Control, the system automatically assigns an asset ID using the predefined Number Range Management sequence.

Percent. If the asset has only one component, enter the percentage of the original asset cost to assign to the new asset. You can also enter a currency amount in Amount.

Amount. If the asset has only one component, enter the base currency amount to assign to the new asset. You can also enter a percentage of the original cost in Percent.

Fixed Asset Batch Maintenance

Use Fixed Asset Batch Maintenance (32.7) to group similar fixed assets together in a batch and add them to the system as individual asset records. Batch processing lets you group up to 25 fixed assets and add them to the system as individual asset records.

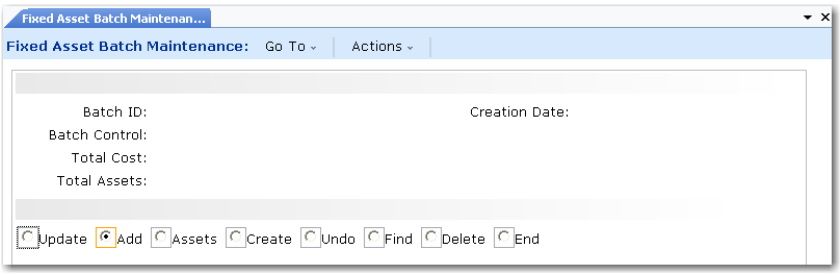
When you create assets, you can optionally post GL transactions related to acquisition costs. Whether you post to GL is determined by how you manage such costs. For example, if you account for the acquisition cost during purchase order receipt, you can enter No in Post to GL to avoid double-booking of the cost. This feature is described in more detail in “Acquisition Costs” on page 41.

Note Fixed-asset batches have no relation or similarity to batches used in other financial modules.

After the assets are created, you can modify them individually in Fixed Asset Maintenance.

To allow for CIM processing, Fixed Asset Batch Maintenance does not use the standard buttons found in other fixed-asset functions. You can use the CIM-load functions to load fixed-asset data into the system. See page 61 for details.

Fig. 3.25
Fixed Asset Batch Maintenance (32.7)

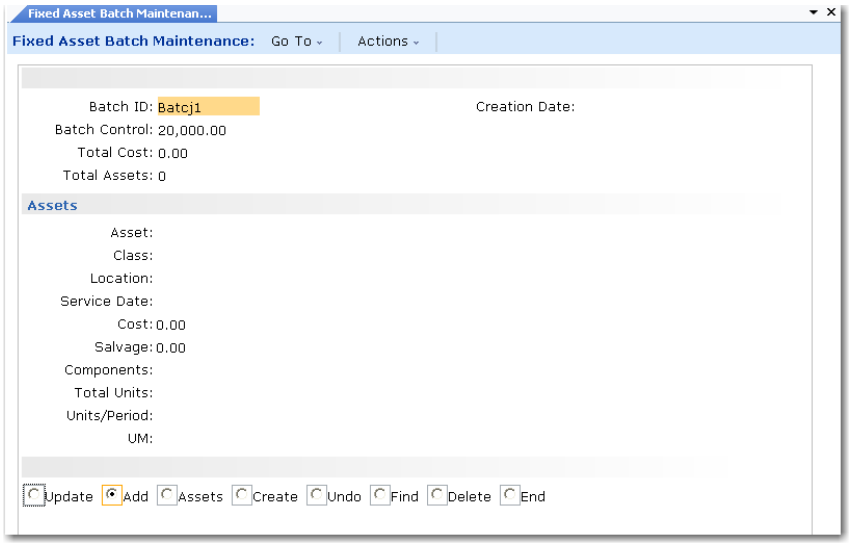


Batch. Enter a unique batch ID or click Next to have the system assign a batch ID. System-generated batch IDs are in the format YYMMDDNN. YY is the year, MM is the month, DD is the day, and NN is the next batch number for the day.

Batch Control. Enter a control amount for this batch. The control amount is the total value for all the assets in the batch. Use the control amount to set a minimum or maximum amount allowed for the batch.

Choose the Assets function to add assets to the batch.

Fig. 3.26
Fixed Asset Batch Maintenance, Assets



Asset. Enter a unique ID of up to 12 characters identifying a fixed asset that is part of the batch.

If Auto Generate Asset is Yes in Fixed Asset Control, this field cannot be updated. Asset IDs are automatically assigned.

Asset Description. Enter up to 30 characters describing the fixed asset. This description is for reference only and displays on various reports and inquiries.

Class. Enter a predefined class ID. Define class IDs in Class Maintenance. The class determines the default account codes for the asset.

Location. Enter a predefined location ID. Define location IDs in Location Maintenance.

Fixed-asset location codes refer to the accounting location of the fixed asset. This location is not necessarily the physical location of the fixed asset.

Service Date. Enter the date that this fixed asset was put into service. The service date is the default date used to calculate depreciation.

This date must be in an open GL calendar period and must exist in any fixed-asset calendars associated with default books in the class.

Cost. Enter the amount paid to acquire the asset.

This cost is used to calculate the basis amount for each default book created for the asset.

Salvage. Enter an optional salvage value for this asset.

Salvage value is the estimated value of property at the end of its useful life. It is the amount reasonably expected in an open market for the asset after it is no longer productive. If a salvage value is defined at the beginning of the depreciation calculation, it is used to reduce the depreciable basis.

Components. Enter the number of components that belong to this asset ID. If you are updating an asset, the new value cannot be less than the original value entered.

For example, if an asset is acquired that consists of 200 chairs, the chairs can be grouped together as one asset. In this case, you set components to 200.

You cannot enter a value less than 1.

Total Units. If you are using the units-of-production depreciation method, enter the estimated total number of units that this asset is expected to produce during its service life.

Units/Period. If you are using the units-of-production depreciation method, enter the estimated number of units that this asset is expected to produce each period.

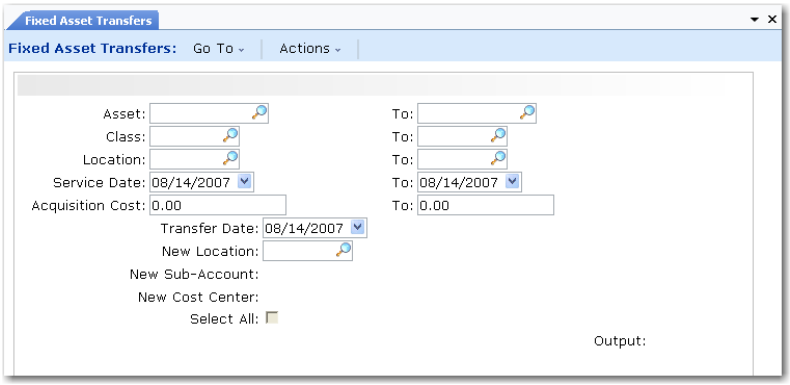
UM. If you are using the units-of-production depreciation method, enter the unit of measure for this asset; for example, inch or foot.

Fixed Asset Transfers

Use Fixed Asset Transfers (32.16) to transfer multiple assets from one predefined location to another.

The new cost center and sub-account combination is validated with the accounts associated with the asset. You cannot complete the transfer if there is an invalid combination.

Fig. 3.27
Fixed Asset Transfers (32.16)



Asset, To. Enter a range of asset IDs to select assets to transfer.

Class, To. Enter a range of class IDs to select assets to transfer.

Location, To. Enter a range of location IDs to select assets to transfer.

Service Date, To. Enter a range of service dates to select assets to transfer.

Acquisition Cost, To. Enter a range of acquisition costs to select assets to transfer.

Transfer Date. Enter the effective date of the transfer. This date must be in an open GL period.

There cannot be any other transfer transactions for these assets in the same period as the date entered.

New Location. Enter the new location for the assets. This location must be defined in Location Maintenance.

New Sub-Account. Enter the new sub-account for the transferred assets. The default is the sub-account for the new location.

New Cost Center. Enter the new cost center for the transferred assets. The default is the cost center for the new location.

Select All. This field indicates whether the assets matching the selection criteria are automatically selected for the transfer.

Yes: All assets matching the selection criteria are selected to transfer. You can modify the assets on the Select Assets to Transfer screen.

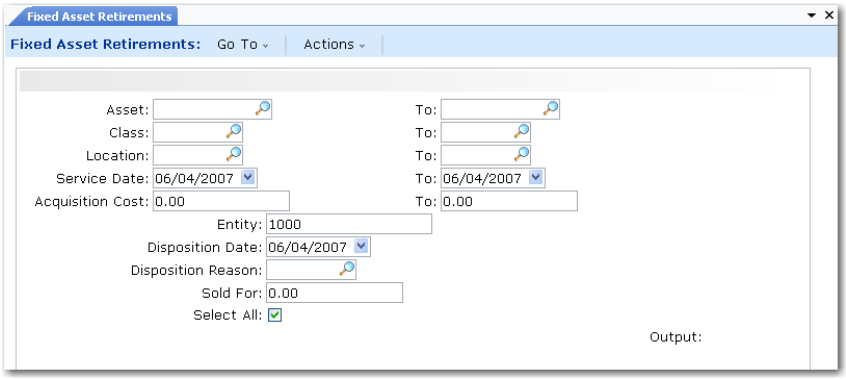
No: Assets are not automatically selected. You must manually select the assets on the Select Assets to Transfer screen.

Click Next to display a list of assets that match your selection criteria. Adjust the list as needed and then click Next again to transfer the assets.

Fixed Asset Retirements

Use Fixed Asset Retirements (32.19) to dispose of multiple assets at one time.

Fig. 3.28
Fixed Asset Retirements (32.19)



Asset, To. Enter a range of asset IDs to select assets to retire.

Class, To. Enter a range of class IDs to select assets to retire.

Location, To. Enter a range of Location IDs to select assets to retire.

Service Date, To. Enter a range of service dates to select assets to retire.

Acquisition Cost, To. Enter a range of acquisition costs to select assets to retire.

Entity. Enter the entity for the assets you want to select to retire. This is a required entry. The default is the database primary entity.

Disposition Date. Enter the effective date of the retirement. This is a required entry. This date must be in an open GL period.

Disposition Reason. Enter the reason for the disposal of the asset.

The field is validated against codes set up in Generalized Codes Maintenance for field fa_disp_rsn.

This is the reason the asset is removed from service and ownership interest relinquished. Examples of disposition reasons are sold, stolen, destroyed, donated, and impaired.

Sold For. Enter the amount received for the disposal of the asset. This field is optional.

The disposition amount is assigned to each asset that you are retiring. This amount is used when calculating the gain or loss on the disposition of an asset.

Select All. This field indicates whether the assets matching the selection criteria are automatically selected to retire.

Yes: All assets matching the selection criteria are selected to retire. You can modify the assets on the Select Assets to Retire screen.

No: Assets are not automatically selected. You must manually select the assets on the Select Assets to Retire screen.

Click Next to display a list of assets that match your selection criteria. Adjust the list as needed and then click Next again to transfer the assets.

Using CIM to Load Fixed-Asset Data

The functions on the CIM Interface Menu (36.15) let you transfer properly formatted data from an external file into the QAD database. This is particularly useful when initially populating the database or when large numbers of changes are required. See *User Guide: QAD System Administration* for details on CIM.

You can use either of two programs for loading fixed-asset data using CIM:

- Use Fixed Asset Maintenance to load basic data and specific details such as prior depreciation amounts or to change default values such as the asset life and depreciation method.
- Use Fixed Asset Batch Maintenance to load basic data for 25 asset records at a time. These records can then be modified as needed in Fixed Asset Maintenance.

Using CIM with Fixed Asset Maintenance

When loading CIM data into Fixed Asset Maintenance, include the names of the buttons that are pressed while manually entering data. The following example illustrates how to add asset FA01 by specifying the Add button.

```
@@batchload fafamt.p
"add"
"FA01" "Asset Added through CIM" "FL01" "001"
04/24/07 1000
100
"end"
@@end
```

Figure 3.29 is an example of a CIM data input file to add an asset and update the depreciation amount and date for a selected book. An explanation of each line follows the example.

Fig. 3.29
CIM Data Input File for Depreciation Amount

```
1  @@batchload fafamt.p
2  "add"
3  "FA02" "Asset Added through CIM" "FL01" "001"
4  04/28/07 1000
5  100 1000 1 Yes "Auth-No"
6  "books"
7  "find"
8  "PB"
9  "detail"
10 "update"
11 300 04/26/07
12 "end"
13 "end"
14 "end"
15 .
16 @@end
```

Table 3.1 explains each element of the CIM data input file.

Table 3.1
CIM Data Input File Elements

Line	Explanation
1	Indicates the beginning of the CIM data file
2	Select Add button on the Fixed Asset Maintenance header
3	“FA02”: Asset field
	“Asset Added through CIM”: Asset description field
	“FL01”: Class field
	“001”: Location field
4	04/28/07: Service Date field
	1000: Cost field
5	100: Salvage field
	1000: Replacement field
	1: Components field
	Yes: Depreciate Asset field
	“Auth-No”: Auth Number field
6	Select Books button on the Fixed Asset Maintenance header
7	Select Find button on the Depreciation Books frame
8	Enter the name of the book to find: PB
9	Select Detail button on the Depreciation Books frame
10	Select Update button on the Book Detail frame
11	300: Override Accumulated Dep field
	4/26/07: Override Depreciation Date field
12	Select End button on the Book Detail frame
13	Select End button on the Depreciation Books frame
14	Select End button on the Fixed Assets Maintenance header
15	End
16	Indicates the ending of the CIM data file

In Fixed Asset Location Maintenance (32.1.13), you can define a sub-account and cost center for all assets referencing a location. This sub-account and cost center combination sets the default for all accounts defined in Fixed Asset Maintenance.

In some cases, a business may have different sub-accounts or cost centers associated with each fixed-asset account. The default values can be modified using a CIM-load script.

Up to seven accounts can be defined in the Accounts frame of Fixed Asset Maintenance. See “Asset Account Maintenance” on page 50. These are referenced by numbers from 1 to 7.

1: Asset Account

2: Accumulated Expense

3: Periodic Expense

4: Construction in Proc

5: Gain on Disposal

6: Loss on Disposal

7: Asset Suspense

The example in Figure 3.30 is a CIM data input file to update the first three GL accounts of an existing asset. The general format is as follows:

- Enter a number representing the account type (1–7).
- On the next line, specify an update statement.
- On the next line, enter account code values: account, sub-account, cost center, and project.

Fig. 3.30
CIM Data Input File for Updating Accounts

```
@@batchload fafamt.p
 "find"
 "asset1"
 "options"
 "accts"
 "1"
 "update"
 "1800" "sub1" "cc-1" "pr1"
 "2"
 "update"
 "1810" "sub2" "cc-2" "pr1"
 "3"
 "Update"
 "1820" "sub3" "cc-3" "pr1"
 "end"
 "end"
 "end"
 @@end
```

Using CIM Load in Fixed Asset Batch Maintenance

In Fixed Asset Batch Maintenance, you can use the CIM-load functions to load basic fixed-asset data for 25 assets at a time into the system.

Use the numbers in Table 3.2 to represent the corresponding radio buttons in your CIM data input file.

Table 3.2
Radio Button Definitions

Screen	Number	Radio Button
Fixed Asset Batch Maintenance header screen	1	Update
	2	Add
	3	Assets
	4	Create
	5	Undo
	6	Find
	7	Delete
	8	End
Assets screen	1	Update
	2	Add
	3	Delete
	4	End

Figure 3.31 is an example of a CIM data input file for Fixed Asset Batch Maintenance.

Fig. 3.31
CIM Data Input File

```
1  @@batchload fabchmt.p
2  "2"
3  "30" "960"
4  "3"
5  "2"
6  "Asset 1" "first asset" "db01" "ca" "11/01/07" "430" "100" "1"
7  "100000" "1000" "ea"
8
9  "Asset 2" "second asset" "db01" "ca" "11/05/07" "530" "100" "1"
10 "100000" "1000" "ea"
11 "4"
12 "4"
13 "8"
14 .
15 @@end
```

Table 3.3 explains each element of the CIM data input file.

Table 3.3
CIM Data Input File Elements

Line	Explanation
1	Indicates the beginning of the CIM data file
2	Add radio button on the Fixed Asset Batch Maintenance header
3	Input for Batch and Batch Control fields
4	Assets radio button on the Fixed Asset Batch Maintenance header
5	Add radio button on the Assets screen

Line	Explanation
6	“Asset 1”: Asset field “first asset”: Asset description field “db01”: Class field “ca”: Location field “11/01/07”: Service Date field “430”: Cost field “100”: Salvage field “1”: Components field “100000”: Total Units field “1000”: Units/Period field “ea”: UM field
7	If the units-of-production depreciation method is used, enter information for the following three fields: • “100000”: Total Units field • “1000”: Units/Period field • “ea”: UM field
8	Leave a blank line after each asset in the batch except the last
9	Same explanation as line 6
10	Same explanation as line 7
11	End radio button on the Assets screen
12	Create radio button on the Fixed Asset Batch Maintenance header
13	End radio button on the Fixed Asset Batch Maintenance header
14	End
15	Indicates the ending of the CIM data file

Chapter 4

Maintaining Fixed Assets

This chapter describes how to maintain fixed assets.

Creating Fixed-Asset Transactions

Use Fixed Asset Transaction Post (32.13) to create unposted fixed-asset transactions for assets by entity. Transactions are created for depreciation expenses, transfer, retirement of assets, and adjustments. After you run Fixed Asset Transaction Post, you must run Operational Transaction Post (25.13.7) to update the GL.

Note Optionally, you can generate unposted GL transactions related to acquisition costs when you initially create fixed assets using Fixed Asset Maintenance (32.3) or Fixed Asset Batch Maintenance (32.7). See “Acquisition Costs” on page 41.

At the end of each reporting period, run Fixed Asset Transaction Post to create unposted fixed-asset transactions. An audit trail report is created before creating unposted transactions. If necessary, make adjustments in Fixed Asset Maintenance and rerun Fixed Asset Transaction Post for that period.

Accumulated depreciation and depreciation expenses from the posting book update the asset accounts, sub-accounts, cost centers, and projects.

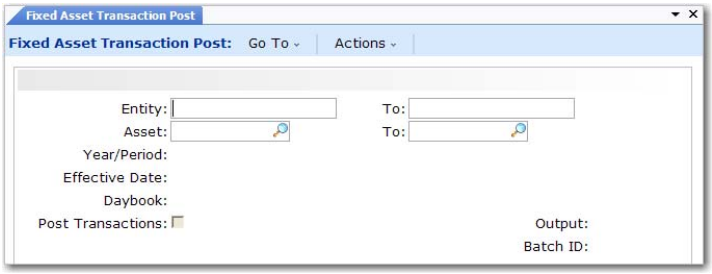
Fixed Asset Transaction Post creates unposted transactions for the following fixed-asset accounts:

- Asset
- Accumulated Expense
- Periodic Expense
- Gain on Disposal
- Loss on Disposal
- Asset Suspense

If transactions are created in error, use Fixed Asset Transaction Void (32.14) to reverse the entries. See page 68.

To create the GL entries for the fixed-asset transactions, you must run Operational Transaction Post (25.13.7) for transaction type FA.

Fig. 4.1
Fixed Asset Transaction Post (32.13)



Entity, To. Enter a range of entities to select transactions to be posted.

Note If Entity is blank and you are using daybooks, you must first create a system daybook for a blank entity in Default Daybook Maintenance (25.8.4). Otherwise, an error displays and you cannot proceed.

Asset, To. Enter a range of asset IDs to select assets to be posted.

Effective. Enter the date when fixed-asset transactions are effective in the GL. GL entries are created for the year/period. The effective date is validated against the open GL period. The default is the system date.

Daybook. Enter a valid, active daybook code. Define daybooks in Daybook Create (25.8.1.1) and Default Daybook Maintenance (25.8.4). This daybook is the default for FA transaction types and FA document types. If a default daybook is not defined for FA, the system daybook defaults.

Post Transactions. This field determines whether transactions are posted to the GL.

Yes: A journal report is printed and the unposted transactions are created. GL entries post summary or detail information according to the Summarized Journal field in Fixed Asset Control.

No: The system generates the journal report and the unposted transactions are not created.

If any errors occur, an error report is generated with the problematic journals and no unposted transactions are created. You must fix the errors and run the Fixed Asset Transaction Post function again.

GL Transactions in Fixed Assets

The following unposted transactions are created when you run Fixed Asset Transaction Post for each activity. See “Accounts” on page 6 for details.

When the asset depreciation is posted, the following accounts are affected:

- The depreciation expense debits the Periodic Expense account.
- The depreciation expense credits the Accumulated Expense account.

When an asset is retired, the following accounts are affected:

- The acquisition cost credits the Asset account.
- The accumulated depreciation debits the Accumulated Expense account.
- The amount of the sale debits the Asset Suspense account.
- If there is a gain on disposal, the Gain on Disposal account is credited. If there is a loss on disposal, the Loss on Disposal account is debited.

When an asset is transferred within the same entity and different locations, the following accounts are affected:

- The asset-acquisition cost credits the Asset account for the old location and debits the Asset account for the new location.
- The accumulated asset depreciation debits the Accumulated Expense account for the old location and credits the Accumulated Expense account for the new location.

When an asset is transferred between two entities, the following accounts are affected:

- The asset-acquisition cost credits the old entity and debits the new entity. The asset-acquisition cost also updates the Cross-Company Fixed Assets account for the domain using the intercompany codes associated with each entity.

- The accumulated asset depreciation debits the Accumulated Expense account for the old entity and credits the Accumulated Expense account for the new entity. The asset-acquisition cost also updates the Cross-Company Fixed Assets account for the domain using the intercompany codes associated with each entity.

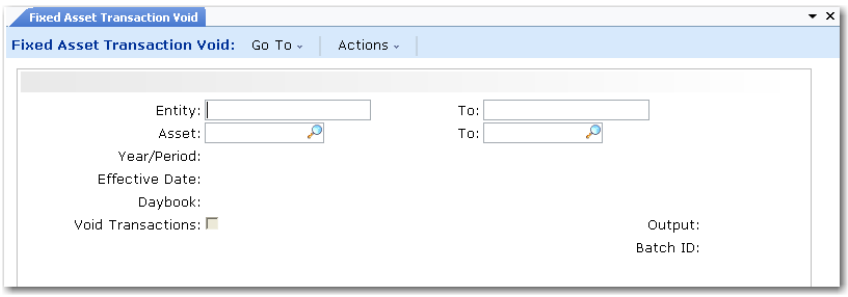
Voiding GL Transactions

Use Fixed Asset Transaction Void (32.14) to correct errors for unposted depreciation, transfers, retirements, and adjustments. Reversing fixed-asset transactions are generated for the original entries created by Fixed Asset Transaction Post. You must run Operational Transaction Post (25.13.7) to update the GL.

You can void fixed-asset transactions only if the GL is open for the period you want to void. You cannot void entries for periods before the last posted period unless the last posted period is voided first. You must use the Fixed Asset Transaction Post function to repost the voided periods.

Unposted fixed-asset transactions are created for voids that affect posting books. For voided depreciation, the fixed-asset transactions reverse the postings for accumulated depreciation and depreciation expense.

Fig. 4.2
Fixed Asset Transaction Void (32.14)



Most fields in this function are similar to those in Fixed Asset Transaction Post, except that you indicate if you want to void transactions rather than post them.

Void Transactions. This field determines whether GL transactions are voided.

No: The system generates the journal report and the fixed-asset transactions are not voided.

Yes: Fixed-asset transactions are voided and an audit trail is printed.

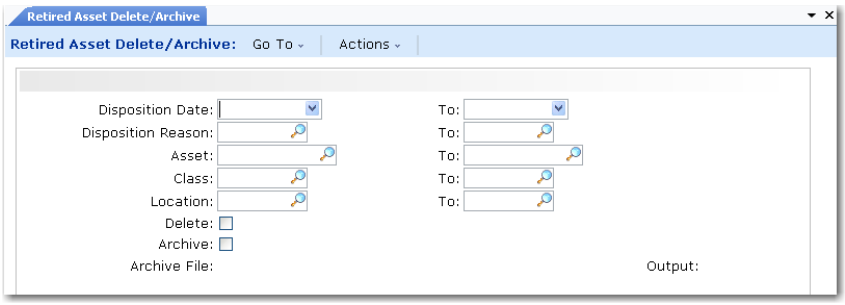
Deleting and Archiving Fixed Assets

Use Retired Asset Delete/Archive (32.23) to delete and archive retired assets.

Historical information is not automatically deleted at period or year end. It is up to you to delete this information, as frequently as you prefer. Most companies keep historical information for at least one year, depending on availability of disk space.

Usually a delete/archive function is run twice. First run it with Delete set to No and review the report. Then run it with Delete set to Yes.

Fig. 4.3
Retired Asset Delete/Archive (32.23)



Disposition Date, To. Enter a range of disposition dates to select retired assets to delete or archive.

Disposition Reason, To. Enter a range of disposition reasons to select retired assets to delete or archive.

Asset, To. Enter a range of asset IDs to select retired assets to delete or archive.

Class, To. Enter a range of class IDs to select retired assets to delete or archive.

Location, To. Enter a range of location IDs to select retired assets to delete or archive.

Delete. This field indicates whether to delete the selected records without generating a report.

Yes: The selected records are deleted from your database.

If you set Archive to Yes, the selected records are copied to an ASCII file before deletion. Use Archive File Reload to reload the data, if needed.

No: The selected records are not deleted. A report is generated listing the selected records.

Archive. This field indicates whether to archive the selected records.

Yes: The selected records are copied to an ASCII file. The system creates a file name in the following format: faYYMMDD.hst, where YYMMDD is the file creation date. If this file does not exist, it is created. If it does exist, it is modified.

No: The selected records are not copied to an ASCII file.

Note Keep a record of the name of the file and its contents because there is no label within the file. The name of the file only identifies the module and the date the file was created. If you need to reload particular data, you must know the correct file name.

Chapter 5

Fixed Assets Reports

This chapter describes the reports that let you view the status of your organization's assets.

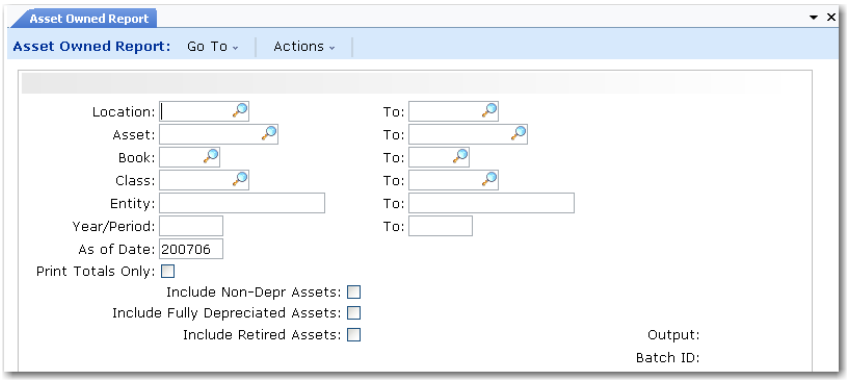
Asset Owned Report

Use Asset Owned Report (32.5.11) to view all your company's fixed assets in detail or summary form. Use the selection criteria to limit the information reported.

If you enter an As of Date that is after the last depreciable period, then the accumulated depreciation calculation is based on the last depreciable year period.

Note If the asset uses the units-of-production depreciation method and no actual period units exist for the date entered in the As of Date, the accumulated depreciation is calculated by multiplying the accumulated units by the unit cost. If actual period units do exist for the As of Date, then accumulated depreciation is determined from the fixed asset book depreciation detail record that contains the actual period units.

Fig. 5.1
Asset Owned Report (32.5.11)



Year/Period, To. Enter a range of periods for selecting assets for reporting. The format is YYYYXX, where YYYY is the year and XX is the period.

Note This date range is used only for selecting records. The system uses the value specified in As of Date to determine the accumulated depreciation to be included in the report.

When the posting book is used for reporting, the system uses the GL calendar to obtain the report output based on the specified year and period range. When a non-posting book is used, the system uses the associated fixed-asset calendar. If one is not available, the GL calendar is used just as with posting book report output.

As of Date. Enter the effective year and period for this report. The default is the year and period associated with today's date in the GL calendar. The format is YYYYXX, where YYYY is the year and XX is the period.

The system calculates accumulated depreciation up to this year and period.

Print Totals Only. Indicate whether you want a summary or detail report of your company's assets. This is a required entry.

No: The report prints the details for each individual asset.

Yes: The report prints a summary report for your company's assets.

Include Non-Depreciating Assets. Specify whether to include non-depreciating assets in this report.

Include Fully Depreciated Assets. Specify whether to include fully depreciated assets in this report based on the year/period range.

No: Fully depreciated assets are not included in this report regardless of the year/period range.

Yes: Fully depreciated assets are included in this report when the life of the fully depreciated assets spans the specified year/period range. To include all fully depreciated assets in the system, set this field to Yes and leave the year/period range blank.

Include Retired Assets. Specify whether retired assets are included in this report based on the year/period range and the disposition date of the assets.

No: Retired assets are not included in this report when their disposition date is prior to the end of the specified year/period range. If the disposition date is after the end of the range, the assets are included in the report.

Yes: Retired assets are included in this report when the life of the retired assets spans the specified year/period range. To include all retired assets in the system, set this field to Yes and leave the year/period range blank.

Other Fixed Assets Reports

Table 5.1 summarizes Fixed Assets reports.

Table 5.1
Fixed Assets Reports

Report	Menu Number	Description
Periodic Activity Report	32.5.1	Displays asset activity for a period by entity. Shows per asset account the begin balance and the end balance of the fixed assets for a given period as well as the increases (acquisitions) and decreases (retirements). You can print a summary or detail report, and choose to include or exclude non-depreciating assets.
Depreciation Adjustment Report	32.5.3	Displays adjusted assets by book, location, class, and entity. Shows the type of adjustment and any relevant adjustment amounts.
Acquisition Report	32.5.5	Displays acquired assets, their depreciations and bonus depreciations within a specific period by class, location, and entity. Lists posting book information only.
Depreciation Expense Report	32.5.7	Displays depreciation expenses within a specific period by entity, book, class, and asset. You can choose a summary or detail report of the depreciation expenses. You can also specify whether the report should include all assets, even if they are not depreciated, and whether the report should include information regarding the transfer of assets between entities.
Asset Depreciation Array Report	32.5.9	Displays the lifetime depreciation expenses of your assets for one or more books. Also displays the original depreciation expense schedule and any adjustments. You can choose a summary or detail report of the asset lifetime depreciation expenses.

Report	Menu Number	Description
Primary Book Activity Report	32.5.13	Displays per asset account the begin balance and the end balance of the fixed assets for a given period as well as the increases (acquisitions) and decreases (retirements).
Primary Book Acquisition Report	32.5.15	Displays acquired assets, their depreciations and bonus depreciations within a specific period. Lists posting book information only.
Primary Book Retirement Report	32.5.17	Displays retirements, with the reason and the acquisition costs, depreciations, and net book value.

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