

MODULE 1: FIXED ASSETS SETUP

Module Overview

Microsoft Dynamics® NAV 2013 provides a fully integrated fixed asset management functionality which helps a company manage its assets effectively and efficiently.

With Microsoft Dynamics NAV 2013, a company can keep track of all information relevant to fixed assets, such as maintenance costs and schedules, acquisition costs, and related insurance information.

Fixed Assets in Microsoft Dynamics NAV 2013 has an unlimited number of depreciation books that track depreciation expenses reliably. You can have one book integrated with the general ledger to reconcile your fixed asset transactions with the general ledger, and another book, not integrated with the general ledger, for internal fixed asset calculations that you do not want to be reflected in the general ledger. Depreciation books define various depreciation rules. In addition to all the ordinary methods of depreciation, Fixed Assets can create custom depreciation methods. With the flexibility and real-time nature of the fixed assets functionality, the periodic income and expense figures are always accurate and up to date.

The process flow diagram shown in this module gives a visual overview of the typical life cycle of a fixed asset, starting from creating a fixed asset card and ending with the fixed asset disposal, which is typically the last transaction posted for a fixed asset.



Note: All the procedures in this course, including demonstrations and labs, should be performed in one of the RoleTailored clients of Microsoft Dynamics NAV 2013. We recommend that you use the client for Windows®. You can also use the SharePoint client or a web client that provides access to Microsoft Dynamics NAV features from a web browser. Be aware that in the web and SharePoint clients, you have limited access to Microsoft Dynamics NAV features and that their interfaces differ slightly from the interface of the client for Windows.

Before you work with Fixed Assets in Microsoft Dynamics NAV 2013, the following areas must be set up:

- Fixed Assets setup
- Fixed Assets posting group
- Depreciation books
- Depreciation tables
- Fixed Assets journals

Other Fixed Assets features discussed in this module are as follows:

- Main assets and asset components
- Recording opening transactions
- Using duplication lists with depreciation books
- Copying fixed assets and Fixed Assets ledger entries

Objectives

The objectives are:

- Give a visual overview of a typical fixed asset life cycle.
- Describe the fields on the Fixed Assets setup page.
- Describe fixed asset posting groups.
- Explain depreciation books for fixed assets.
- Explain depreciation tables.
- Set up fixed assets journal templates.
- Set up a fixed asset card.
- Set up main assets with asset components.
- Explain how to record opening transactions.
- Explain how to duplicate entries to depreciation books.
- Explain how to copy fixed assets and FA ledger entries.

Fixed Assets Process Flow

A typical life cycle of a fixed asset in Microsoft Dynamics NAV 2013 begins with the creation of a fixed asset card to register the fixed asset in the program and ends with the disposal of the fixed asset. During this life cycle, you can perform various operations with the fixed asset, some of which may be omitted, depending on your business needs.

FA Flowchart

The FA Process Flow flowchart shows a common process flow with the most typical operations. These operations together with their variations and other fixed asset functionality are reflected throughout this course in demonstrations and labs.

The flowchart in this topic shows a typical life cycle of a fixed asset.

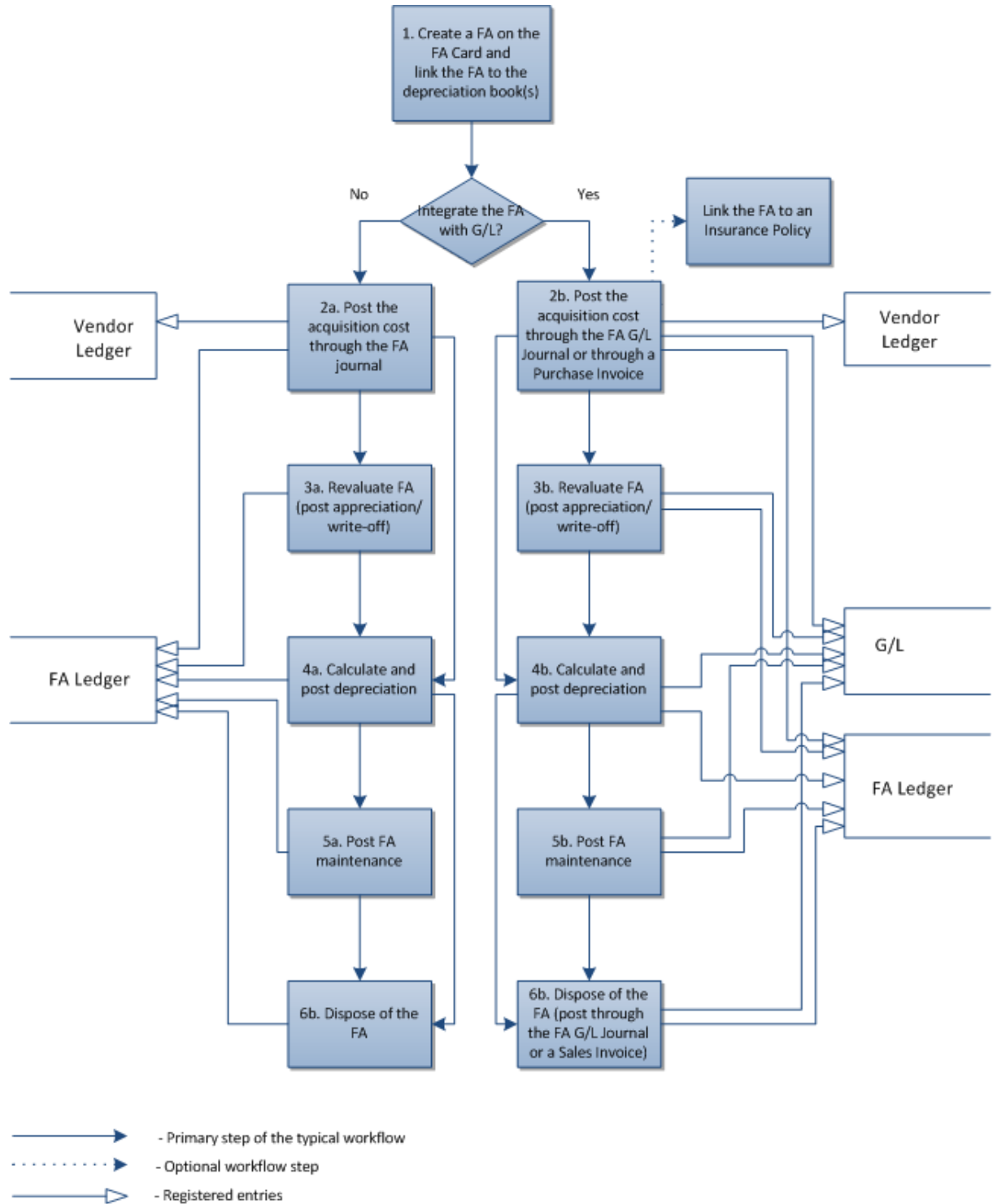


FIGURE 1.1: FIXED ASSET PROCESS FLOW

Fixed Assets Setup

Use the **Fixed Assets Setup** page to select the default settings for Fixed Assets.

To open the **Fixed Assets Setup** page, in the navigation pane, click **Departments > Financial Management > Fixed Assets > FA Setup**.

FIGURE 1.2: FIXED ASSET SETUP

The page has the following two FastTabs:

- General
- Numbering

General FastTab

The **General** FastTab contains the basic and general information about fixed assets, for example, the default depreciation book, posting period, and number series which are used for the fixed assets and are relevant to correctly track maintenance costs, manage insurance policies related to fixed assets, post fixed asset transactions, and generate various reports and statistics.

The **Default Depr. Book** field contains the default depreciation book. You can enter one of the depreciation book codes in this field. Be aware that having a default depreciation book in the setup does not prevent you from creating multiple depreciation books.

If the asset is one main asset that consists of multiple component assets, you can select whether you want to be able to post only to the components or to the main asset as well. Select the **Allow Posting to Main Assets** option to post to a main asset.

Use the **Allow FA Posting From** and **Allow FA Posting To** fields if you want to restrict posting to the fixed assets from a certain date, to a certain date, or in a specific time interval, for example, to restrict posting to the fixed assets within the current year or any previous period. If you leave these fields empty, no time restriction is applied to posting to the fixed assets.

If your configuration includes insurance facilities, enter a code in the **Insurance Depr. Book** field to enable posting of insurance coverage ledger entries.

If the **Automatic Insurance Posting** field is selected, the program allows for the acquisition costs posted to fixed assets to automatically post to the insurance coverage ledger.

For more information about insurance of fixed assets, refer to the "Fixed Asset Insurance" module.

Numbering FastTab

The **Numbering** FastTab has two fields:

- **Fixed Assets Nos.**
- **Insurance Nos.**

Use both these fields to assign number series to fixed assets and the insurance policies that cover them.

To see the number series that are set up in the field, select the field.

Fixed Assets Posting Groups

You must set up fixed assets posting groups to relate the fixed asset transactions to the correct G/L accounts.

The fixed assets posting groups are set up on the **FA Posting Group** page.

To open the **FA Posting Groups** page, in the navigation pane, click **Departments > Financial Management > Administration > FA Posting Groups**.

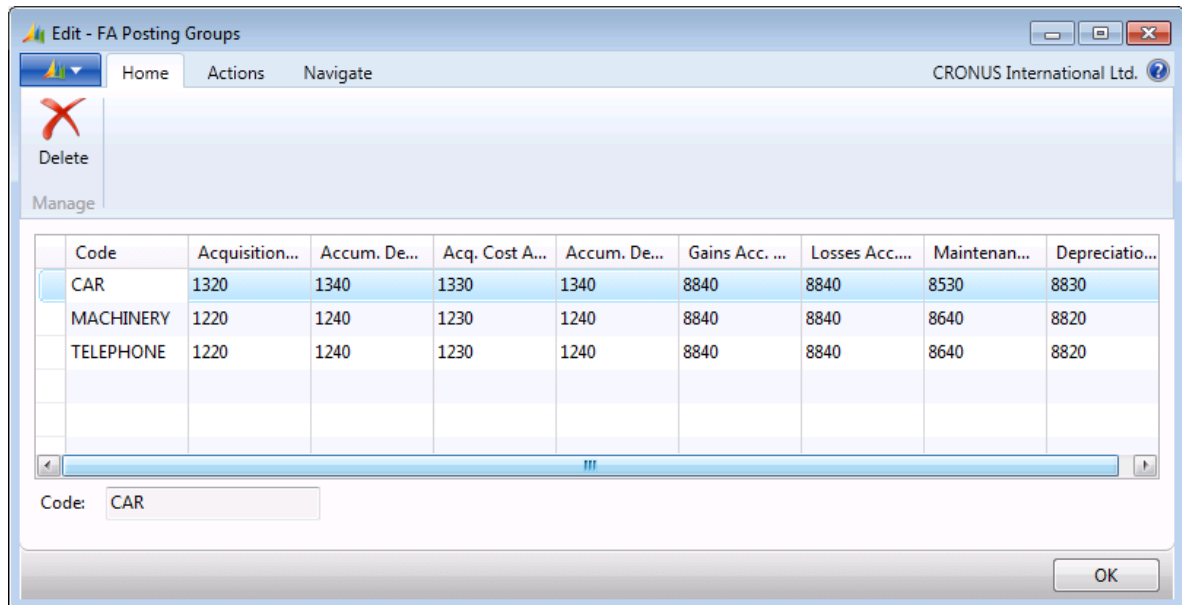


FIGURE 1.3: FA POSTING GROUPS

Select the accounts to which transactions are posted for fixed assets. You must select the following G/L accounts for different types of expenses and costs:

- Acquisition costs
- Accumulated depreciation amounts
- Acquisition costs on disposal
- Accumulated depreciation on disposal
- Gains on disposal
- Losses on disposal
- Maintenance expenses
- Depreciation expenses

Demonstration: Set Up a New FA Posting Group

The accounting manager has decided to start a new posting group in order to post the transactions involving the IT equipment. It was decided not to allocate any FA posting types and to start with specifying the accounts to post to.

Set up a new posting group, IT-EQUIP, for IT-equipment.

- Use the same G/L accounts as the MACHINERY posting group.
- Do not allocate depreciation expenses or other FA posting types.

Demonstration Steps

1. Open the **FA Posting Groups** window.
2. Set up an IT-EQUIP FA posting group by filling in the fields with the same G/L accounts as set up for the MACHINERY posting group.
To set up a new posting group, follow these steps.
 - a. In the navigation pane, click **Departments > Financial Management > Administration > FA Posting Groups**.
 - b. In the **FA Posting Groups** window, create a new line, filling in the fields as shown in the following table.

Field	Value
Code	IT-EQUIP
Acquisition Cost Account	1220
Accum. Depreciation Account	1240
Acq. Cost Acc. on Disposal	1230
Accum. Depr. Acc. on Disposal	1240
Gains Acc. on Disposal	8840
Losses Acc. on Disposal	8840
Maintenance Expense Account	8640

Field	Value
Depreciation Expense Acc.	8820

c. Click **OK**.

Depreciation Books

Fixed assets must have a depreciation book to record depreciations to the fixed assets.

Set up depreciation books on the depreciation book card.

To open the list of depreciation books in the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**. In the **Depreciation Book List** window, select the COMPANY depreciation book and then click **Edit**.

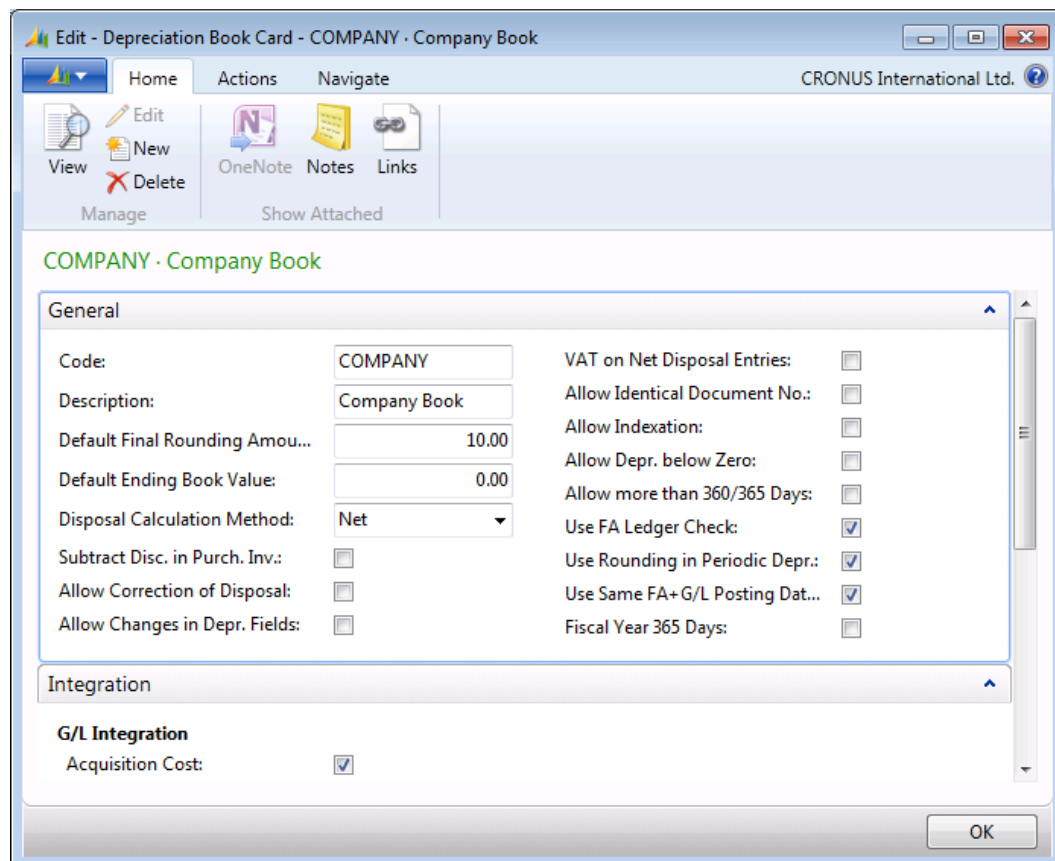


FIGURE 1.4: DEPRECIATION BOOK CARD – GENERAL FASTTAB

Fixed Assets in Microsoft Dynamics® NAV 2013

With Microsoft Dynamics NAV 2013, you can set up multiple depreciation books to accommodate your business needs (such as tax and financial statements).

After you have set up depreciation books, you can attach one or more depreciation books to an asset, and then set up additional information in the **FA Depreciation Books** window. For each depreciation book, you must define the terms and conditions, such as integration with general ledger. (If a depreciation book is integrated with the general ledger, all transactions posted to that depreciation book are also posted to specific general ledger accounts.)

General FastTab

The **General** FastTab contains the basic setup fields for the depreciation books.

Field	Description
Code	This field contains the code of the depreciation book that identifies it in the program.
Description	This field contains the description of the depreciation book.
Default Final Rounding Amount	This field contains the final rounding amount to use if the Final Rounding Amount field in the FA Depreciation Books window is empty. If the remaining book value after the last calculated depreciation is less than the amount in this field, the remaining value is added to the last depreciation. This makes sure that the fixed asset is fully depreciated over its depreciable lifetime.
Default Ending Book Value	<p>This field specifies the ending book value to use if the Ending Book Value field in the FA Depreciation Books window is empty. This feature prevents the asset from being fully depreciated.</p> <p>The ending book amount is subtracted from the last depreciation to prevent a book value of zero. If the book value is greater than zero after the last depreciation, for example, because of a rounding problem or because a salvage value exists, the ending book value is ignored.</p>

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Field	Description
Disposal Calculation Method	<p>This field defines the method of disposal calculation. Select the field to select one of the following two methods:</p> <ul style="list-style-type: none"> • Net: The program calculates the profit or loss and then posts this amount to the gains on disposal account or the losses on disposal account. • Gross: The profit or loss is not posted to a single amount. Profit or loss is the difference between the opposite entries to the sales account on disposal (credit) or book value on disposal (debit).
Subtract Disc. in Purch. Inv.	<p>When this check box is selected, the line and invoice discounts are subtracted from the acquisition cost posted for the fixed asset. The line and invoice discounts are posted to the account contained in the Purch. FA Disc. Account field in the General Posting Setup window.</p>
Allow Correction of Disposal	<p>Select this check box if you want to correct fixed ledger entries of the type Disposal or cancel entries connected with disposal.</p>
Allow Changes in Depr. Fields	<p>When this check box is selected, the depreciation fields in the FA Depreciation Books window can be changed after you have posted entries.</p>
VAT on Net Disposal Entries	<p>Select this check box when you sell a fixed asset with the net disposal method. In this case, the VAT fields in the general ledger entries will be filled in.</p>
Allow Identical Document No.	<p>Select this check box if you want to allow identical document numbers in the depreciation book.</p>

Fixed Assets in Microsoft Dynamics® NAV 2013

Field	Description
Allow Indexation	Select this check box if you want to allow indexation of FA ledger entries and maintenance ledger entries that are posted to this depreciation book. Afterward, the Index Fixed Assets batch job indexes the fixed assets, which are linked to a specific depreciation book. The batch job creates entries in a journal based on the conditions that you specify. You can then post the journal or adjust the entries before posting, if it is necessary.
Allow Depr. below Zero	When this check box is selected, the program continues to calculate periodic depreciation when the Calculate Depreciation batch job is running even if the book value of the fixed asset is zero or negative.
Allow more than 360/365 Days	When this check box is selected, the fiscal year can have more than 360 depreciation days. If you do not select this check box and the fiscal year has more than 360 days, the program displays an error message.

Module 1: Fixed Assets Setup

Field	Description
Use FA Ledger Check	<p>When this check box is selected, the program performs the following checks before posting a journal line:</p> <ul style="list-style-type: none"> • Acquisition cost is the first entry (when the FA posting date is used). • Acquisition cost is entered as debit (when the FA posting date is used). • Disposal, if any, is the last entry. • Book value has a debit balance unless the Allow Depr. Below Zero check box is selected on the depreciation book card. • Accumulated depreciation, salvage value, and accumulated sales price are all credit balances. • Write-down, Appreciation, Custom 1, and Custom 2 entries match the setting in the Sign field in the FA Posting Type Setup window. <p>If you clear this check box, the program performs only the first two checks :</p> <ul style="list-style-type: none"> • Acquisition cost is the first entry (when the FA posting date is used). • Acquisition cost is entered as debit (when the FA posting date is used).
Use Rounding in Periodic Depr.	When this check box is selected, the program rounds depreciations to whole numbers.
Use Same FA+G/L Posting Dates	When this check box is selected, the posting date and FA posting must be the same on a journal line before posting. If you do not select this check box, you must enter both dates separately.
Fiscal Year 365 Days	If you select this check box, the Calculate Depreciation batch job uses the calendar year of 365 days instead of the standardized year of 360 days.



Note: In the **Depreciation Book** table, there is a **Periodic Depr. Date Calc.** field. You can use this field to define how the program calculates the number of depreciation days. Select the **Last Entry** option to have the program calculate the number of depreciation days as of the date of the last FA ledger entry. Select the **Last Depr. Entry** option to have the program calculate the number of depreciation days as of the date of the last depreciation FA ledger entry (the last entry with the Depreciation posting type).

If you select the **Last Depr. Entry** option, you can only use **Straight-line** as the depreciation method for **FA Depreciation Books**.

Be aware that you cannot access this field from a RoleTailored client. To change the value in this field, you have to run the **Depreciation Book** table from the Object Designer in Microsoft Dynamics NAV Development Environment.

Integration FastTab

The **Integration** FastTab specifies entries to integrate with the general ledger.

For each depreciation book, you can define what kind of transactions or posting types that you want to be integrated with or posted to the general ledger. You can also choose to integrate the different kinds of FA postings to G/L per depreciation book, because Microsoft Dynamics NAV 2013 lets you select which specific posting that you want to be integrated in a depreciation book. The company makes its own decision about how to set up depreciation books and whether using multiple depreciation books is suitable for the business.

However, we recommend that you have each FA posting integrated with G/L one time only, either in a single depreciation book or split between multiple depreciation books, for example, when one depreciation book is integrated with the general ledger and uses the FA G/L journal, and other depreciation books are not integrated with the general ledger and use the FA journal.

Select the fields of the relevant posting type or types of FA transactions that should integrate with the general ledger.

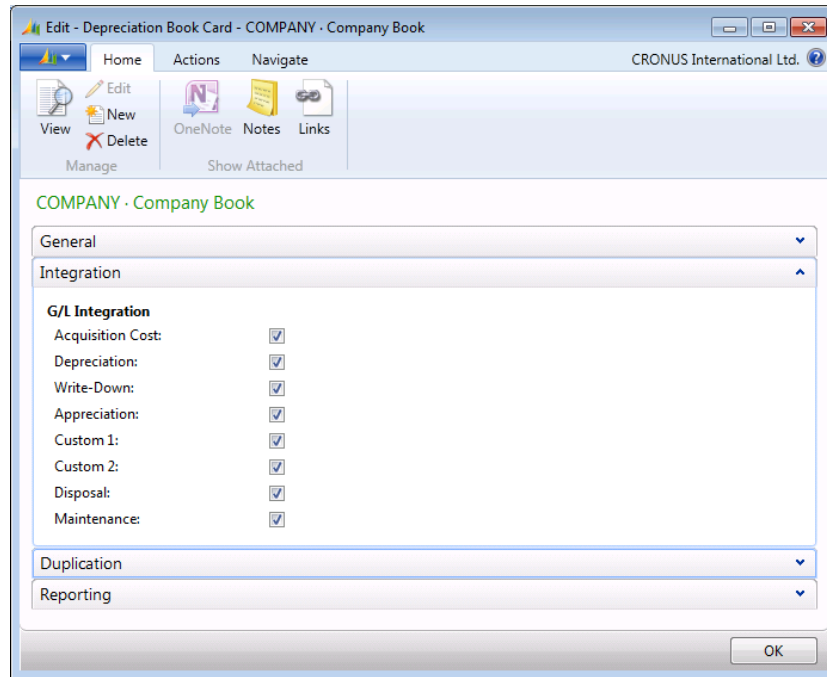


FIGURE 1.5: DEPRECIATION BOOK CARD - INTEGRATION FASTTAB

If G/L integration is set, the specified transactions are posted by the FA G/L journal. If G/L integration is not set, the fixed asset transactions are posted by the FA journal.

Duplication FastTab

Use the **Duplication** FastTab to indicate duplicate entries in other depreciation books.

Duplication is useful when a company uses multiple depreciation books. When duplication is set up, Microsoft Dynamics NAV 2013 creates the same entries for all the books. This reduces data entry time.

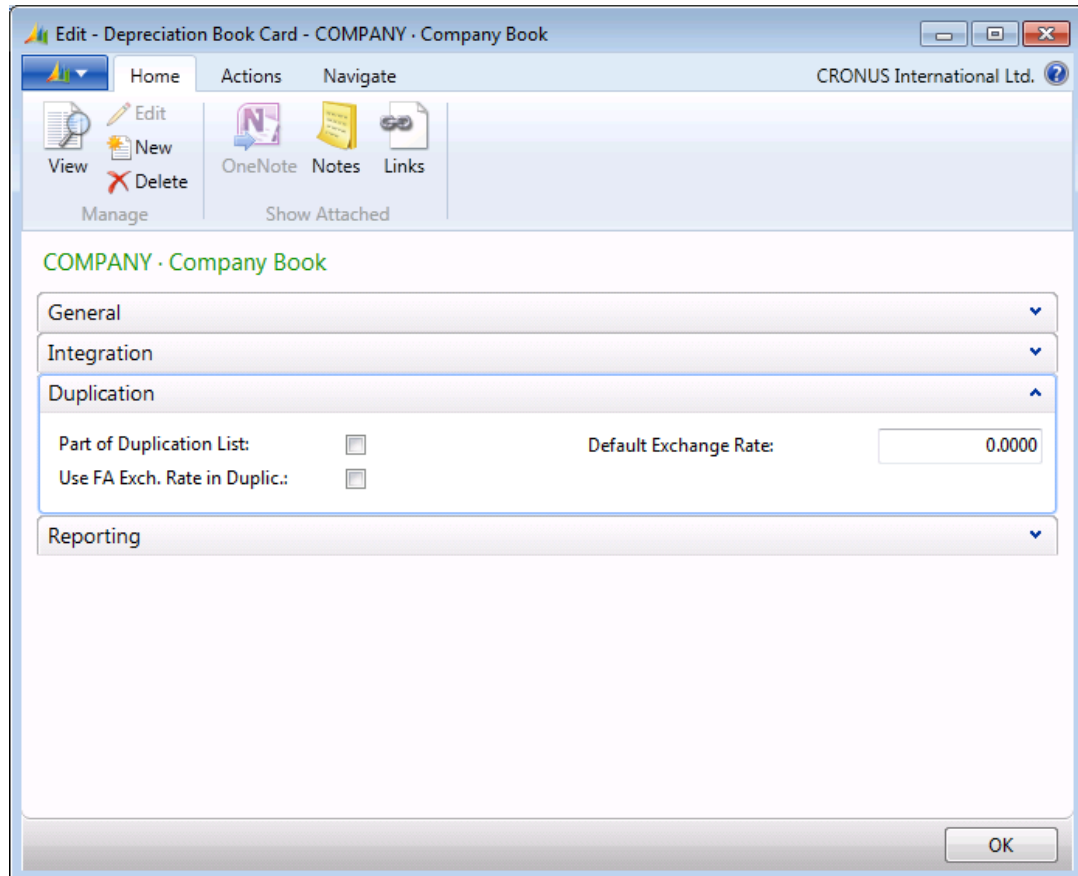


FIGURE 1.6: DEPRECIATION BOOK CARD - DUPLICATION FASTTAB

The **Duplication** FastTab contains the fields described in the following table.

Field	Description
Part of Duplication List	When this check box is selected, the depreciation book is a part of the duplication list.
Use FA Exch. Rate in Duplic.	When this check box is selected, the exchange rate from the FA Exchange Rate field in the FA Depreciation Books window is used when you duplicate entries from one journal to another.
Default Exchange Rate	In this field, you can specify the default exchange rate if the FA Exchange Rate field in the FA Depreciation Books window is empty.

Reporting FastTab

On the **Reporting** FastTab, you can set up whether an additional foreign currency rate is enabled for the transactions posted to this depreciation book.

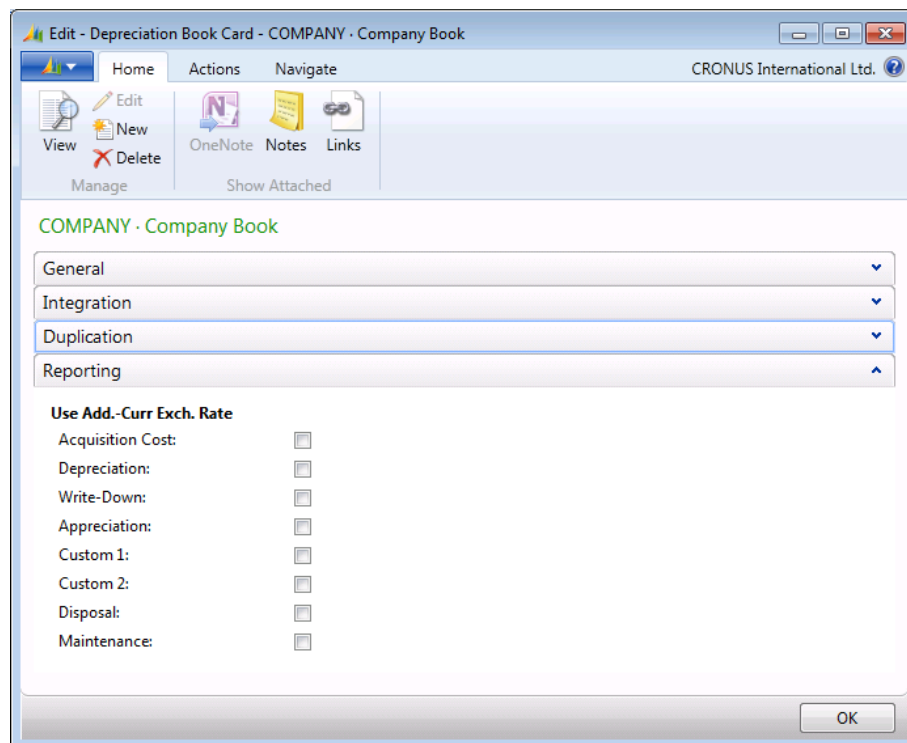


FIGURE 1.7: DEPRECIATION BOOK CARD - REPORTING FASTTAB



Note: You do not have to select these options if, in the general ledger, you already use an additional reporting currency that has a fixed exchange rate, such as EUR. All entries from the FA module calculate in the correct additional currency in the associated general ledger entries.

FA Posting Type Setup

Set up the FA posting types to define how Microsoft Dynamics NAV 2013 manages the Write-down, Appreciation, Custom 1, and Custom 2 posting types that are used when you post to fixed assets.

Write-down is used to write down an asset when its value has decreased. An example is a machine that is damaged but can still be used. The book value of a fixed asset is reduced by posting a write-down entry.

Appreciation is an increase in the value of a fixed asset, typically land and buildings. It can also be used for a fixed asset such as an oil platform, for which value increases because of an increase in demand for the item.

For each depreciation book, you can set up how you want to handle various FA transactions for each FA posting type. For example, you can configure whether the posting should be a debit or credit and whether the posting types should be included in the depreciable basis or if it should be part of a gain or loss calculation.

When you create a depreciation book, Microsoft Dynamics NAV 2013 automatically creates a default setup of four lines (one for each FA posting type) in the window. You cannot add or delete lines on this page. However, the existing lines can be changed if it is necessary.



Note: We strongly recommend that you do not change the setup for depreciation books for which entries have already been posted. Changes do not affect the entries that are already posted, making the depreciation book statistics misleading.

Module 1: Fixed Assets Setup

To open the **FA Posting Type Setup** page, in the **Depreciation Book Card** window, click the **Navigate** FastTab, and then click **FA Posting Type Setup**.

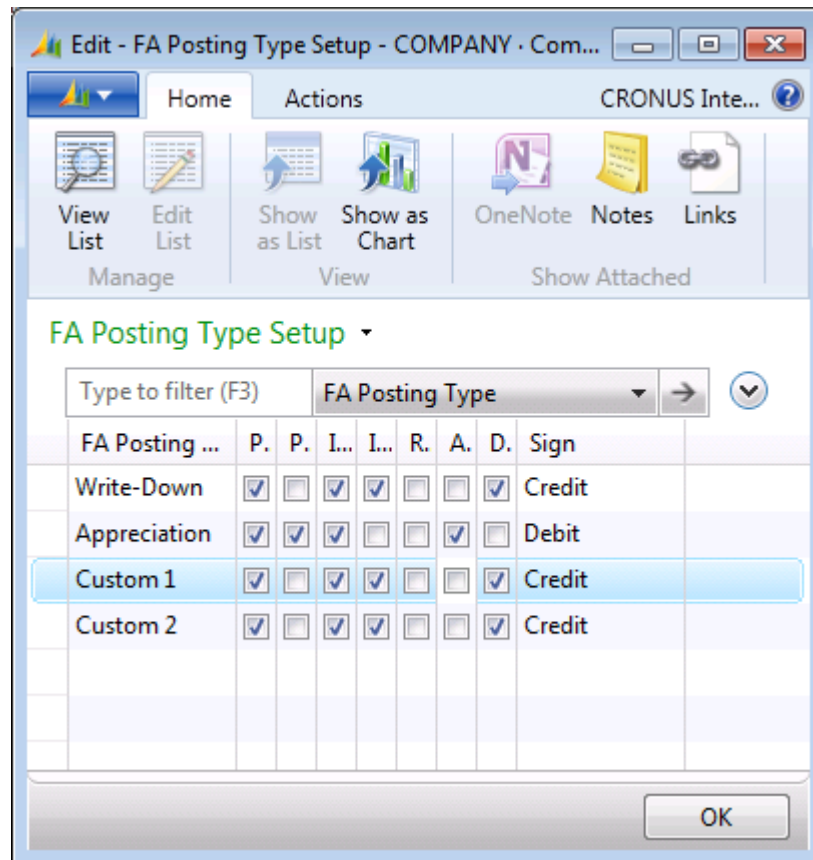


FIGURE 1.8: FA POSTING TYPE SETUP

Fixed Assets in Microsoft Dynamics® NAV 2013

The **FA Posting Type Setup** window contains the fields for each FA posting type described in the following table.

Field	Description
<p>Part of a Book Value</p>	<p>Select this field to specify that entries posted with the type in the FA Posting Type field will be part of the book value.</p> <p>Microsoft Dynamics NAV 2013 is set up so that typically:</p> <p><i>Book Value = (Acquisition-Cost Entries plus Appreciation Entries) minus (Write-down Entries plus Depreciation Entries plus Custom-1 Entries plus Custom-2 Entries)</i></p> <p>The book value is calculated in the Book Value field in the FA Depreciation Books window.</p>
<p>Part of Depreciable Basis</p>	<p>Select this field to specify that entries posted with the type specified in the FA Posting Type field will be part of the depreciable basis.</p> <p>Microsoft Dynamics NAV 2013 is set up so that typically:</p> <p><i>Depreciable Basis = (Acquisition Cost plus Appreciation) minus (Write-downs plus Salvage Value)</i></p> <p>The depreciable basis is calculated in the Depreciable Basis field in the FA Depreciation Books window.</p>
<p>Include in Depr. Calculation</p>	<p>Select this field to specify that entries posted with the type specified in the FA Posting Type field must be included in periodic depreciation calculations.</p>
<p>Include in Gain/Loss Calc.</p>	<p>Select this field to specify that entries posted with the type specified in the FA Posting Type field must be included in the calculation of gain or loss for a sold asset. The gain or loss is calculated in the Gain/Loss field in the FA Depreciation Books window.</p>

Module 1: Fixed Assets Setup

Field	Description
Reverse before Disposal	Select this field to specify that entries posted with the type specified in the FA Posting Type field must be reversed (that is, set to zero) before disposal.
Acquisition Type	Select this field to specify that entries posted with the type specified in the FA Posting Type field must be part of the total acquisition for the fixed asset in the Fixed Asset - Book Value 01 report.
Depreciation Type	<p>Select this field to specify that entries posted with the type specified in the FA Posting Type field must be regarded as part of the total depreciation for the fixed asset. Usually Depreciation, Write-Down, and Custom 1 are regarded as depreciation types.</p> <p>The depreciation type is relevant in the following ways:</p> <ul style="list-style-type: none"> • For calculating the depreciable basis when the Depreciation Method is Declining-balance 1. <p>In this case the depreciable basis is calculated as <i>Book value minus total depreciation for the current fiscal year</i>.</p> <p>The depreciation amount is calculated as <i>Depreciable basis * declining balance % / 100 * depreciation days / days in the fiscal year</i>.</p> <ul style="list-style-type: none"> • When the total depreciation amount is calculated in the Fixed Asset - Book Value 01 report.

Field	Description
Sign	Select this field to specify whether the type in the FA Posting Type field (Write-down, Appreciation, Custom 1, or Custom 2) on this line should be a debit or a credit. Select the field and select one of the options Blank , Debit , and Credit . When posting elsewhere, Microsoft Dynamics NAV 2013 checks that the amount to be posted to the FA posting type is entered correctly, as either a debit or credit, according to what you have defined in this field. Value Blank means that no check is performed.



Note: For detailed information on how to fill in the fields in the **FA Posting Type Setup** window, refer to the contextual online Help within Microsoft Dynamics NAV 2013 by clicking **F1** in the respective field.

FA Journal Setup

The **FA Journal Setup** page specifies the default setup of the FA general ledger journal, the FA journal, and the insurance journal templates and batches that you can use in Microsoft Dynamics NAV 2013 when you have to duplicate lines from one depreciation book to another, create journal lines by running a batch job such as the **Calculate Depreciation** or **Index Fixed Assets** batch jobs, and duplicate acquisition-cost entries in the insurance journal.

To open the **FA Journal Setup** page, in the **Depreciation Book Card** window, click the **Navigate** FastTab, and then click **FA Journal Setup**.

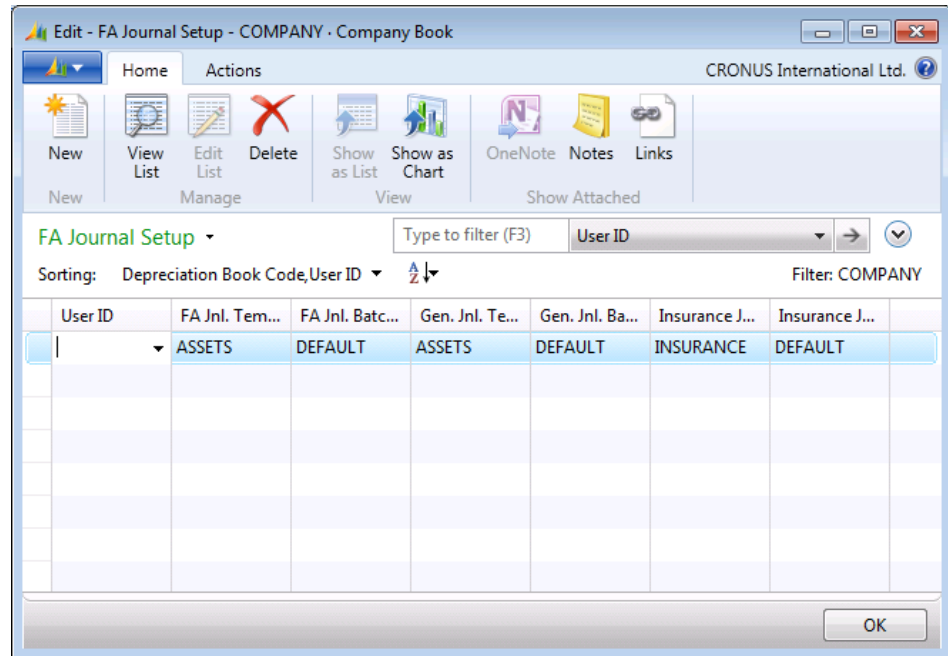


FIGURE 1.9: FA JOURNAL SETUP

Depreciation Book Card Batch Jobs

On the depreciation book card, you can run the following four batch jobs:

- **Create FA Depreciation Books** – automatically creates the necessary depreciation for one or more fixed assets. You can create empty fixed asset depreciation books, for example, for all fixed assets, when you set up a new depreciation book. You can also use an existing fixed asset depreciation book as the basis for a new book.
- **Copy Depreciation Book** – copies entries as a batch job from one depreciation book to another. The entries are not posted to the new depreciation book—they are inserted as lines either in the FA G/L journal or in a FA journal, depending on whether the new depreciation book has activated G/L integration.
- **Cancel FA Ledger Entries** – cancels an incorrect depreciation entry if you posted incorrect fixed asset transactions. Later, you can post the correct amount of depreciation by running the Calculate Depreciation batch job again. You can also find this batch job in the **FA Ledger Entry** and the **FA Register** windows. Canceling incorrect FA ledger entries makes sure that the fixed asset amounts are shown correctly in statistics windows and reports.

- **Copy FA Entries to G/L Budget** – copies entries as a batch job from the Fixed Assets to budget entries. If more information has to be included, you can select the additional fields that you want to include in the batch job on the **Options** tab or **Fixed Asset** tab.

To access the batch jobs, open the **Actions** FastTab in the **Depreciation Book Card** window, and then in the ribbon, in the **Functions** group, select the relevant batch job.

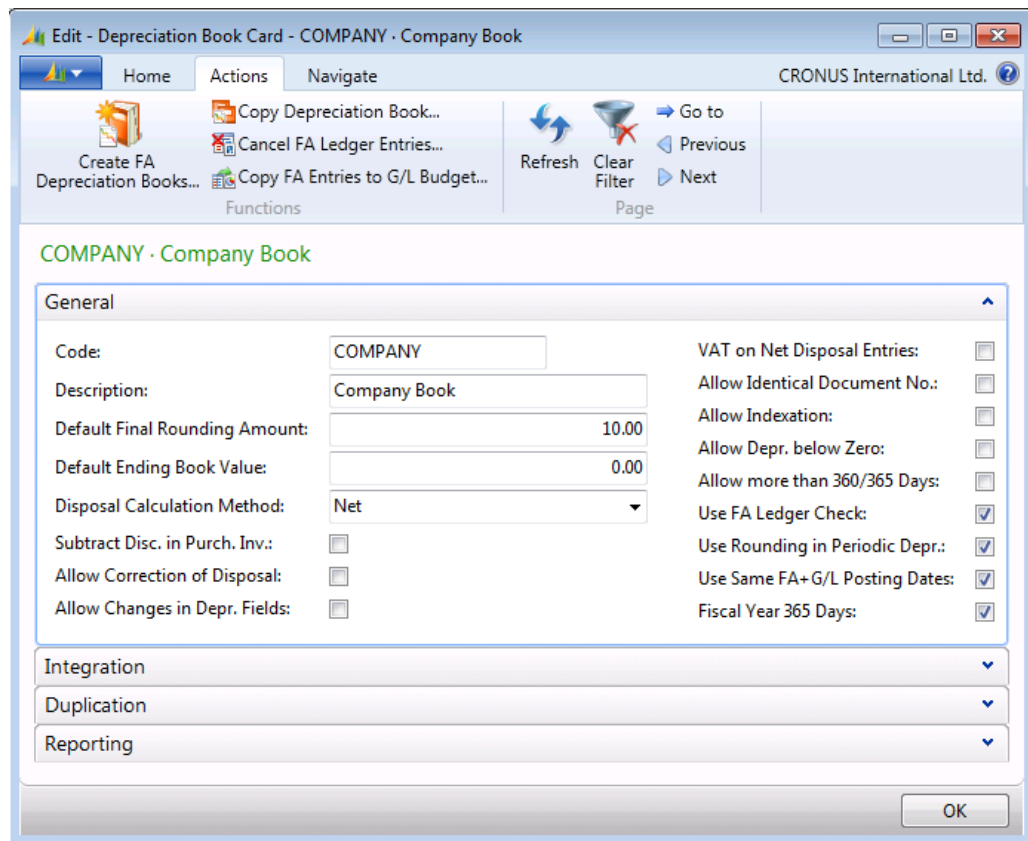


FIGURE 1.10: DEPRECIATION BOOK CARD BATCH JOBS

Demonstration: Create a Depreciation Book

The accounting manager has decided to use several depreciation books in order to use different depreciation methods and post some transactions for financial statements and some for income tax. The TAX depreciation book must be set up without G/L integration, because the accounting manager does not want to post all depreciation transactions to the corresponding G/L accounts. It is also decided that entries can be made in another depreciation book and should be duplicated to the TAX depreciation book.

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Set up a new depreciation book, and name it TAX. This book has the following parameters:

- No general ledger integration is necessary.
- The depreciation book must be a part of the duplication list.

FA Journal Setup must be complete in order to continue with this demonstration.

Demonstration Steps

To create a new depreciation book, follow these steps:

1. To open the list of depreciation books, in the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**.
2. In the **Depreciation Book List** window, click **New**.
3. In the **Code** field, type "TAX".
4. In the **Description** field, type "Tax book".
5. Fill in the other fields on the **General** FastTab as shown in the following table.

Field	Value
Default Final Rounding Amount	5
Default Ending Book Value	0
Disposal Calculation Method	Gross
Subtract Disc. in Purch. Inv.	No
Allow Changes in Depr. Fields	No
Allow Depr. below Zero	No
Allow Indexation	No
Use FA Ledger Check	Yes
Use Rounding in Periodic Depr.	Yes
Use Same FA+GL Posting Dates	Yes

6. On the **Duplication** FastTab, select the **Part of Duplication List** check box.
7. Click the **Navigate** FastTab, and then click **FA Journal Setup**.

- Fill in the fields in the line as shown in the figure Edit – FA Journal Setup – TAX Book.

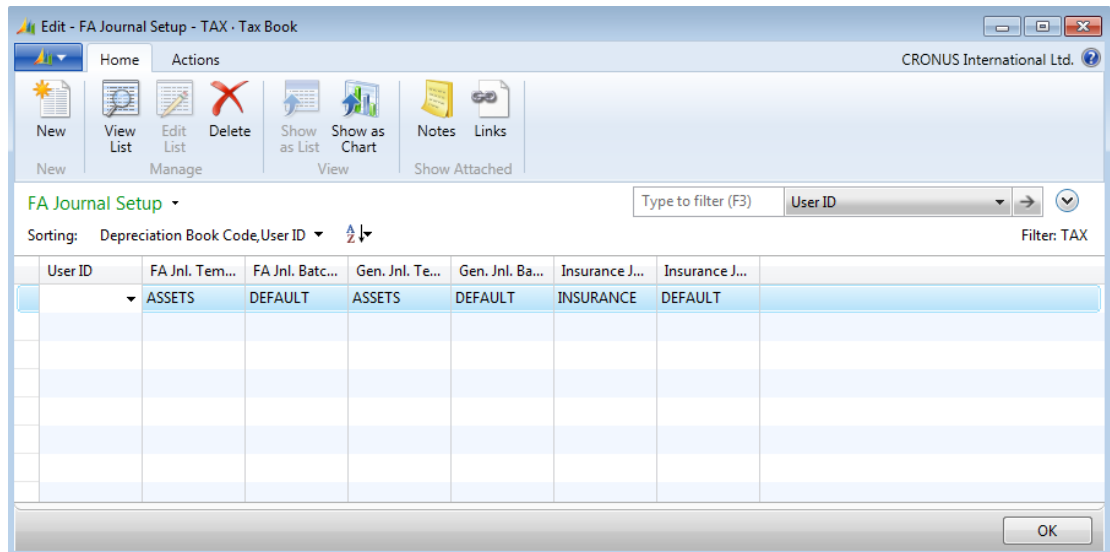


FIGURE 1.11: EDIT – FA JOURNAL SETUP – TAX BOOK

- In the **FA Jnl. Template Name** field type "ASSETS".
- In the **FA Jnl. Batch Name** field type "DEFAULT".
- In the **Gen. Jnl. Template Name** field type "ASSETS".
- In the **Gen. Jnl. Batch Name** type "DEFAULT".
- In the **Insurance. Jnl. Template Name** field type "INSURANCE".
- In the **Insurance. Jnl. Batch Name** field type "DEFAULT".
- Click **OK** to finish **FA Journal Setup** for the TAX Book.
- Click **OK** to close the **New - Depreciation Book Card-TAX.Tax** book window.
- Click **Close** to close the **View - Depreciation Book List** window.

FA Journal Templates

You can use FA journal templates to define layout for fixed asset journals. On journal templates, you can assign trace codes, reports, and number series.

There are four journal templates for fixed assets:

- FA G/L Journal
- FA Journal
- FA Reclass. Journal
- Insurance Journal

To open the **FA Journal Templates** window, in the navigation pane, click **Departments > Financial Management > Fixed Assets > FA Journal Templates**.

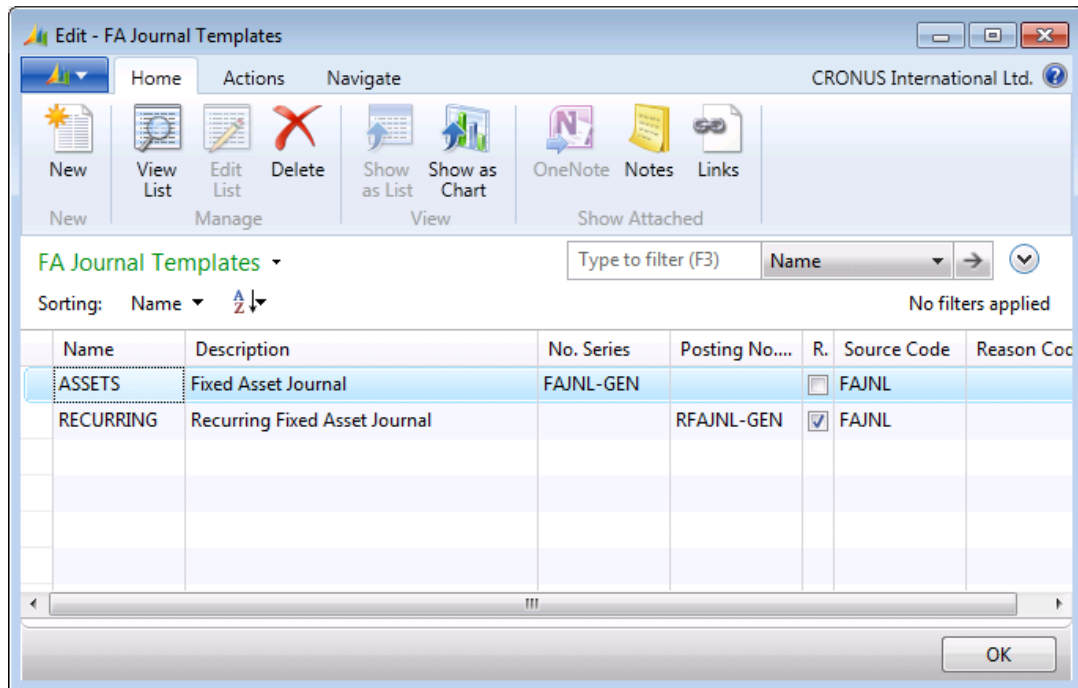


FIGURE 1.12: FA JOURNAL TEMPLATES

The FA journal templates resemble other journal templates in Microsoft Dynamics NAV 2013. You can also set up recurring journals for fixed assets.

You can define particular batches for a journal by clicking the **Navigate** FastTab in the **FA Journal Templates** window, and then, in the **Template** group, clicking **Batches**.

Fixed Asset Card

Each fixed asset has a fixed asset card, which contains all the information about the asset.

To open a fixed asset card, in the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.

The list of all the existing fixed assets appears. Click **New** to set up a new fixed asset.

Fixed Assets in Microsoft Dynamics® NAV 2013

You can open the existing Fixed Asset Card by selecting the line to click **View** or **Edit**.

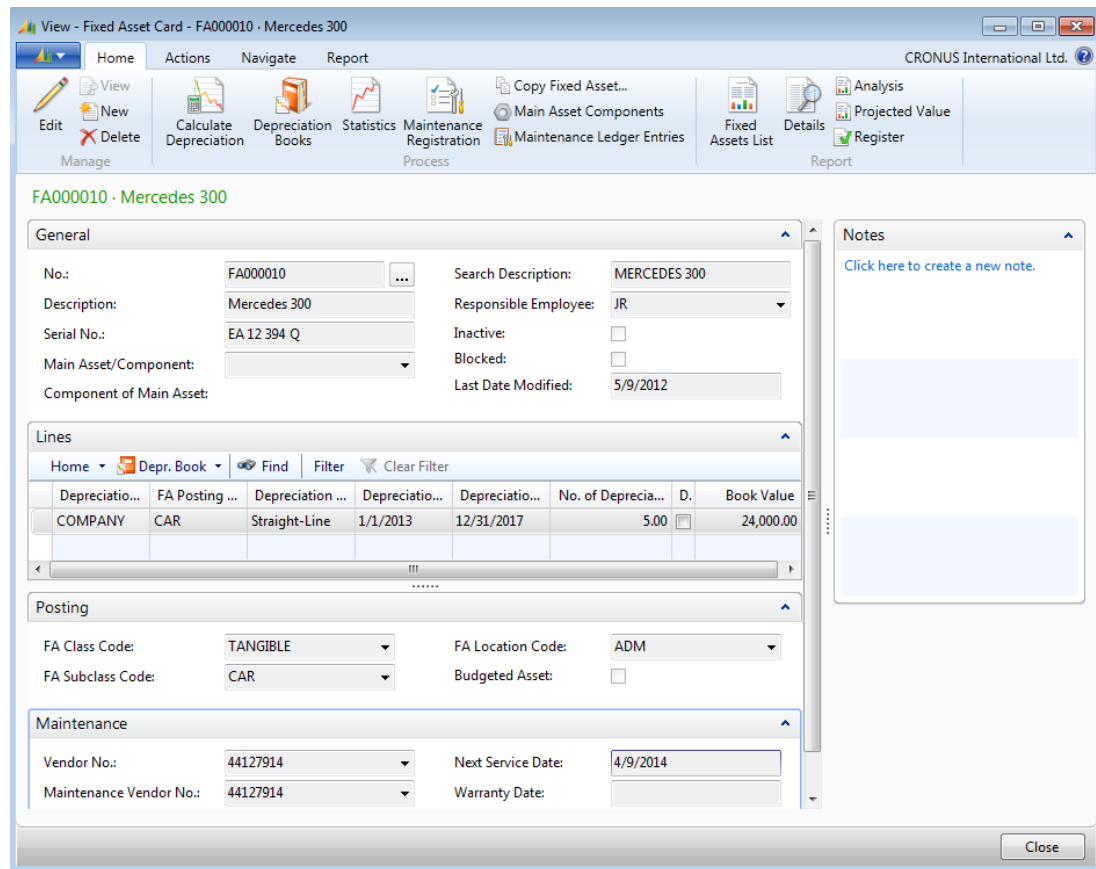


FIGURE 1.13: FIXED ASSET CARD

General FastTab

The **General** FastTab contains the basic setup fields for the fixed asset card.

Field	Description
No.	This is a code field. You can enter the number manually or link to the number series, and the program will automatically update the number.
Description	Type a description of the asset.
Serial No.	Enter the serial number in this field if the asset already has a serial number.
Main Asset/Component	Select the field to specify whether this asset is a main asset or a component of a main asset.

Field	Description
Component of Main Asset	This field specifies the number of the main asset if the fixed asset is a component of a main asset and if the value Component is selected in the field Main Asset/Component . The field is filled in automatically when you fill in the Main Asset/Component field.
Search Description	Enter a search name for the asset.
Responsible Employee	Enter the code of the person responsible for the asset.
Inactive	Select this check box to make the fixed asset inactive. You cannot post to an inactive fixed asset. Inactive assets are not included in batch jobs or reports. Making a fixed asset inactive may be necessary, for example, when the fixed asset is obsolete or no longer in service.
Blocked	Select this check box to block posting to this fixed asset. The blocked fixed asset is not included in batch job functions creating journal lines.
Last Date Modified	The program automatically enters the system date in this field when you make changes on the fixed asset card. This tells the user when the last entry was posted.

Lines FastTab

On the **Lines** FastTab, you can select the following information about the fixed asset:

- Depreciation book code.
- FA posting group.
- Depreciation methods.
- Depreciation starting date.

- Depreciation ending date.
- Number of depreciation years.
- Whether the fixed asset is disposed of.
- Book value.

Posting FastTab

The **Posting** FastTab classifies the assets as financial, intangible, and tangible assets, and then classifies them into subclasses. These classifications are mainly used for grouping in reports.

Field	Description
FA Class Code	Select the code that categorizes the fixed asset class. Class codes are used to group fixed assets, for example, tangible and intangible assets. Click the field, and then select a code.
FA Subclass Code	Select a subclass code for the fixed asset. Subclass codes are used to make subgroups for fixed assets, for example, cars and machinery. Click the field, and then select a code.
FA Location Code	Set the location for each asset. Click the field, and then select a code.
Budgeted Asset	Select this check box if you want to use the asset as a budgeted asset (this makes it possible to include any anticipated acquisitions and sales in reports). This option must be selected before you post the first entry.

Maintenance FastTab

Use the **Maintenance** FastTab to keep information on the maintenance of the asset.

Field	Description
Vendor No.	Select the number of the vendor who sold the asset.
Maintenance Vendor No.	Select the number of the vendor who performs the maintenance for the asset.
Under Maintenance	Select this check box if the asset is currently under maintenance.

Field	Description
Next Service Date	Select the next scheduled service date. Click the field to enter a date.
Warranty Date	Specify the warranty expiration date of the fixed asset. Click the field to enter a date.
Insured	This field indicates whether the asset is linked to an insurance policy. This field is filled in automatically.

Additional Details about the Fixed Asset

In addition to the information that you specify on the fixed asset card, you can attach a picture to the fixed asset and enter comments about the fixed asset.

To add a picture, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets**.
2. In the Fixed Assets window select a fixed asset from the list, click the **Navigate** FastTab, and, in the **Fixed Asset** group, click **Picture**.
3. Right-click the **Picture** field and then click **Select Picture**. The picture file must be in .bmp format.

To add a comment, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets**.
2. In the **Fixed Asset** window, select a fixed asset from the list, click the **Navigate** FastTab, and, in the **Fixed Asset** group, click **Comments**.
3. Type your comments in the **Comments Sheet** window that appears.



Note: The **Fixed Asset** table contains, among other fields, a field named **FA Posting Group**. This field is temporarily filled on running reports. It has no effect on postings or transactions.

The **FA Depreciation Book** table also contains a field named **FA Posting Group**. This field is used for postings and transactions.

FA Depreciation Books

To select information about fixed asset depreciation in the **FA Depreciation Book** page that can be accessed from the Action Pane of the fixed asset card, click **Depreciation Books** on the **Home** tab. The **FA Depreciation Book** page can be also accessed from the **Lines** FastTab.

Before you set up the depreciation method for an asset, make sure that the necessary depreciation books and FA posting groups are set up.

To open the **FA Depreciation Books** window where detailed information about depreciation books is displayed, click **Depreciation Books** on the **Home** tab of the fixed asset card.

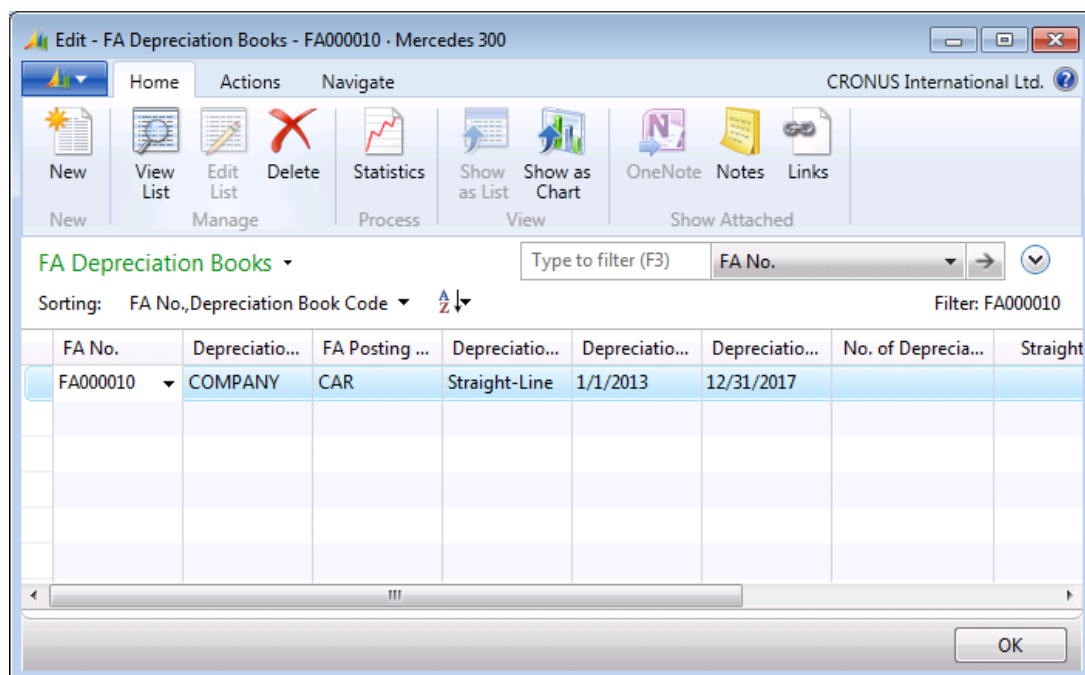


FIGURE 1.14: FA DEPRECIATION BOOKS

Note: You can use different depreciation methods for fixed assets and several depreciation methods for each asset. To have more than one depreciation method for a specific asset, you must set up multiple FA depreciation books for that asset. If you depreciate assets, each asset must have at least one depreciation book assigned to it.

Module 1: Fixed Assets Setup

The **FA Depreciation Books** window includes the fields described in the following table.

Field	Description
FA No.	This field specifies the fixed asset for which you are setting up a depreciation book.
Depreciation Book Code	This field specifies the code of the depreciation book that is assigned to the fixed asset that you entered in the FA No. field.
FA Posting Group	This field specifies the FA posting group that is used when you post entries to the given depreciation book.
Depreciation Method	This field specifies the method of calculating depreciation for the given fixed asset.
Depreciation Starting Date	This is the date when the depreciation must start.
Depreciation Ending Date	This is the date when the depreciation must end.
No. of Depreciation Years	This field specifies the length of depreciation expressed in years.
No. of Depreciation Months	This field specifies the length of depreciation expressed in months. By default, this field is hidden.
Straight-Line %	This field specifies the percentage to use to depreciate the fixed asset by the Straight-line method but with a fixed yearly percentage. If you fill in this field, the No. of Depreciation Months , No. of Depreciation Years , and Depreciation Ending Date fields will be cleared.
Fixed Depr. Amount	Enter the amount to depreciate the fixed asset by a fixed yearly amount.
Declining-Balance %	Enter the percentage in this field to depreciate the fixed asset by the Straight-line method but also with a fixed yearly percentage.

Field	Description
Use Half-Year Convention	Select this check box to use six months of depreciation in the first fiscal year of the life of the asset, regardless of the asset's depreciation starting date. Be aware that the half-year convention is available only with the Straight-line, Declining-balance 1, and DB1/SL depreciation methods.
Use DB% First Fiscal Year	Select this check box to indicate that the depreciation methods DB1/SL and DB2/SL use the declining balance depreciation amount in the first fiscal year. Starting from the second fiscal year, the regular DB/SL calculation method is used.



Note: If a field is not displayed on the page, use the **Choose Columns** function to select which columns are displayed on the page.

Multiple Depreciation Books for a Single Asset

A common reason to set up multiple depreciation books is to accommodate different methods of depreciation for fixed assets. Frequently, businesses find that the way that they depreciate assets is not always best from a tax perspective.

To allow for depreciation in different ways, Microsoft Dynamics NAV 2013 lets you use more than one depreciation book, for example, one for internal financial statement preparation and another for income tax calculations.

On the **Lines** FastTab of the fixed asset card, you can assign a depreciation book as follows:

- In the **Depreciation Book Code** field, the depreciation book is assigned to the asset.
- In the **FA Posting Group** field, the posting group is assigned to the asset.

- In the **Depreciation Method** field, click the field to select one of the available methods of depreciation:
 - Straight-line
 - Declining-balance 1
 - Declining-balance 2
 - DB1/SL
 - DB2/SL
 - User-defined
 - Manual

Additionally, you can use a Half-Year Convention depreciation method which you set up differently from other depreciation methods. For information about this method, refer to the "Depreciation Method – Half-Year Convention" topic.

Depreciation Method – Straight-line

In the Straight-line depreciation method, the fixed asset depreciates by the same amount each year. The following information must be specified:

- A depreciation period (years or months) or a depreciation ending date. The program uses this formula to calculate the depreciation amount:

$$\text{Depreciation Amount} = (\text{Book value} - \text{Salvage Value}) * \text{Number of Depreciation Days} / \text{Remaining Depreciation Day}$$

The program calculates the remaining depreciation days as the number of depreciation days minus the number of days between the depreciation starting date and the last FA entry date. The book value may be reduced by posted Write-down, Appreciation, Custom 1, or Custom 2 amounts, depending on whether the **Part of Book Value** check box is selected in the **FA Posting Type Setup** window. If you use this calculation, the fixed asset is fully depreciated at the depreciation ending date.

- A fixed yearly percentage. The program uses this formula to calculate the depreciation amount:

$$\text{Depreciation Amount} = (\text{Straight line \%} * \text{Depreciable Basis} * \text{Number of Depreciation Days}) / (100 * 360)$$

- A fixed yearly amount. The program uses this formula to calculate the depreciation amount:

$$\text{Depreciation Amount} = (\text{Fixed Depreciation Amount} * \text{Number of Depreciation Days}) / 360$$

Depreciation Method – Declining-balance 1


The Declining-balance 1 method of depreciation is an accelerated method that allocates the largest part of the cost of an asset to the early years of its useful lifetime. To use this method, specify a fixed yearly percentage.

The program uses this formula for calculating depreciation amounts:

$$\text{Depreciation Amount} = (\text{Declining-Bal. \%} * \text{Number of Depreciation Days} * \text{Depr. Basis}) / (100 * 360)$$

The depreciable basis is calculated as the book value less the posted depreciation since the starting date of the current fiscal year.

When you use this method, the posted depreciation amount can contain entries with various posting types (Write-down, Custom 1, and Custom 2) posted since the starting date of the current fiscal year. These posting types are included in the posted depreciation amount if the **Depreciation Type** and **Part of Book Value** check boxes are selected in the **FA Posting Type Setup** window.

 **Note:** To calculate declining balance depreciation, it is very important to have the correct setup in accounting periods because the declining balance depreciation is based on the fiscal year end. Make sure that you have accounting periods set up already for future fiscal years.

Depreciation Method – Declining-balance 2

The Declining-balance 2 method of depreciation calculates the same total depreciation amount for each year as Declining-balance 1. However, if the **Calculate Depreciation** batch job is run one or more times a year, the Declining-balance 1 method results in equal depreciation amounts for each period. The Declining-balance 2 method, on the other hand, results in amounts that decline for each period.

Depreciation Method – DB1/SL

The DB1/SL method is a combination of Declining-balance 1 and Straight-line methods of depreciation. When you run the **Calculate Depreciation** batch job, the program calculates both a declining balance and a straight-line amount, and then uses the larger of the two amounts. When you select this method, enter data into both the **Number of Depreciation Years** and the **Declining Balance %** fields. The depreciation starts with the Declining-balance 1 method and ends with the Straight-line method.

Depreciation Method – DB2/SL

The DB2/SL depreciation method is a combination of Declining-balance 2 and Straight-line methods. This method is the same as the DB1/SL method, except that it calculates depreciation according to the rules of the Declining-balance 2 method instead of the Declining-balance 1 method.

Depreciation Method – User-defined

The User-defined depreciation method gives you the option to create a customized depreciation method by using the depreciation tables.

You can create depreciation tables in the **Depreciation Table List** window.

To open the **Depreciation Table List** window, in the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Tables**.

In the **Depreciation Table List** window, click **New** to open the **Depreciation Table Card** window where you can set up a depreciation method if it is necessary.

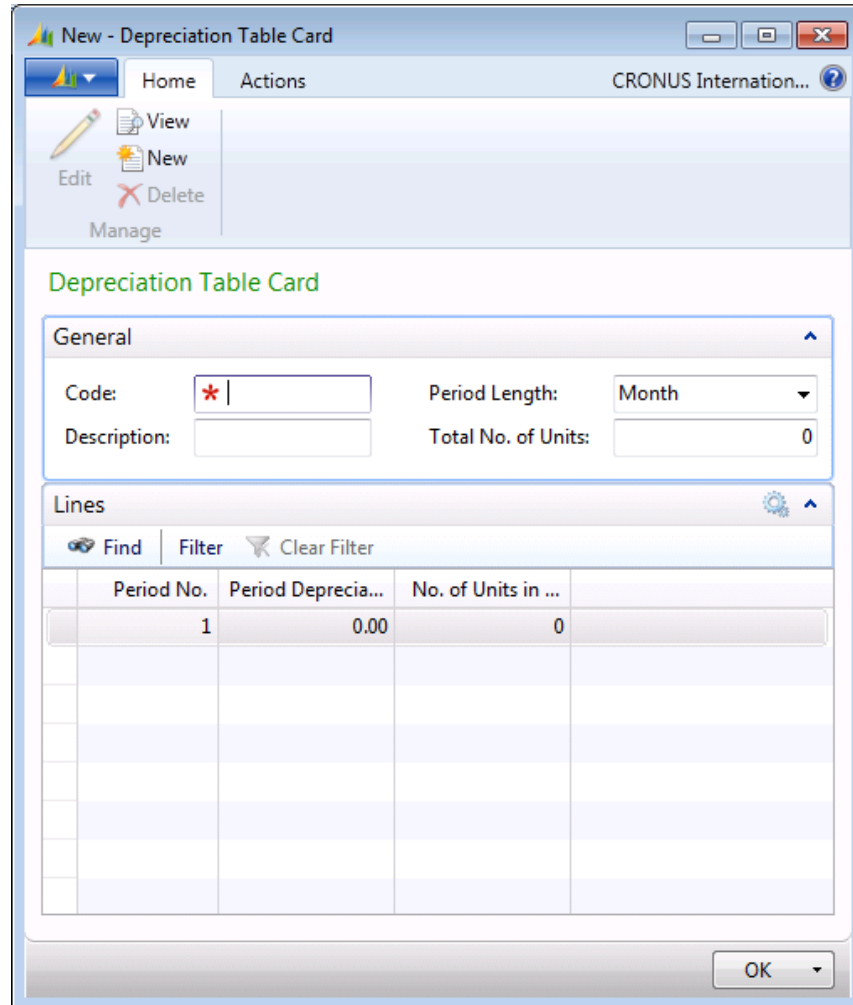


FIGURE 1.15: DEPRECIATION TABLE CARD

Note: User-defined depreciation methods may be necessary, for example, when a machine with an established lifetime capacity has a depreciation method to depreciate the machine based on the number of units it produces for each period. You can set up the table for the period length and the total number of units that the machine can produce.

Either use a percentage for allocation or specify the number of units. When using the **Period Depreciation %** field, the number of units is entered automatically.

The program uses the following formula for calculating the depreciation in user-defined methods:

$$\text{Depreciation Amount} = \text{Depreciation \%} * \text{Number of Depreciation Days} * \text{Depreciation Basis}$$

Depreciation Method – Manual Method

The Manual method of depreciation requires you to manually enter the depreciation expense in either the FA G/L journal or the FA journal. The **Calculate Depreciation** batch job does not calculate depreciation for any assets for which you have selected the Manual depreciation method. You can use this method for assets that are not subject to depreciation, such as land.

Depreciation Method – Half-Year Convention

When you apply the Half-Year Convention method of depreciation, a fixed asset has six months depreciation in the fiscal year regardless of the value in the **Depreciation Starting Date** field. If you want to apply this method, select the **Use Half-Year Convention** check box in the FA depreciation book.

This depreciation method can be used with the following depreciation methods:

- Straight-line
- Declining-balance 1
- DB1/SL

Demonstration: Create a Fixed Asset

An employee purchased a new car for the company on January 13, 2013. The accounting manager has decided to start the depreciation of the asset on January 1, 2013. Create a new fixed asset that contains the information that is shown in the following table.

Field	Value
Description	VW Speedster 1302
Serial No	VW123
FA Class code	Tangible
FA Subclass code	CAR
FA Location code	PROD

The employee bought the car from vendor number 30000. This vendor is also in charge of maintenance.

Fixed Assets in Microsoft Dynamics® NAV 2013

Create the depreciation book as shown in the following table.

Field	Value
Depreciation book code	COMPANY
FA Posting Group	CAR
Depreciation Method	Straight-line
Depreciation Starting Date	01/01/13
No. of Depreciation Years	5

The COMPANY book integrates with the general ledger. This is why a FA posting group is used. You enter the depreciation base by posting the acquisition costs.

Demonstration Steps

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. In the **Fixed Assets** window, click **New**.
3. On the **General** FastTab, fill in the fields as shown in the following table.

Field	Value
Description	VW Speedster 1302
Serial No	VW123

4. On the **Lines** FastTab, fill in the fields as shown in the following table.

Field	Value
Depreciation book code	COMPANY
FA Posting Group	CAR
Depreciation Method	Straight-line
Depreciation Starting Date	01/01/13
No. of Depreciation Years	5

5. On the **Posting** FastTab, fill in the fields as shown in the following table.

Field	Value
FA Class code	Tangible
FA Subclass code	CAR
FA Location code	PROD

Module 1: Fixed Assets Setup

- On the **Maintenance** FastTab, in the **Vendor No.** field, click the field, and then select **30000**.

The screenshot displays the 'New - Fixed Asset Card' for 'FA000100 - VW Speedster 1302'. The interface includes a ribbon with tabs like 'Home', 'Actions', 'Navigate', and 'Report'. The 'Maintenance' tab is selected, showing fields for 'Vendor No.' (30000), 'Next Service Date', 'Maintenance Vendor No.', 'Warranty Date', 'Under Maintenance' (checkbox), and 'Insured' (No). The 'Posting' section shows 'FA Class Code' as TANGIBLE and 'FA Subclass Code' as CAR. A table with columns for depreciation and book value is also present.

Depreciatio...	FA Posting ...	Depreciatio...	Depreciatio...	Depreciatio...	No. of Deprecia...	Disp...	Book Value
COMPANY	CAR	Straight-Line	1/1/2013	12/31/2017	5.00	<input type="checkbox"/>	0.00

FIGURE 1.16: NEW – FIXED ASSET CARD – FA000100 VW SPEEDSTER 1302

- Click **OK**.

Lab 1.1: Create a Fixed Asset Card

Scenario

The company plans to purchase a new fixed asset, a new computer, for its Reception department. Cassie, the accountant, has to create a fixed asset card for this fixed asset to register it in the program. The fixed asset must be integrated with the general ledger.

Objectives

Create a fixed asset card.

Create a fixed asset card for the new fixed asset.

Exercise Scenario

Cassie creates a fixed asset card and fills in the mandatory fields by using the information described in the following table.

Field	Value
Description	Reception Department Computer
Serial No.	BTHC0260000D
FA Class Code	TANGIBLE
FA Subclass Code	EQUIPMENT
FA Location Code	RECEPTION

Cassie also has to add the EQUIPMENT subclass.

The asset will be purchased from vendor 61000, Electronics Ltd. This vendor is also responsible for maintenance.

Use the information in the following table to link the fixed asset to a depreciation book.

Field	Value
Depreciation Book Code	COMPANY
FA Posting Group	IT-EQUIP
Depreciation Method	Straight-line
Depreciation Starting Date	2/1/2013
No. of Depreciation Years	3

Task 1: Create a fixed asset card and link it to a depreciation book.

High Level Steps

1. Create a new fixed asset card.
2. Fill in the mandatory fields on the **General** FastTab.
3. On the **Lines** FastTab, link the fixed asset to the depreciation book integrated with the general ledger, and specify depreciation information.
4. Specify the posting information on the **Posting** FastTab.
5. On the **Maintenance** FastTab, enter the vendor number.

Detailed Steps

1. Create a new fixed asset card.
 - d. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
 - e. In the **Fixed Assets** window, click **New**.
2. Fill in the mandatory fields on the **General** FastTab.
 - a. On the **General** FastTab, fill in the fields as shown in the following table.

Field	Value
Description	Reception Department Computer
Serial No.	BTHC0260000D


3. On the **Lines** FastTab, link the fixed asset to the depreciation book integrated with the general ledger, and specify depreciation information.
 - a. On the **Lines** FastTab, fill in the fields as shown in the following table.

Field	Value
Depreciation Book Code	COMPANY
FA Posting Group	IT-EQUIP
Depreciation Method	Straight-line
Depreciation Starting Date	2/1/2013
No. of Depreciation Years	3

4. Specify the posting information on the **Posting** FastTab.
 - a. On the **Posting** FastTab, fill in the fields as shown in the following table.

Fixed Assets in Microsoft Dynamics® NAV 2013

Field	Value
FA Class Code	TANGIBLE
FA Subclass Code	EQUIPMENT
FA Location Code	RECEPTION

 **Note:** To create the EQUIPMENT subclass, select the **FA Subclass Code** field, and then click **New**. In the **FA Subclasses** window, fill in the **Code** and **Name** fields with **Equipment**.

5. On the **Maintenance** FastTab, enter the vendor number.
 - a. On the **Maintenance** FastTab, in the **Vendor No.** field, select the field and then select vendor **61000**.

The filled-in fixed asset card should look as shown in the New Fixed Asset Card figure.

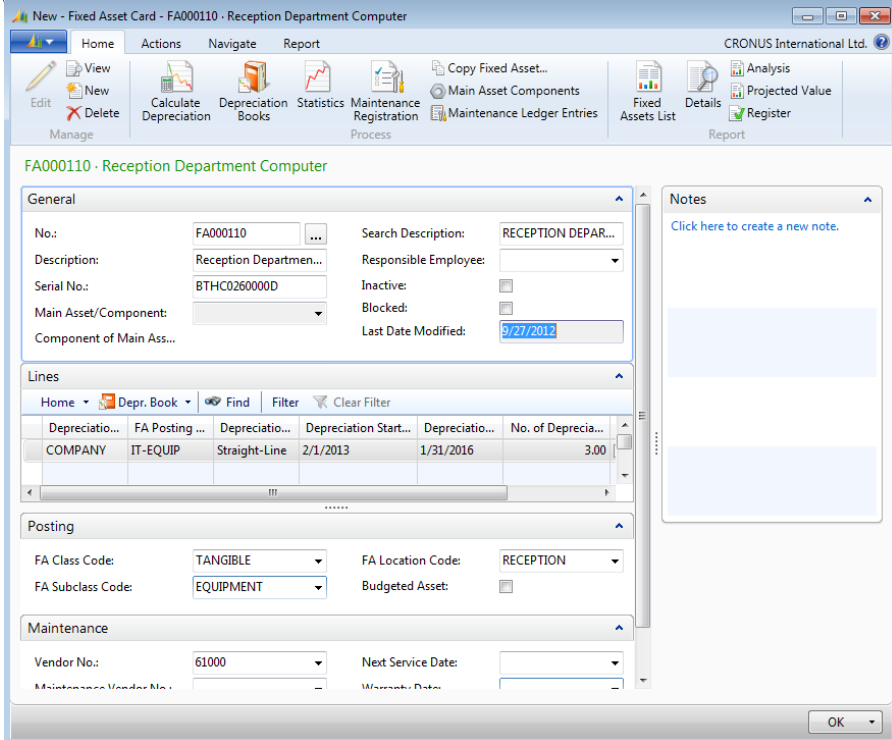


FIGURE 1.17: NEW FIXED ASSET CARD

- b. Click **OK**.

Fixed Asset Allocation Keys

The **Allocations** function on the **FA Posting Groups** page shows an overview of the allocated percentage on the types of expenses and costs for an asset. With allocations, you can specify how you want to allocate an amount on a general journal line to several different accounts. The allocation can be made by quantity, percentage, or amount. The allocation features can be used with recurring journals and in the Fixed Assets application area.

Allocation

To set up allocation keys, select a fixed asset posting group, click the **Navigate** FastTab on the Action Pane, click **Allocations**, and then select the type of expense to allocate to.

On the **FA Allocations** page, select the account number in the general ledger to post to, and then allocate the percentage for each particular asset.



Note: You can allocate any account number in the general ledger.

To use global dimensions, on the **FA Allocations** page, click the **Navigate** FastTab on the Action Pane, and then click **Dimensions**. Enter dimensions in the **Dimension Set Entries** window, and then click **OK**.



Note: When you use the allocation of posting types in posting groups, the program produces one G/L ledger entry for each allocation and for each asset.

All types of asset transactions are listed with the total allocation percentage amount.

To view the detailed allocations for each transaction type, click each type to view its capability on the **FA Allocations** page.

Demonstration: Set Up Fixed Asset Allocation Keys

Set up the allocation keys to allocate depreciation costs on vehicles with 35 percent to the Administration Department and 65 percent to the Sales Department.

Demonstration Steps

1. Open the FA Posting Groups window to allocate the depreciation for the CAR FA posting group.
2. Set up the FA allocation keys and dimensions to allocate 35% to the Administration Department and 65% to the Sales Department.
3. Open the Fixed Asset G/L Journal window, and use the Insert FA Bal. Account function to automatically insert the account(s) you have specified to post the depreciation amount of 500 for fixed asset FA000010.

To set up fixed assets allocation keys, follow these steps:

- a. In the navigation pane, click **Departments > Financial Management > Administration > FA Posting Groups**.
- b. In the **Edit - FA Posting Groups** window, select **CAR** posting group line, then click the **Navigate** FastTab, select **Allocations**, and then select posting type **Depreciation**.
- c. In the **Edit - FA Allocations – CAR** window, create new lines, filling in the fields as shown in the following table.

Field	Value
Account No.	8830
Allocation %	35
Account No.	8830
Allocation %	65

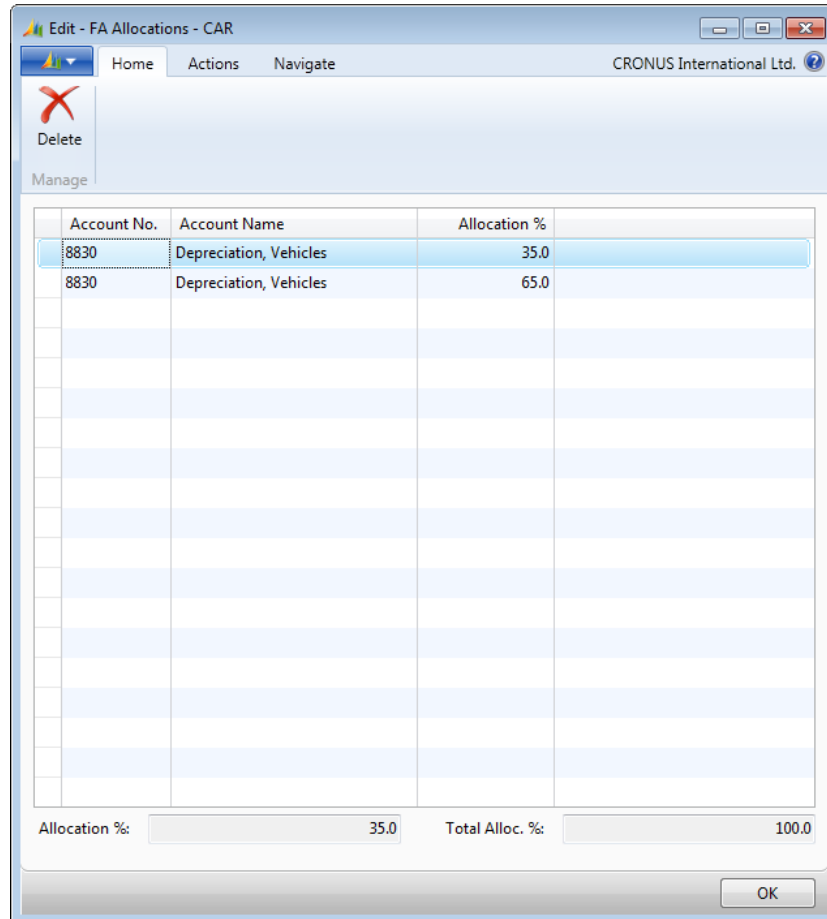


FIGURE 1.18: EDIT - FA ALLOCATIONS – CAR

- d. Select the first line with **Allocation %** field value 35%, and then, in the **Navigate** FastTab, select **Dimensions**.
- e. In the **Edit – CAR Depreciation 10000 – Edit Dimension Set Entries** window, create a new line, selecting the **Dimension Code** field value **DEPARTMENT** and the **Dimension Value Code** field value **ADM**.

- f. The 35% of depreciation for vehicles is now allocated to the **Administration Department**.

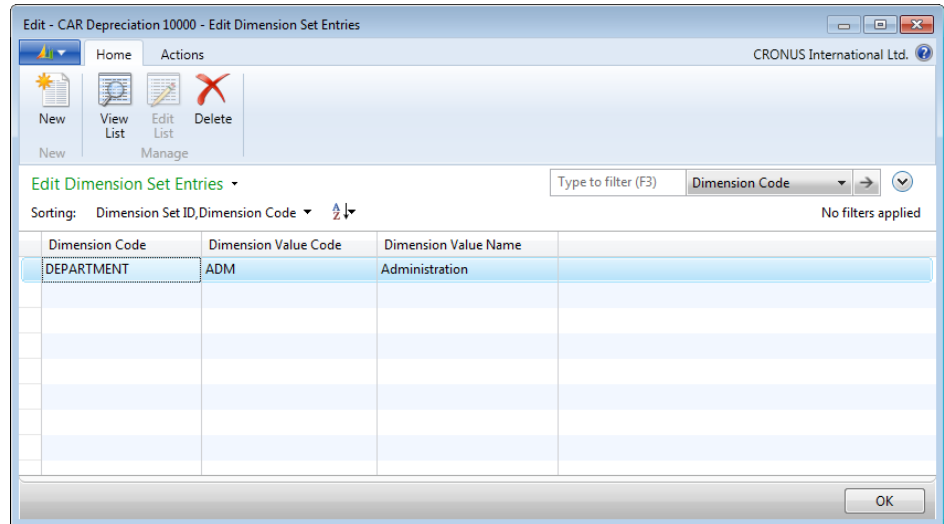


FIGURE 1.19: EDIT - CAR DEPRECIATION 10000 – EDIT DIMENSION SET ENTRIES

- g. Click **OK**.
- h. Select the second line with **Allocation %** field value 65%, and then, in the **Navigate** FastTab, select **Dimensions**.
- i. In the **Edit – CAR Depreciation 10000 – Edit Dimension Set Entries** window, create a new line, selecting the **Dimension Code** field value **DEPARTMENT** and **Dimension Value Code** field value **SALES**.
- j. The 65% of depreciation for vehicles is now allocated to the **Sales Department**.
- k. Click **OK**.
- l. Click **OK** to close the **Edit - FA Allocations – CAR** window.
- m. Click **OK** to close the **Edit - FA Posting Groups** window.
- n. Click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
- o. In the **Edit – Fixed Asset G/L Journal – DEFAULT Default-Journal Batch** window, create a new line, filling in the fields as shown in the following table.

Field	Value
Account Type	Fixed Asset
Account No.	FA000010

Module 1: Fixed Assets Setup

Field	Value
FA Posting Type	Depreciation
Amount	500

- p. In the **Home** tab, in the **Process** group, click **Insert FA Bal. Account**.
- q. Two new lines were automatically created with the corresponding allocated depreciation amounts.

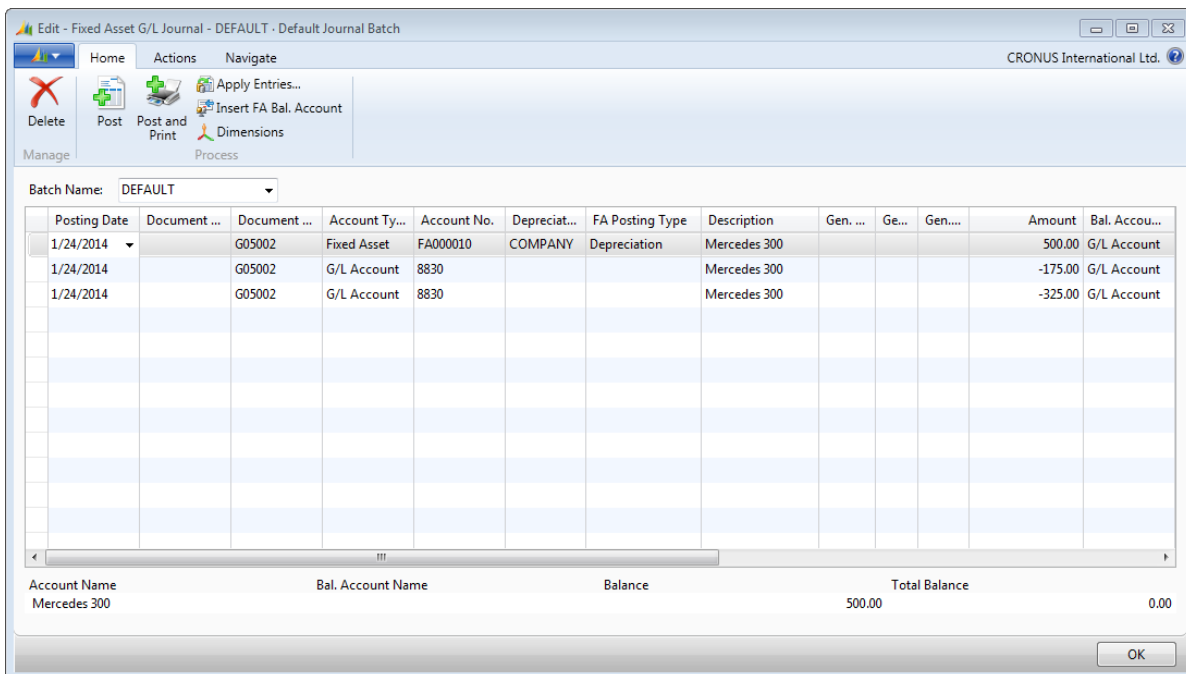


FIGURE 1.20: USING INSERT FA BAL. ACCOUNT FUNCTION

- r. Click **Post**.
- s. When you receive the message "Do you want to post the journal lines?", click **Yes**.
- t. When you receive the message "The journal lines were successfully posted.", click **OK**.

Main Assets and Asset Components

A main asset consists of other assets called components. For example, a conveyor is a main asset because it consists of other assets that include the conveyor belt, the computer, and the lift.

Note: A component asset of a main asset cannot be used as a main asset for other components.

Main Asset – Fixed Asset Card

To view an example of a main asset on a fixed asset card, in the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.

In the **Fixed Assets** window, select the line with main asset FA000040, and then click **View** to view the main asset on a fixed asset card.

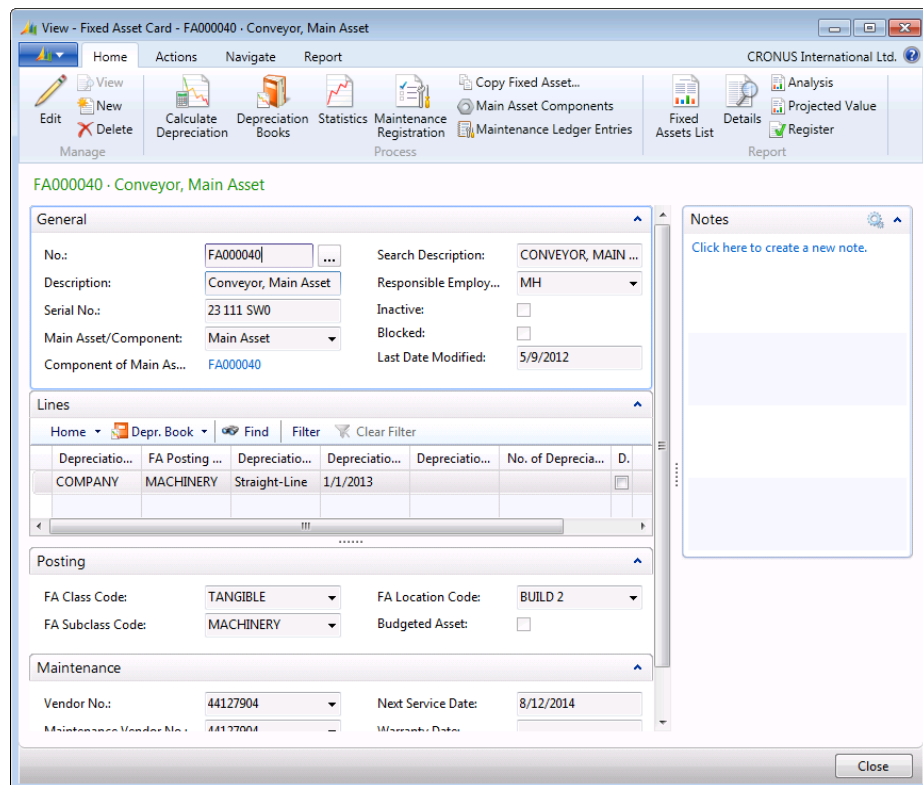


FIGURE 1.21: MAIN ASSET - FIXED ASSET CARD

Main Asset Components Card

To see the components of a main asset, click the **Navigate** FastTab on the card of the main asset, and then, in the **Main Asset** group, click **Main Asset Components**.

The **Main Asset Components** window appears. This window lists the components that make up the asset.

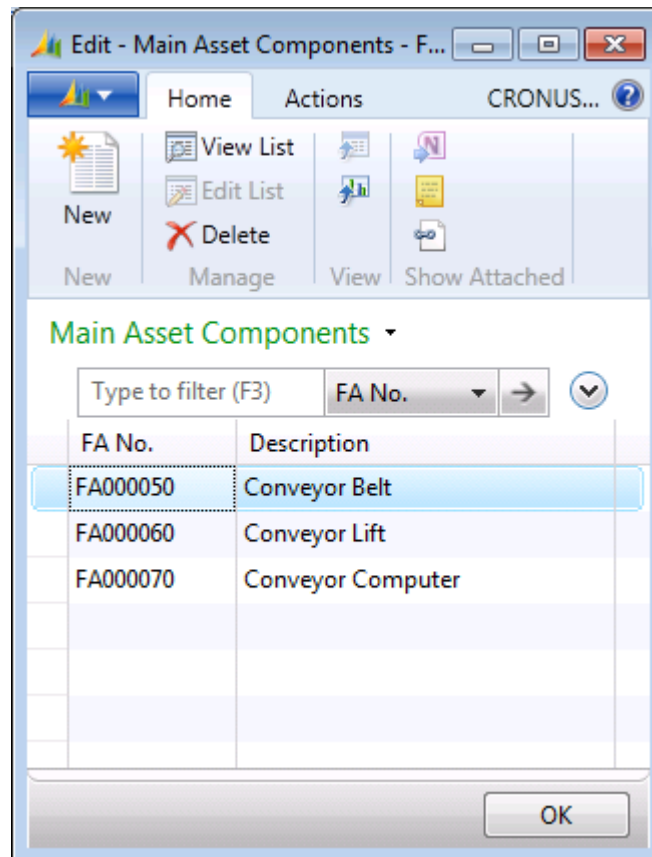



FIGURE 1.22: MAIN ASSET COMPONENTS

If an asset is a component of another asset, the program automatically enters information about the main asset on the **General** FastTab of the fixed asset card as follows:

- The **Main Asset/Component** field is set to **Component**.
- The **Component of Main Asset** field contains the number of the main fixed asset. This number is a link that you can click to view the list of assets and open the card of the main asset.

 **Note:** *It is good practice to use numbering to group component assets with their main asset for better presentation.*

For example, if the main asset is numbered FA000050, then components should be numbered FA000051, FA000052, and so on.

Main Asset Statistics

Use the **Main Asset Statistics** page to obtain an overview of the number of fixed asset components for a main asset and the total acquisition cost, depreciation, and book value for the main asset.

To open the **Main Asset Statistics** page from the **Fixed Asset Card** for a main asset, click the **Navigate** FastTab, and then, in the **Main Asset** group, click **Main Asset Statistics**.

View - Main Asset Statistics - FA000040 Conveyor, Main...
Home Actions CRONUS Intern...
View
Manage

FA000040 Conveyor, Main Asset COMPANY Company Book

General

No. of Components:	<input type="text" value="3"/>	
No. of Sold Components:	<input type="text" value="0"/>	
Total Components:	<input type="text" value="3"/>	
Acquisition Date:	<input type="text" value="1/1/2013"/>	
G/L Acquisition Date:	<input type="text" value="1/1/2013"/>	
Disposal Date:	<input type="text"/>	
Proceeds on Disposal:	<input type="text" value="0.00"/>	
Gain/Loss:	<input type="text" value="0.00"/>	
	Last FA Posting Date	Amount
Acquisition Cost:	3/1/2013	14,136.00
Depreciation:	12/31/2013	-1,807.00
Write-Down:		0.00
Appreciation:		0.00
Custom 1:		0.00
Book Value:		12,329.00
Salvage Value:		0.00
Depreciation Basis:		14,136.00
Custom 2:		0.00
Maintenance:		21,000.00

Close

FIGURE 1.23: MAIN ASSET STATISTICS

The **Main Asset Statistics** page shows the combined total acquisition cost, depreciation, and book value of all the components of the main asset. It also shows the total number of components that are included in the asset and whether any components were disposed of.

If any components were disposed of, the combined gain or loss and book value on disposal are displayed. The **Acquisition Date** field shows the earliest date of acquisition for a component. Similarly, the **Disposal Date** field shows the date of the disposal of a component.

Demonstration: Add a Component Asset to a Main Asset

The user of the VW Speedster has decided to add a component to the existing asset. The user purchased a new stereo system.

Demonstration Steps

To add a component to the existing fixed asset, first you have to create a fixed asset card for the component.

To create a new fixed asset card for the stereo fixed asset, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. In the **Fixed Assets** window, click **New**.
3. On the **General** FastTab, fill in the fields as shown in the following table.

Field	Value
Description	Stereo
Serial No.	S1250

4. On the **Lines** FastTab, fill in the fields as shown in the following table.

Field	Value
Depreciation book code	COMPANY
FA posting group	CAR
Depreciation Method	Straight-line
Depreciation Starting Date	01/01/13
No. of Depreciation Years	5

Fixed Assets in Microsoft Dynamics® NAV 2013

5. On the **Posting** FastTab, fill in the fields as shown in the following table.

Field	Value
FA Class Code	TANGIBLE
FA Subclass Code	EQUIPMENT
FA Location Code	BUILD 2

6. Click **OK**.

Now you can change the fixed asset card of the VW Speedster and add the Stereo as a component. To add a component to the VW Speedster fixed asset, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. In the **Fixed Assets** window, select the line with the VW Speedster 1302 fixed asset, and then click **Edit**.
3. In the **Edit – Fixed Asset Card** window, click the **Navigate** FastTab, and then, in the **Main Asset** group, click **Main Asset Components**.
4. In the **Edit – Main Asset Components** window, in the **FA No.** field, select the field, and then click the number of the Stereo fixed asset from the list.
5. Click **OK**.

The **Main Asset/Component** field on the **General** FastTab is automatically filled in with **Main Asset**.

6. Close the fixed asset card for the VW Speedster fixed asset and double-click the line with the stereo fixed asset to open the fixed asset card.

The **Main Asset/Component** field on the **General** FastTab is automatically filled in with **Component**, and the **Component of Main Asset** field displays the number of the main asset.

The screenshot shows the 'Edit - Fixed Asset Card - FA000120 - Stereo' window. The 'General' tab is active, displaying the following fields:

- No.: FA000120
- Description: Stereo
- Serial No.: S1250
- Main Asset/Component: Component
- Component of Main Asset: FA000100
- Search Description: STEREO
- Responsible Employee: (empty)
- Inactive:
- Blocked:
- Last Date Modified: 6/1/2012

The 'Lines' section shows a table with the following data:

Depreciatio...	FA Posting ...	Depreciatio...	Depreciatio...	Depreciatio...	No. of Deprecia...	D.	B
COMPANY	CAR	Straight-Line	1/1/2013	12/31/2017	5.00		

The 'Posting' section shows:

- FA Class Code: TANGIBLE
- FA Subclass Code: EQUIPMENT
- FA Location Code: BUILD 2
- Budgeted Asset:

The 'Maintenance' section is currently empty.

FIGURE 1.24: FIXED ASSET AS A COMPONENT

Record Open Transactions

In Microsoft Dynamics NAV 2013, you can use the posting of open transactions to enter information from an old system. This may be necessary when you start to work with fixed assets that were acquired in the past and are partly depreciated, and for which you now must register this data in Microsoft Dynamics NAV and have the program calculate depreciation correctly.

Post Fixed Asset Transactions to G/L

When Microsoft Dynamics NAV 2013 is installed for the first time, it sets up the General Ledger area. Make sure that all the basic setup procedures for the fixed assets are completed (FA setup, FA Posting Group, Depreciation Books, Depreciation Tables, FA Journals).

To post fixed asset transactions to the general ledger and record them as opening entries, follow these steps:

1. Create a fixed asset card for each existing asset. To do this, in the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. In the **Fixed Assets** window, click **New**.
3. On the **General, Posting, Lines**, and **Maintenance** FastTabs, fill in the corresponding fields.
4. Set up depreciation books for the fixed assets. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**.
5. In the **Depreciation Book List** window, click **New**.
6. In the **Depreciation Book Card** window, click the **Integration** FastTab, and then clear all the fields to deactivate G/L integration.

To open the **Depreciation Book Card** window, in the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**. In the **Depreciation Book List** window, select a line with a depreciation book, and then click **Edit**.

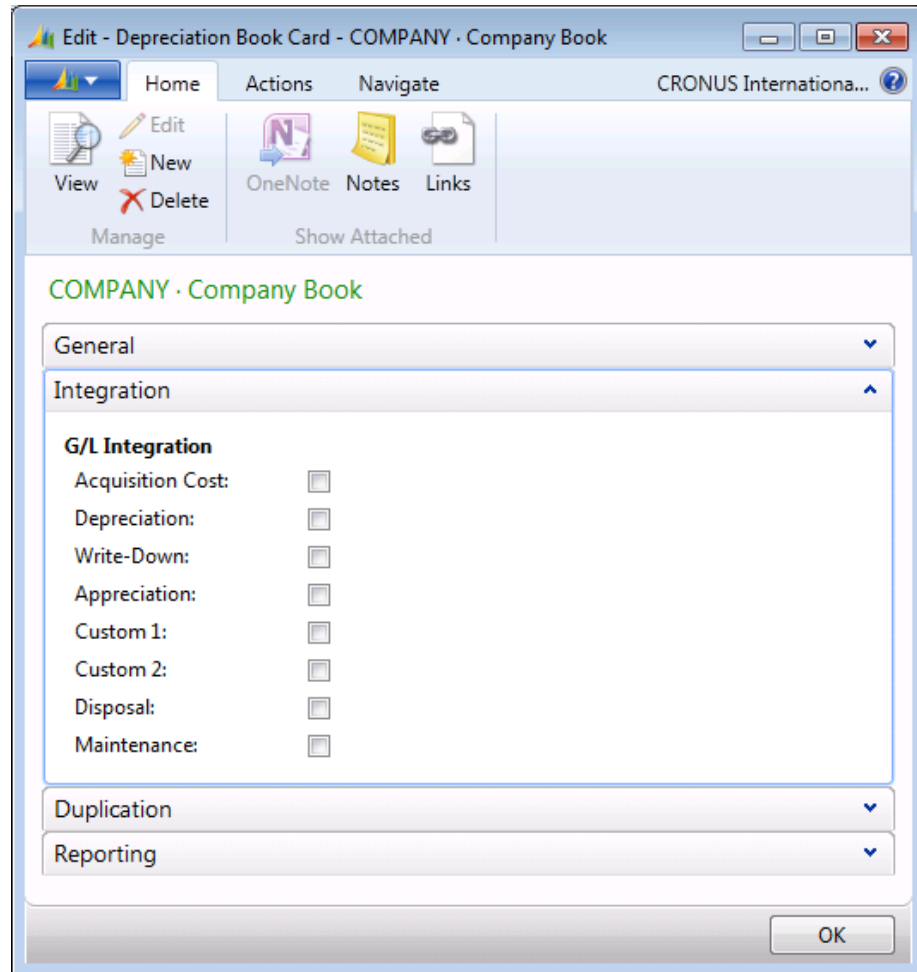


FIGURE 1.25: DEPRECIATION BOOK CARD - INTEGRATION FASTTAB

Repeat this procedure for each depreciation book. Because these assets are already accounted for in the general ledger, you must temporarily turn off integration. If the fixed assets do not integrate with the general ledger, omit this step.

Fixed Asset Journal

In the **Fixed Asset Journal** window, enter two lines for each asset:

- The acquisition cost – This line represents the acquisition of the fixed asset.
- The accumulated depreciation – This line represents a cumulative amount of depreciation. You have to post the cumulative amount of depreciation to the end of the previous (business) year.

If other opening balances exist, such as write-down, appreciation, or salvage value, enter lines for them.

To open the **Fixed Asset Journal** window, in the navigation pane, click **Departments > Financial Management > Fixed Assets > FA Journals**.

If you use the Declining-balance depreciation method and post the opening entries for assets acquired in a previous fiscal year, you must enter three lines for each asset to provide the correct depreciable basis for the assets:

- Line 1 – Must contain the acquisition cost and a posting date of the last date of the previous fiscal year.
- Line 2 – Must contain the accumulated depreciation to the end of the previous fiscal year and a posting date of the last date of the previous fiscal year.
- Line 3 – Must contain the accumulated depreciation to the last depreciation date in the current fiscal year and a posting date of the last depreciation date in the current fiscal year.

You must post the monthly depreciation to bring it up to date after the new Microsoft Dynamics NAV installation.

After you enter and post all journal lines for all the assets, enable general ledger integration for depreciation books again. If the fixed assets do not integrate with the general ledger, omit this step.

Make Duplicate Entries

When journal lines must post to a depreciation book, the program can duplicate the lines in a separate journal from which they can then post to a different depreciation book. This can be useful if, for example, one depreciation book is integrated with the general ledger and uses the FA G/L journal, and other depreciation books are not integrated with the general ledger and use the FA journal.

In the **Depreciation Book Card** window, you can specify that the depreciation book is a part of a duplication list so that when you select the **Use Duplication List** check box on a journal line, the program will duplicate the journal line to a separate journal from which it will be posted for each depreciation book that is a part of a duplication list.

Another way to duplicate an entry in a separate book is to enter a depreciation book code in the **Duplicate in Depreciation Book** field on a journal line.

Set Up a Duplication List

To include a depreciation book in the duplication list, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**.
2. In the **Depreciation Books** window, select a line with the depreciation book that you want to set up as a part of the duplicate list, and then click **Edit**.
3. In the **Depreciation Book Card** window, click the **Duplication** FastTab, and then select the **Part of Duplication List** check box.
4. Click **OK**.
5. Repeat steps 2 through 4 for other depreciation books that you want to set up as a part of the duplication list.

The Depreciation Book Card – Duplication FastTab figure shows the **Duplication** FastTab on the depreciation book card.

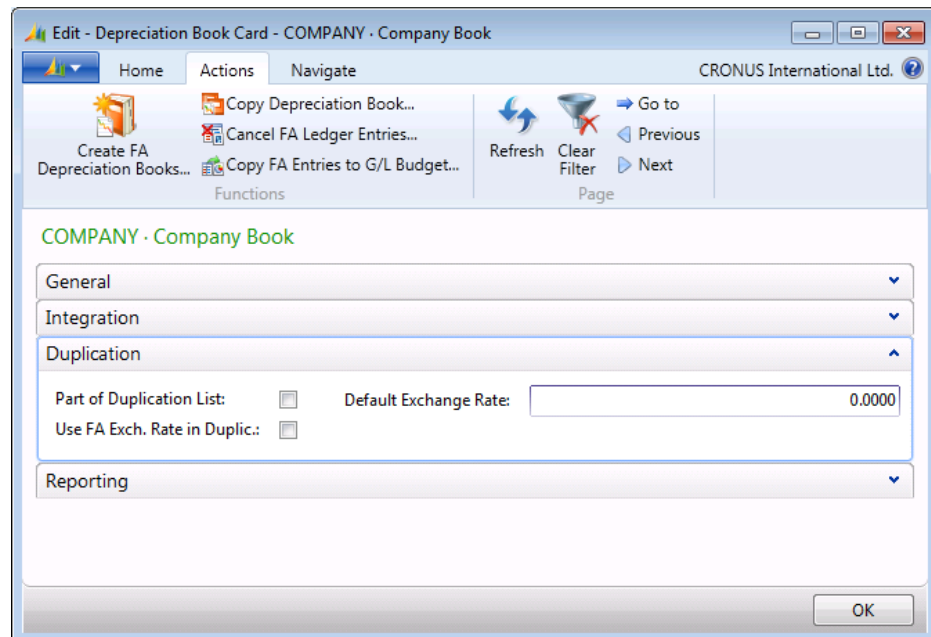


FIGURE 1.26: DEPRECIATION BOOK CARD - DUPLICATION FASTTAB

Demonstration: Duplicate Entries

To see how duplication works, try the following example. The principle is the same whether you use the FA G/L journal or the FA journal.

In an earlier demonstration, you set up the TAX depreciation book without G/L integration. Specify that it is a part of the duplication list. The accounting manager has decided to use several depreciation books in order to use different depreciation methods to post certain depreciation transactions. The accounting manager now wants to post an invoice for the acquisition cost for fixed asset FA000030 and duplicate the entry made in the FA G/L journal to the FA journal.

Before you complete this demonstration, make sure that the **FA Journal Setup** page is set up correctly for the TAX depreciation book. To open the **FA Journal Setup** page, in the depreciation book list, on the **Navigation** tab, click **FA Journal Setup**.

Demonstration Steps

To duplicate entries, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**.
2. In the **View – Depreciation Book List** window, select the line with the TAX depreciation book, and then click **Edit**.
3. In the **Edit – Depreciation Book Card-TAX.Tax book** window, click the **Duplication** FastTab, and then verify the **Part of Duplication List** check box is selected.
4. Click **OK**.

To create a FA depreciation book for the fixed asset FA000030, use the TAX depreciation book. Fixed asset FA000030 should already be using the COMPANY depreciation book.



Note: The date formatting is restricted by the DEMO license for the Cronus International Ltd. Company.

For demonstration purposes, change the depreciation starting and ending dates for the fixed asset FA000030 in the COMPANY depreciation book as described below:

5. In the **Depreciation Book List** window, select the line with the COMPANY depreciation book, and then click **Edit**.
6. On the **General** FastTab, select the field **Allow Changes in Depr. Fields**.
7. Click **OK**.
8. Switch to **Microsoft Dynamics NAV** window. In the navigation pane, click **Departments > Financial Management > Fixed Assets**. In the right pane, click **Fixed Assets**.
9. Select the line with a fixed asset FA000030 and then, on the **Process** FastTab, click **Depreciation Books**.
10. In the line for the fixed asset using the COMPANY depreciation book code, change the **Depreciation Starting Date** to "1/1/2013", and the **Depreciation Ending Date** to "12/31/2017".
11. Create a new line for the fixed asset FA000030, using the TAX depreciation book and enter the same data as for the COMPANY depreciation book.
12. Click **OK**.
13. Switch to the **Depreciation Book List** window, select the line with COMPANY depreciation book, and then click **Edit**.

Fixed Assets in Microsoft Dynamics® NAV 2013

14. On the **General** FastTab, clear the **Allow Changes in Depr. Fields** check box.
15. Click **Close** to close the **Edit – Depreciation Book Card-COMPANY.company** book window.

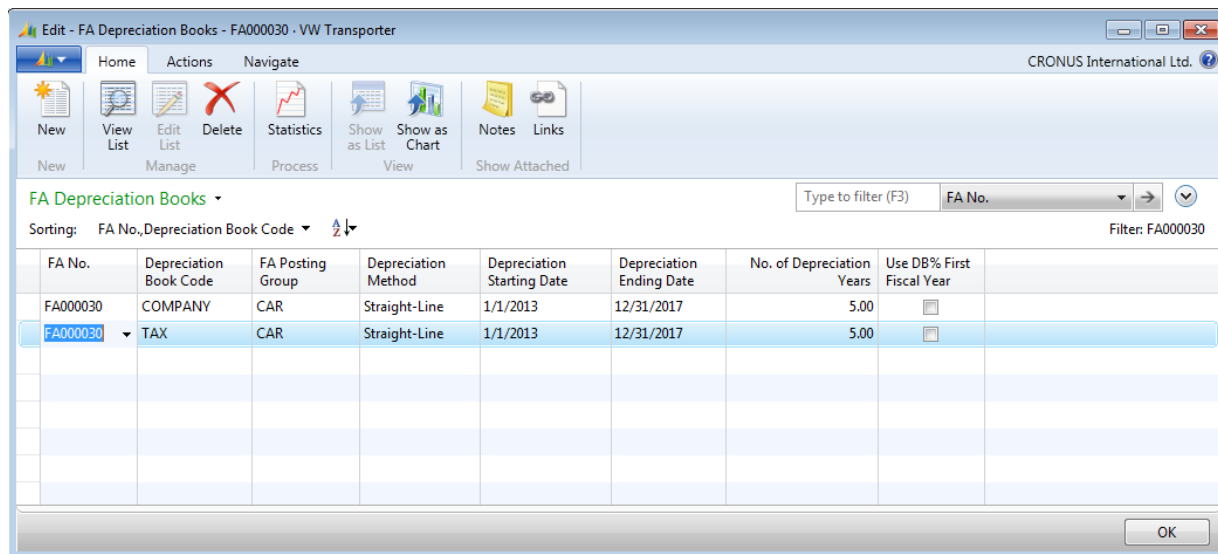


FIGURE 1.27: USING TAX FA DEPRECIATION BOOK FOR THE FIXED ASSET FA000030

16. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
17. In the **Edit – Fixed Asset G/L Journal-DEFAULT.default Journal Batch** window, right-click the column header, select **Choose Column**, and then add the **Use Duplication List** field.
18. Create a journal line filling in the fields as shown in the following table.

Field	Value
Posting Date	1/25/13
Document Type	Invoice
Document No.	<i>generated automatically</i>
Account Type	Fixed Asset
Account No.	FA000030
Depreciation Book Code	COMPANY
FA Posting Type	Acquisition Cost
Description	Additional equipment
Gen. Posting Type	Purchase
Gen. Bus. Posting Group	NATIONAL
Gen. Prod. Posting Group	MISC

Field	Value
Amount	800
Bal. Account Type	G/L Account
Bal. Account No.	2910
Use Duplication List	Yes

19. Click **Post** on the **Process** FastTab.
20. When you receive the message "Do you want to post the journal lines?", click **Yes**.
21. When you receive the message "The journal lines were successfully posted.", click **OK**.
22. Click **OK** to close the **Fixed Asset G/L Journal** window.
23. Because G/L integration is not enabled for the TAX depreciation book, the entry will be in the FA journal. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA Journals** to open the **Fixed Asset Journal** window. The journal contains the duplicated line.



Note: When you enter the general posting groups for the journal, default VAT posting groups are used to calculate the VAT and subtract it from the amount (800). Therefore, the amount in the FA journal is now 640.

*Because the document number copies from the FA G/L journal, you cannot use automatic document numbering in this journal batch. If you have set up automatic numbering in the journal, in the **Batch Name** field, click the field, and then delete the contents of the **No. Series** field.*

24. Change the automatically generated **Document No.** field to **F00001** to start a new number series and post the journal line.
25. Click **Post** on the **Process** FastTab.
26. When you receive the message "Do you want to post the journal lines?", click **Yes**.
27. When you receive the message "The journal lines were successfully posted.", click **OK**.
28. Click **OK** to close the **Fixed Asset Journal** window.
29. To see the posted entries, in the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**, and then double-click the line with the fixed asset FA000030 to open the fixed asset card.
30. On the **Lines** FastTab, on the line for the TAX depreciation book, in the **Book Value** field, you can see the FA ledger entry for the acquisition.

Copy Fixed Assets and FA Ledger Entries

With Microsoft Dynamics NAV 2013, you can copy fixed assets and fixed assets ledger entries.

Create Fixed Assets by Copying Existing Assets

To create several fixed assets that resemble an existing fixed asset, use the **Copy Fixed Asset** batch job. For example, a company has bought 30 chairs that are the same make and model and have the same depreciation terms. Instead of entering the same information 30 times, create the first asset and use the batch job to create 29 new assets, and then copy the information to them. To copy an existing fixed asset, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. Select a line with a fixed asset to copy from, and, on the **Home** tab of the Action Pane, click **Copy Fixed Asset**.

The **Copy Fixed Asset** window appears.

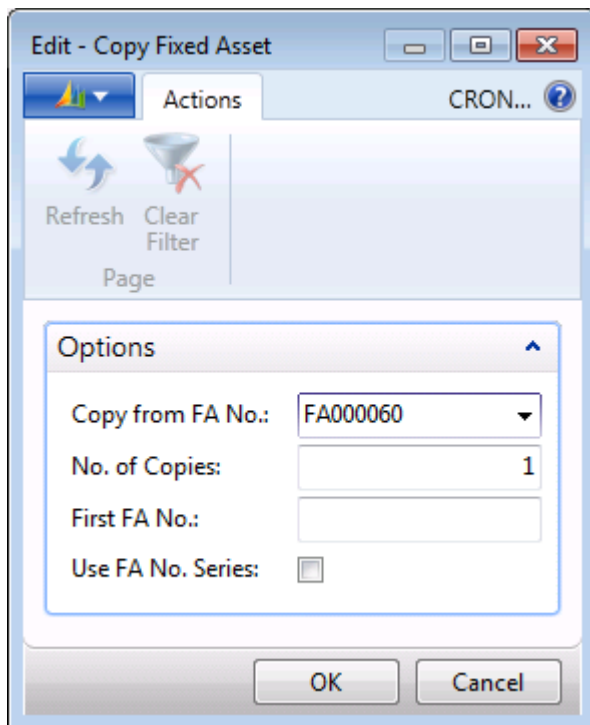


FIGURE 1.28: COPY FIXED ASSET

The **Option** FastTab on the **Copy Fixed Asset** request page contains the fields described in the following table.

Field	Description
Copy from FA No.	Select the number of the fixed asset to copy.
No. of Copies	Enter the number of new fixed assets that you want to create.
First FA No.	Enter the number of the first fixed asset. If the value in the No. of Copies field is greater than 1, the First FA No. field must include a number, for example, FA045.
Use FA No. Series	Select this check box if the new fixed asset(s) must have a number from the number series specified in the Fixed Asset Nos. field in the Fixed Asset Setup window. When this check box is not selected, a value in the First FA No. field is used for the number series.

When you run the batch job, the program creates new fixed asset cards and copies the depreciation book information from the existing asset. The batch job does not copy the entries that are posted on the existing asset.

Copy FA Ledger Entries from Existing Depreciation Books to New Depreciation Books

You can copy entries from one depreciation book to another with the **Copy Depreciation Book** batch job. The batch job creates journal lines in the journal batch specified in the **FA Journal Setup** page for the depreciation book to copy to. This function is useful when you start FA accounting with the standard depreciation book first, create an additional tax depreciation book, and then copy the acquisition costs to the new depreciation book.



Note: Do not integrate this depreciation book to the general ledger.

Fixed Assets in Microsoft Dynamics® NAV 2013

To copy FA ledger entries from existing depreciation books to new depreciation books, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**.
2. In the **Depreciation Book List** window, select a depreciation book from which you want to copy FA ledger entries, and then click **Edit**.
3. In the **Depreciation Book Card** window, click **Actions**, and then click **Copy Depreciation Book**.

The **Copy Depreciation Book** batch job request page appears.

Figure 1.29 shows the 'Edit - Copy Depreciation Book' batch job request page. The window title is 'Edit - Copy Depreciation Book' and the company name is 'CRONUS Internationa...'. The page has a ribbon with 'Actions' and a 'Page' section containing 'Refresh' and 'Clear Filter' buttons. The main area is divided into three sections: 'Options', 'Copy', and 'Fixed Asset'. The 'Options' section includes dropdowns for 'Copy from Book' (set to 'COMPANY'), 'Copy to Book', 'Starting Date', and 'Ending Date', along with a text field for 'Document No.' and a 'Posting Description' field. The 'Copy' section has checkboxes for 'Insert Bal. Account', 'Acquisition Cost', 'Depreciation', 'Write-Down', 'Appreciation', 'Custom 1', 'Custom 2', 'Salvage Value', and 'Disposal'. The 'Fixed Asset' section has a 'Show results:' section with three filter rules: 'Where No. is Enter a value.', 'And FA Class Code is Enter a value.', and 'And FA Subclass Code is Enter a value.', plus an 'Add Filter' button. Below this is a 'Limit totals to:' section with another 'Add Filter' button. At the bottom right are 'OK' and 'Cancel' buttons.

FIGURE 1.29: COPY DEPRECIATION BOOK BATCH JOB REQUEST PAGE

4. On the **Fixed Asset** FastTab, set a filter to select the assets from which to copy entries. If you do not set a filter, entries for all assets are copied.
5. On the **Options** FastTab, enter information into the fields according to the guidelines in the following table.

Field	Description
Copy from Book	Enter the name of the depreciation book from which the entries have to be copied.
Copy to Book	Enter the name of the depreciation book to which the entries have to be copied.
Starting Date	Enter the first day to copy FA postings. Only entries with an FA posting date on or after this date are copied.
Ending Date	Enter the last day to copy FA postings. Only entries with an FA posting date on or before this date are copied.
Document No.	Enter a document number or leave this field blank. If the field is blank, you must set up a number series for the journal batch.
Posting Description	Enter the text to appear in the ledger.
Insert Bal. Account	Use this field only if you copy to a depreciation book that has G/L integration. When this check box is selected, the program enters balancing accounts on the copied lines in the FA G/L journal automatically.
Copy	Select the posting type or types to copy.

6. Click **OK** to run the batch job.

Microsoft Dynamics NAV 2013 creates the copied lines in either the G/L journal or the FA journal, depending on whether you have activated G/L integration for the depreciation book to which you are copying. You must post the journal to copy entries.

Demonstration: Copy Depreciation Books

After you have set up a TAX depreciation book for FA00030 and made one duplication entry, copy all the other posted acquisition cost entries for the asset from the COMPANY depreciation book. Then the correct acquisition of the asset will display in the TAX depreciation book.

Demonstration Steps

To copy the depreciation book, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**.
2. In the **Depreciation Book List** window, select the **TAX** depreciation book, and then click **Edit**.
3. In the **Depreciation Book Card** window, click **Actions**, and then click **Copy Depreciation Book**.
4. In the **Copy from Book** field, select **COMPANY**.
5. In the **Copy to Book** field, select **TAX**.
6. In the **Starting Date** field, select **1/24/2013**.
7. In the **Document No.** field, enter the number of the document from the acquisition entry that will be copied. For this example, leave this field blank to copy all documents in the journal batch to which the entries are copied.
8. In the **Copy** field group, select the **Acquisition Cost** check box.
9. On the **Fixed Asset** FastTab, In the **No.** filter, select **FA000030**.
10. Click **OK** to run the batch job.
11. Switch to the **Microsoft Dynamics NAV** window. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA Journals** to open the **Fixed Asset Journal** page and post the journal line.



Note: *The automatic document numbering is not used for the fixed assets journal in this demonstration; you should manually number the lines F00002 and F00003 correspondingly.*

12. Click **Post** on the **Process** FastTab.
13. When you receive the message "Do you want to post the journal lines?", click **Yes**.

14. When you receive the message “The journal lines were successfully posted.”, click **OK**.
15. Click **OK** to close the **Fixed Asset Journal** window.
16. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets** to see the result.
17. Double-click the **FA000030** fixed asset.
18. Look for the book value of the TAX FA depreciation book. The book value in the TAX book is greater than the book value in the COMPANY book because you have not copied the depreciation entries. On the **Lines** FastTab, select the line with the TAX depreciation book, and then click **Depr. Book > Ledger Entries**. In the **FA Ledger Entries** window, the two acquisition entries appear.

Module Review

Microsoft Dynamics NAV 2013 Fixed Assets Setup helps a company to manage all information relevant to fixed assets.

The Fixed Assets setup is the basis of working with Fixed Assets in Microsoft Dynamics NAV 2013. For this area to work correctly, you must perform the following:

- Configure the general fixed assets setup.
- Set up allocation groups, posting groups, depreciation books, depreciation tables if they are necessary, and fixed assets journal templates.
- Create fixed asset cards and associate them with depreciation books.

Creating a fixed asset card is the first step in the life cycle of a fixed asset in Microsoft Dynamics NAV 2013. On the fixed asset card, you link the fixed asset to a depreciation book, which may be integrated with the general ledger. There are multiple fixed asset depreciation methods in Microsoft Dynamics NAV 2013 that suit different business needs. The basic features of the Fixed Assets area that are covered in this module include recording open transactions, making duplicate entries, and copying fixed assets and fixed asset ledger entries.