



Asset Ledger

The Asset Ledger maintains a record of fixed assets held by the company either as individual items where they are of high value, or as a collection of similar items if they are not.

Key Features at a Glance

- Fully integrated component of OneOffice
- Straightforward to use
- Special features to manage vehicles
- Supports leased and revenue assets
- Choice of depreciation types
- Two sets of depreciation can be calculated for each asset to support book and tax computations
- Comprehensive range of security features

Benefits

- Automatic postings to relevant ledgers saves time and avoids errors
- Support for scenarios such as 'pooled' and 'attached' assets simplifies asset management
- Monitoring of key dates ensures that events such as 'end of life' and 'maintenance due' can be planned for

Overview

Depreciation is calculated automatically using the historic cost accounting convention. Within this, a variety of methods of depreciation are provided. In addition, asset product codes provide default information for regular asset additions.

The Asset Ledger is a fully integrated component of the OneOffice suite and can therefore be used in conjunction other components including:

General Ledger, which receives postings during addition, transfer, revaluation and disposal of assets. In addition, regular

depreciation of the assets is charged to the General Ledger.

Contract Costing, which may receive the posting of the debit depreciation of an asset to a contract.

Purchase Ledger can be used to cross-reference supplier information recorded on assets.

Sales Ledger can be used to cross-reference the customers quoted on the disposal of assets.

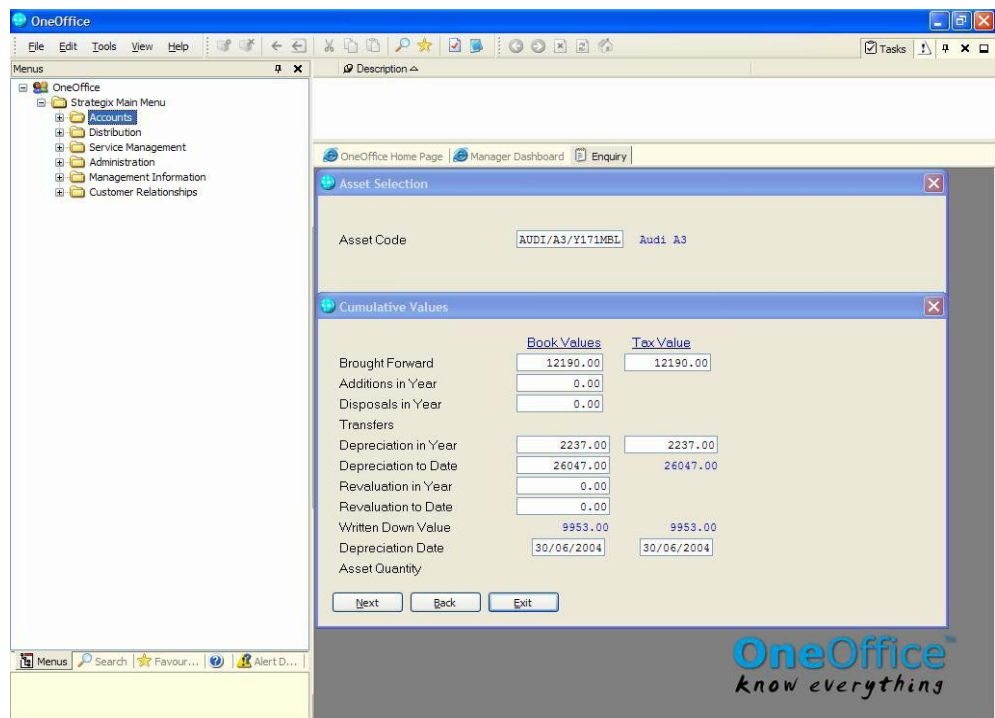


Figure 1. Asset Ledger records the book & tax value of assets and tracks depreciation over time.



Adding New Assets

When assets are added to the ledger they are allocated to a group and cost centre and the rules to control depreciation calculations are defined. An addition may be made as a new asset or to an existing asset. In the case of pooled assets, such as desks, then additional quantities of the same item may be added. In the case of an individual asset, such as a computer, then it may be extended by an addition, such as a new memory board. Additions made in this way are depreciated as part of the asset to which they are added.

Attached Assets

These are assets which are attached to another asset. This feature is useful to enable an asset to be held individually whilst at the same time enabling it to be located alongside another asset. For example a car phone may be attached to a particular car, but can have an individual asset identity and may be depreciated in a different manner to the car.

Disposal

When the disposal of an asset is recorded, the amount received for the asset is entered and the customer to whom it was sold. The asset cost and depreciation to date are taken out of the asset control accounts, and any profit or loss on disposal is posted to the General Ledger. The disposal proceeds are posted to an asset sales suspense account where the sales invoice should be posted when input to the Sales Ledger. If the asset had been revalued upwards the value in the revaluation reserve account for the asset is transferred to the Profit and Loss account.

Partial disposal of assets is permitted, in which case the user identifies the amount of the asset cost which is being disposed of; any depreciation is pro-rated.

Additional Features

A complete set of capabilities exist to assist with the management of assets including:

- Transfer of assets between cost centres and asset groups
- Asset splitting (individual or pooled) into separate assets
- Asset "mothballing" to suspend depreciation calculations
- Depreciation adjustment transaction for revising depreciation charged against an asset
- Revaluation of assets

Leased and Revenue Assets

Leased assets as well as owned assets can be recorded. Assets on finance lease are treated in the same way as owned assets for the purposes of depreciation and all other General Ledger postings. Assets on operating lease are simply recorded on the ledger but generate no postings to the General Ledger. Assets purchased from revenue may be recorded in the system in order to keep details of maintenance dates, test requirements etc. Like operating lease assets, revenue assets have no postings made to the General Ledger.

Depreciation Calculations

Two sets of depreciation calculations may be carried out for each asset: the first for book value, and the second for tax value. Tax value depreciation is optional and does not generate any postings to the General Ledger.

Depreciation types:

- Straight line - depreciation is calculated by taking the current written down value and depreciating it evenly over the remaining life of the asset.



- Reducing balance - the percentage recorded on the asset is used to calculate the depreciation value starting from the current written down value.
- Economic life - Depreciation is calculated by selecting the appropriate economic life the asset's age
- Units of use - Units of use depreciation is calculated as a proportion of the units used compared to the units in the life of an asset. For example, a piece of machinery may be depreciated on the number of hours that it has been operated.
- Sum of digits - The sum of digits method provides an apportionment of depreciation which takes a larger amount during the early periods of the life of the asset.

Vehicles

Where an asset group is entirely devoted to vehicles then the group can be identified as a vehicle group.

This enables additional information

specific to vehicles to be managed such as:

- registration number
- chassis number & engine number
- ignition key & door key numbers
- gross & unladen weights
- Vehicle Excise Duty.

Security

A user may be restricted to one or more groups of assets within a cost centre, one or more groups across all cost centres or all assets within one or more cost centres. A user may not create assets outside the areas granted to them and reports, enquiries and searches only display details of assets, groups and cost centres which they are permitted to access. Access to all assets may be granted to a user if required.

The screenshot shows the OneOffice software interface. The main window displays a 'Transaction Display' table with the following columns: Date, Type, Book Depr., Book WDV, Tax Depr., Our Ref, and Tax WDV. The table contains multiple rows of depreciation data, including a total row at the bottom.

Date	Type	Book Depr.	Book WDV	Tax Depr.	Our Ref	Tax WDV
28/02/01	Dep	-8000.00	36000.00		AL000550	36000.00
31/01/02	Dep	11078.00	24922.00	11078.00	AL000553	24922.00
28/02/02	Dep	692.00	24230.00	692.00	AL000559	24230.00
31/03/02	Dep	673.00	23557.00	673.00	AL000564	23557.00
30/04/02	Dep	654.00	22903.00	654.00	AL000582	22903.00
30/05/02	Dep	636.00	22267.00	636.00	AL000587	22267.00
30/06/02	Dep	618.00	21649.00	618.00	AL000592	21649.00
31/07/02	Dep	601.00	21048.00	601.00	AL000597	21048.00
31/08/02	Dep	585.00	20463.00	585.00	AL000602	20463.00
30/09/02	Dep	568.00	19895.00	568.00	AL000607	19895.00
31/10/02	Dep	553.00	19342.00	553.00	AL000613	19342.00
30/11/02	Dep	537.00	18805.00	537.00	AL000619	18805.00
31/12/02	Dep	522.00	18283.00	522.00	AL000625	18283.00
31/01/03	Dep	607.00	17676.00	607.00	AL000631	17676.00
28/02/03	Dep	587.00	17089.00	587.00	AL000637	17089.00
31/03/03	Dep	568.00	16521.00	568.00	AL000643	16521.00
30/09/03	Dep	3031.00	13490.00	3031.00	AL000649	13490.00
31/10/03	Dep	448.00	13042.00	448.00	AL000655	13042.00
30/11/03	Dep	433.00	12609.00	433.00	AL000661	12609.00
31/12/03	Dep	419.00	12190.00	419.00	AL000667	12190.00
31/01/04	Dep	405.00	11785.00	405.00	AL000673	11785.00
29/02/04	Dep	392.00	11393.00	392.00	AL000679	11393.00
31/03/04	Dep	378.00	11015.00	378.00	AL000685	11015.00
30/04/04	Dep	366.00	10649.00	366.00	AL000691	10649.00
30/05/04	Dep	354.00	10295.00	354.00	AL000697	10295.00
30/06/04	Dep	342.00	9953.00	342.00	AL000703	9953.00
24/03/01	Add		9953.00		AL000707	9953.00
		26047.00		26047.00	Total	

Figure 2. The Asset Ledger includes a comprehensive range of management tools, for example analysis of movements in both book and tax depreciation over a period.



A full audit trail of asset movements is maintained and can be reviewed as required using a special serially numbered report.

Reporting

A range of standard reports are available to support typical scenarios, further reports can be created as required.

Standard reports include:

- Asset Ledger proof list
- Master listing
- Approaching date report including "end of life" or "maintenance due"
- Additions and disposals report

- Selective transaction report allowing analysis of transfers, etc
- Depreciation forecast
- Replacement forecast
- Separate reports may be prepared for owned, finance-leased, operating leased and revenue assets.

On-Screen Enquiries are also available including:

- Full ledger posting history
- Enquiry by user defined code or asset code
- Pop up enquiries on partial key searches
- Attachments, additions and disposals

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