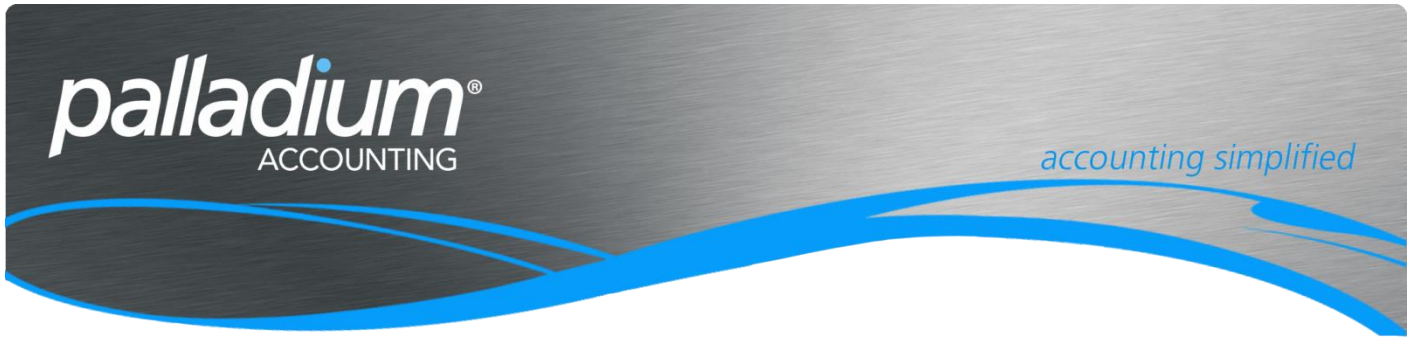


SUPPORT DOCUMENT

Fixed Assets



palladium
Accounting



Fixed Assets

This document will assist you in understanding and setting up the Palladium Fixed Assets Module in the Palladium Enterprise Edition.

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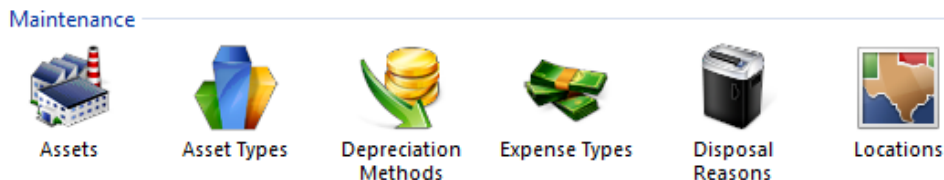
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Overview

The Palladium Fixed Assets module allows you to manage 2 very distinct features. Firstly it allows you to manage and control your assets as required by legislation with the ability to process up to 5 depreciation calculations (commonly known as Asset Registers) per asset. Secondly, you can record all costs against your Assets, record the Usage per asset for a period, then run Efficiency reports per asset.

Setting Up the Assets Module

Before you start processing you need to first Setup the Assets Module. To do this you go to the Assets Module, in the maintenance section.



Creating Locations

The create location function allows you to assign locations to assets and transfer items across locations. This also facilitates the Asset count function.

Disposal Reasons

These reason codes could be Sold or Scrapped and assist in analysing your reasons for disposal.

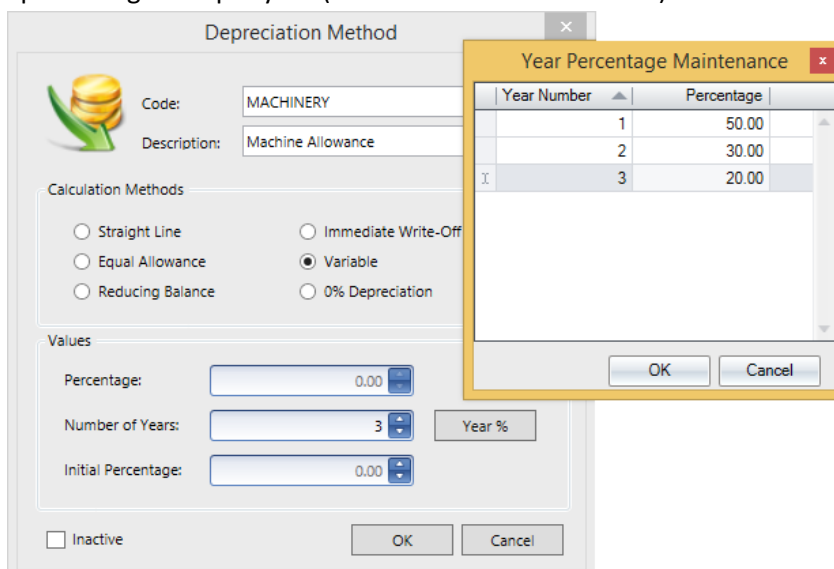
Expense Types

These expense types relate to the recording of costs against an asset in order to assess the efficiency levels of an asset. This could be fuel costs in Litre or Service Fees etc.

Depreciation Methods

The depreciation methods are the different methods you use to depreciate your asset. These methods include:

- Straight line method
- Equal Allowance Method
- Reducing Balance Method
- Immediate Write off Method
- No Depreciation Method
- Variable % Method – this method will allow you to define the number of years over which to write down the asset with custom-defined percentages set per year (as seen in the screen below)

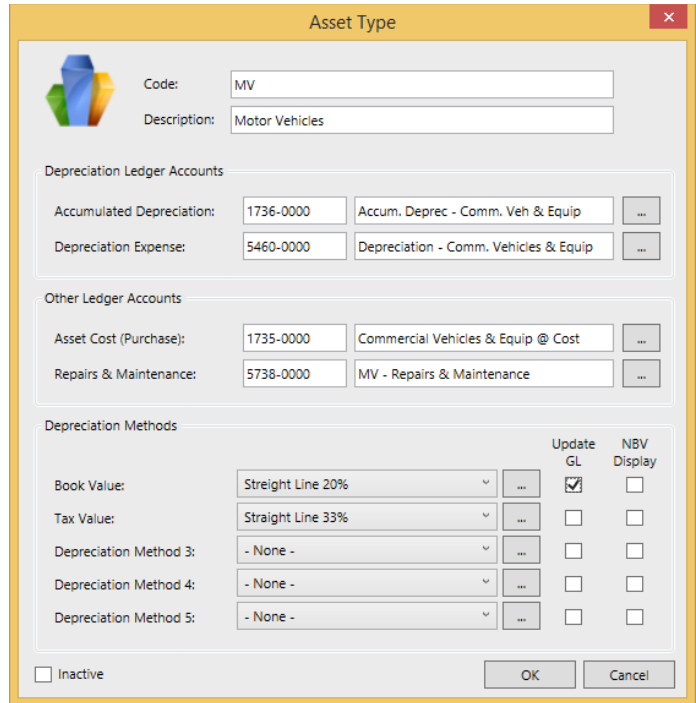


Asset Types

The Asset Types, or Groups is the way in which the respective assets are maintained in the Ledger Accounts as well as their common methods of depreciation.

We also cater for up to 5 different Depreciation Methods per asset each with the facility to report per Method, or Asset Register. Note that the Asset Registers (Depreciation Methods) can have their own custom name settings that can be found in the **Control Panel >> Options >> Naming Conventions**.

The Other Ledger Accounts such as, Asset Cost and Repairs & Maintenance are used during the Vendor Invoice Process function when Purchasing and allocating costs to assets.



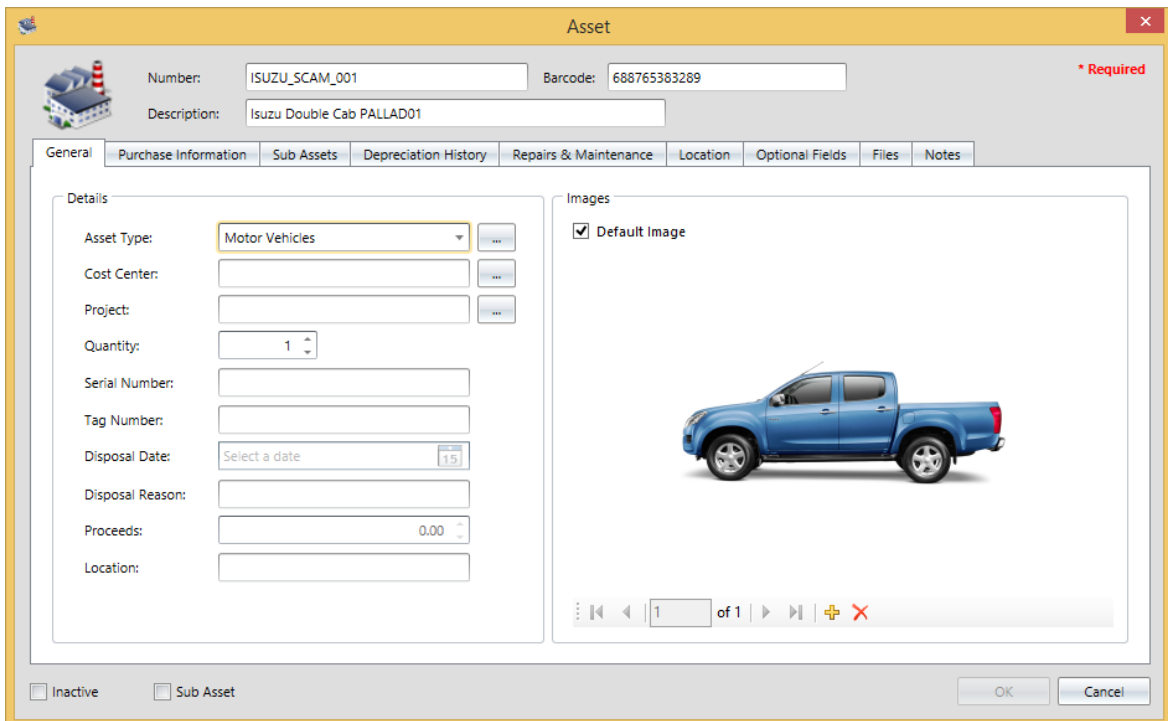
The screenshot shows the 'Asset Type' configuration window. It includes fields for Code (MV) and Description (Motor Vehicles). Under 'Depreciation Ledger Accounts', there are fields for Accumulated Depreciation (1736-0000) and Depreciation Expense (5460-0000). Under 'Other Ledger Accounts', there are fields for Asset Cost (Purchase) (1735-0000) and Repairs & Maintenance (5738-0000). The 'Depreciation Methods' section has five rows, each with a dropdown menu (all set to '- None -') and checkboxes for 'Update GL' and 'NBV Display'. The 'Update GL' checkbox is checked for the first method. At the bottom, there is an 'Inactive' checkbox and 'OK' and 'Cancel' buttons.

Asset Master

This section contains all the information related to the individual Assets, split into the various tabs below.

General Tab

This tab contains all the General Information relating to the asset itself.



The screenshot shows the 'Asset Master' window, General Tab. It includes fields for Number (ISUZU_SCAM_001), Barcode (688765383289), and Description (Isuzu Double Cab PALLAD01). The 'Details' section has fields for Asset Type (Motor Vehicles), Cost Center, Project, Quantity (1), Serial Number, Tag Number, Disposal Date (Select a date), Disposal Reason, Proceeds (0.00), and Location. The 'Images' section has a checkbox for 'Default Image' which is checked, and a preview of a blue Isuzu truck. At the bottom, there are 'Inactive' and 'Sub Asset' checkboxes, and 'OK' and 'Cancel' buttons.

Purchase Information

This section allows you to set information such as the Purchase information as well as residual values that get used during the depreciation calculation. You can also revalue the assets at any time that will adjust the Depreciable Value dynamically.

Depreciation History

This section allows you to set the opening depreciation per Asset Register, as well as list and allow you to edit the various depreciation runs as seen below. Note that you can process a depreciation run 365 times a year if required.

Date	Book Value	Tax Value	Depreciation Method 3	Depreciation Method 4	Depreciation Method 5
2015-07-31	6 794.52	11 324.20	0.00	0.00	0.00
2015-08-15	3 287.67	5 479.45	0.00	0.00	0.00
	10 082.19	16 803.65	0.00	0.00	0.00

Understanding the Depreciation Calculation and Take On

When taking on an asset it is important to not get confused when using the Depreciate From date. This date is the date from which the asset needs to be depreciated from and is NOT to be confused with a Take-On date in Palladium. The only reason the Depreciate From Date would generally Differ from the Purchase Date would be when you Purchase Machinery that only gets commissioned and is put into Operation months later.

In terms of take on – the ONLY value that needs to be updated is the Opening Depreciation as seen below.

Date	Book Value	Tax Value	Depreciation Method 3	Depreciation Method 4	Depreciation Method 5
2015-07-31	6 794.52	11 324.20	0.00	0.00	0.00
2015-08-15	3 287.67	5 479.45	0.00	0.00	0.00

From a Depreciation calculation point of view, The Depreciation calculated at the Date of the Depreciation Run, will first calculate the Total Depreciation from the Depreciate FROM Date (and **not** the date of Purchase) to the Depreciation RUN date, then less the Accumulated Depreciation to date, Less the Take-On Depreciation. What this does is offer you the flexibility to run your Depreciation, Monthly, Annually or even Daily if you so wish.

Repairs and Maintenance

This feature allows you to capture Costs as well as records usage against the various Assets. This allows you to not only control costs, but you can also generate Asset Efficiency reports such as Km/L or Cost per Unit produced for machinery used in production.

Date	Cost Type	Vendor Number	Vendor Invoice	Cost	Additional Detail
2015-08-01	SERVICE	TST005		8 099.00	
2015-08-05	LITRES			300.00	

Palladium also facilitates the ability to post these costs directly to the Assets from the Vendor processing screens below with the system Displaying all Assets linked to that specific Repairs and Maintenance Account that is used in the Asset Category setup.

Asset Repair

Date: 2015-08-05
 Vendor: TST004
 Blackwell Rentals
 Expense Type: SERVICE
 Document No: PI-000000003

Line	Number	Description	Qty	Price
1	5738-0000	MV - Repairs & Maintenance	1	300.0000

Code	Description	Type	Cost
ISUZU-2CAB-001	Isuzu Double Cab Reg AYR UTD ZN	MV	300.00

OK Cancel

Disposals

You can dispose of assets using Disposal reason codes for ease of reporting and analysis.

Asset Disposal

Number: ISUZU-2CAB-001
 Description: Isuzu Double Cab Reg AYR UTD ZN
 Purchase Price: 400 000.00
 Revaluation Value: 0.00
 Depreciation Recoupment: 10 082.19
 Net Book Value: 389 917.81
 Disposal Date: 2015-08-05
 Disposal Reason: SALE
 Proceeds: 500 000.00
 Profit/Loss on Sale: 110 082.19

Dispose Cancel

Sample Company