

# MODULE 2: FIXED ASSET TRANSACTIONS

## Module Overview

This module, "Fixed Asset Transactions," describes the transaction types available in Microsoft Dynamics® NAV 2013 Fixed Assets.

All Fixed Asset (FA) transactions must be posted in a fixed assets journal. If a fixed asset is connected to a depreciation book integrated with the general ledger, the FA G/L journal is used. For frequent transactions, you can use recurring journals for fixed assets.

The basic transactions for fixed assets are depreciations, acquisition costs, write-downs, and disposals. This module describes all four types of transactions and the processes connected to these transactions.

In Microsoft Dynamics NAV 2013 Fixed Assets, you can correct entries that have already been posted if an amount changes for some reason, or if errors exist in posted transactions. You can also create reports, budgets, cost-accounting, and indexation for Fixed Assets.

Microsoft Dynamics NAV 2013 Fixed Assets can also handle minor assets.

### Objectives

The objectives are:

- Set up journals for fixed assets.
- Post a fixed asset acquisition through a purchase invoice.
- Increase the cost of a fixed asset by using the FA journal.
- Explain the manual and automatic depreciation posting methods.
- Set up write-down and appreciation of fixed assets.
- Set up disposals of fixed assets.
- Cancel and recalculate an incorrectly posted depreciation entry.
- Cancel an incorrect entry that is already posted.

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- Reverse an incorrectly posted transaction.
- Explain how to document fixed asset transactions.
- Explain how to view the FA registers.
- Demonstrate the reports for fixed assets.
- Set up budgeting for fixed asset transactions.
- Set up cost accounting depreciations.
- Set up indexation.
- Set up and depreciate minor assets.

## Journals for Fixed Assets

All fixed asset transactions can be posted through the following four journals:

- FA G/L journal
- FA journal
- FA reclassification journal
- Insurance journal

### FA G/L Journals

All entries in the FA G/L journal will be posted to both the fixed asset ledger and the general ledger.

To post to the general ledger, select the relevant fields on the **Integration** FastTab of the depreciation book card to which a fixed asset is linked.

### FA Journals

Entries posted in the FA journal are posted only to the fixed asset ledger.

### FA Reclassification Journals

The FA reclassification journal is used to transfer, split, or combine fixed assets. It is also used to transfer posted entries from one asset to another. The entries are calculated in this journal and then inserted in either the FA G/L journal or the FA journal.

### Insurance Journals

Use the Insurance journal to post insurance coverage ledger entries.

### Features of Recurring Transactions

You can use the recurring journals in Microsoft Dynamics NAV 2013 for frequently posted transactions with few or no changes.

The recurring general journals and the recurring fixed asset journals can manage posting for both fixed amounts and variable amounts, and can also manage the allocation keys with the recurring entries.

### Demonstration: Create a Recurring General Journal

Annie, the bookkeeper for CRONUS International Ltd., wants to set up a recurring general journal for monthly depreciation of the Toyota Supra 3.0 and the VW Transporter fixed assets. Annie calculates the monthly depreciation amount for each fixed asset by dividing the acquisition cost amount by the number of depreciation months. The monthly depreciation of the Toyota Supra 3.0 is 700, and the monthly depreciation of the VW Transporter is 250.

#### Demonstration Steps

To set up the recurring transaction, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Recurring General Journals**.
2. In the **Recurring General Journal** window, in the **Recurring Method** field, select the field, and then click **F Fixed**.
3. In the **Recurring Frequency** field, enter **1M**.
4. In the **Posting Date** field, enter **11/30/2013**.
5. In the **Document No.** field, enter **1001**.
6. In the **Account Type** field, select the field, and then click **Fixed Asset**.
7. In the **Account No.** field, select the field, and then click **FA000020**.
8. In the **Amount** field enter **-700.00**.
9. In the **FA Posting Type** field, select the field and then click **Depreciation**. Use the **Choose Columns** function to add the field if it is missing.
10. Go to the next line.
11. Make sure that the **Recurring Method** field is set to **F Fixed**.
12. In the **Recurring Frequency** field, enter **1M**.
13. Make sure that the **Posting Date** field is set to **11/30/2013**.
14. Make sure that the **Document No.** field is set to **1001**.
15. Make sure that the **Account Type** field is set to **Fixed Asset**.
16. In the **Account No.** field, select the field, and then click **FA000030**.
17. In the **Amount** field, enter **-250.00**.
18. In the **FA Posting Type** field, select the field, and then click **Depreciation**.

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19. Go to the next line.
20. Make sure that the **Recurring Method** field is set to **F Fixed**.
21. In the **Recurring Frequency** field, enter **1M**.
22. Make sure that the **Posting Date** field is set to **11/30/2013**.
23. Make sure that the **Document No.** field is set to **1001**.
24. In the **Account Type**, select the field, and then click **G/L Account**.
25. In the **Account No.**, enter **8830**.
26. In the **Amount** field, enter **950.00**.

| Recurring Method | Recurring Frequency | Posting Date | Document Type | Document No. | Account Type | Account No. | Description            | Gen. Posting Type | Gen. Bus. Posting Group | Gen. Prod. Posting Group | Amount  | Allocated Amt. (LCY) | Expiration Date | FA Posting Type |      |
|------------------|---------------------|--------------|---------------|--------------|--------------|-------------|------------------------|-------------------|-------------------------|--------------------------|---------|----------------------|-----------------|-----------------|------|
| F Fixed          | 1M                  | 11/30/2013   |               | 1001         | Fixed Asset  | FA000020    | Toyota Supra 3.0       |                   |                         |                          | -700.00 | 0.00                 |                 | Depreciation    |      |
| F Fixed          | 1M                  | 11/30/2013   |               | 1001         | Fixed Asset  | FA000030    | VW Transporter         |                   |                         |                          | -250.00 | 0.00                 |                 | Depreciation    |      |
| F Fixed          | 1M                  | 11/30/2013   |               | 1001         | G/L Account  | 8830        | Depreciation, Vehicles |                   |                         |                          | 950.00  | 0.00                 |                 |                 |      |
|                  |                     |              |               |              |              |             |                        |                   |                         |                          | Balance |                      | Total Balance   | 0.00            | 0.00 |


**FIGURE 2.1: EDIT – RECURRING GENERAL JOURNAL**

27. On the **Home** FastTab, click **Post** to post the recurring journal.
28. When you receive the message “Do you want to post the journal lines?”, click **Yes**.
29. When you receive the message “The journal lines were successfully posted.”, click **OK**.
30. Notice that the **Posting Date** field value now has changed by one month—to 12/30/2013.

| Recurring Method | Recurring Frequency | Posting Date | Document Type | Document No. | Account Type | Account No. | Description            | Gen. Posting Type | Gen. Bus. Posting Group | Gen. Prod. Posting Group | Amount  | Allocated Amt. (LCY) | Expiration Date | FA Posting Type |      |
|------------------|---------------------|--------------|---------------|--------------|--------------|-------------|------------------------|-------------------|-------------------------|--------------------------|---------|----------------------|-----------------|-----------------|------|
| F Fixed          | 1M                  | 12/30/2013   |               | 1001         | Fixed Asset  | FA000020    | Toyota Supra 3.0       |                   |                         |                          | -700.00 | 0.00                 |                 | Depreciation    |      |
| F Fixed          | 1M                  | 12/30/2013   |               | 1001         | Fixed Asset  | FA000030    | VW Transporter         |                   |                         |                          | -250.00 | 0.00                 |                 | Depreciation    |      |
| F Fixed          | 1M                  | 12/30/2013   |               | 1001         | G/L Account  | 8830        | Depreciation, Vehicles |                   |                         |                          | 950.00  | 0.00                 |                 |                 |      |
|                  |                     |              |               |              |              |             |                        |                   |                         |                          | Balance |                      | Total Balance   | 0.00            | 0.00 |

**FIGURE 2.2: EDIT – RECURRING GENERAL JOURNAL. THE VALUES CHANGED BY ONE MONTH**

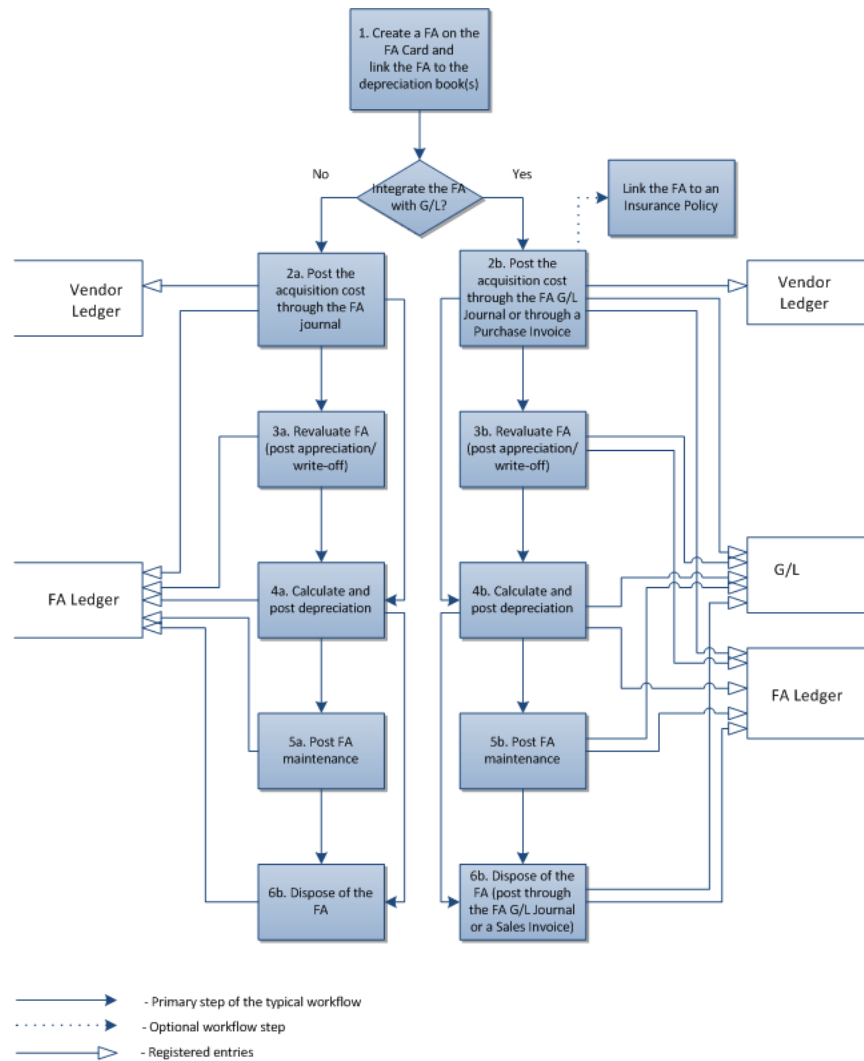
31. Click **OK** to close the **Recurring General Journal** window.

 **Note:** When you post a journal, the lines are posted one by one. For each account in the **Account No.** and **Bal. Account No.** fields, a general ledger entry is created in addition to a customer, vendor, or bank account ledger entry for each account of these types.

## 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 module in demonstrations and labs.

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



**FIGURE 2.3: FIXED ASSET PROCESS FLOW**

First, you register a new fixed asset in the program by creating a fixed asset card. Then, you link the fixed asset to the COMPANY depreciation book. At this point, you must decide whether you want your fixed asset to be integrated with the general ledger. If you do want the fixed asset to be integrated with the general ledger, link the fixed asset to the depreciation book that has G/L integration. Typically, you want fixed assets to be integrated with the general ledger. However, you do not want a fixed asset to be integrated with the G/L, for example, when you want to perform internal fixed asset calculations or for a third-party entity that must not be reflected in your general ledger. In addition, with Microsoft Dynamics NAV 2013, you can select specific FA postings to be integrated with the G/L for each depreciation book.

Then, you post the acquisition cost for the fixed asset and link the fixed asset to one of the company's insurance policies. Depending on whether you decided to integrate the fixed asset with the general ledger, you post the acquisition cost either through a purchase invoice or the FA G/L journal (when integrated), or through the FA journal (when not integrated). When a fixed asset has integration with the general ledger, the entries posted for this fixed asset are also automatically posted to the general ledger.

During the life cycle, you may have to revalue the fixed asset (for example, posting appreciation or a write-off). You may also have to post additional acquisition costs. As a periodic activity, you calculate and post depreciation for the fixed asset according to the depreciation method that is defined on the fixed asset card. There may be maintenance expenses for the fixed asset which you can also post for the fixed asset.

Finally, you dispose of the whole or a part of the fixed asset. Fixed asset disposal must always be the last transaction posted for a fixed asset.

The fixed asset process flow steps are reflected in the demonstrations and labs throughout this module. Also, you will perform other tasks that can be performed with fixed assets in Microsoft Dynamics NAV 2013.

## Purchase Fixed Assets

When you post acquisition cost through the purchase invoice, it is integrated with the general ledger. Before the purchase invoice can be posted, the G/L integration for acquisition cost must be selected on the depreciation book card associated with the fixed asset.

It is common practice to enter the salvage value together with the purchase. You can only fill in the **Salvage Value** field if you have selected the **Acquisition Cost** option in the **FA Posting Type** field. In this case, enter the salvage value for the fixed asset in the field.

Typically, the salvage value must be entered as a negative amount.

Entering a salvage value at the same time as the acquisition cost is especially important if you also select the **Depr. Acquisition Cost** check box. In this case, the depreciation basis will be acquisition cost minus salvage value.

This field is used internally and can be accessed from the Object Designer in Microsoft Dynamics NAV Development Environment.

### **Demonstration: Purchase Fixed Asset**

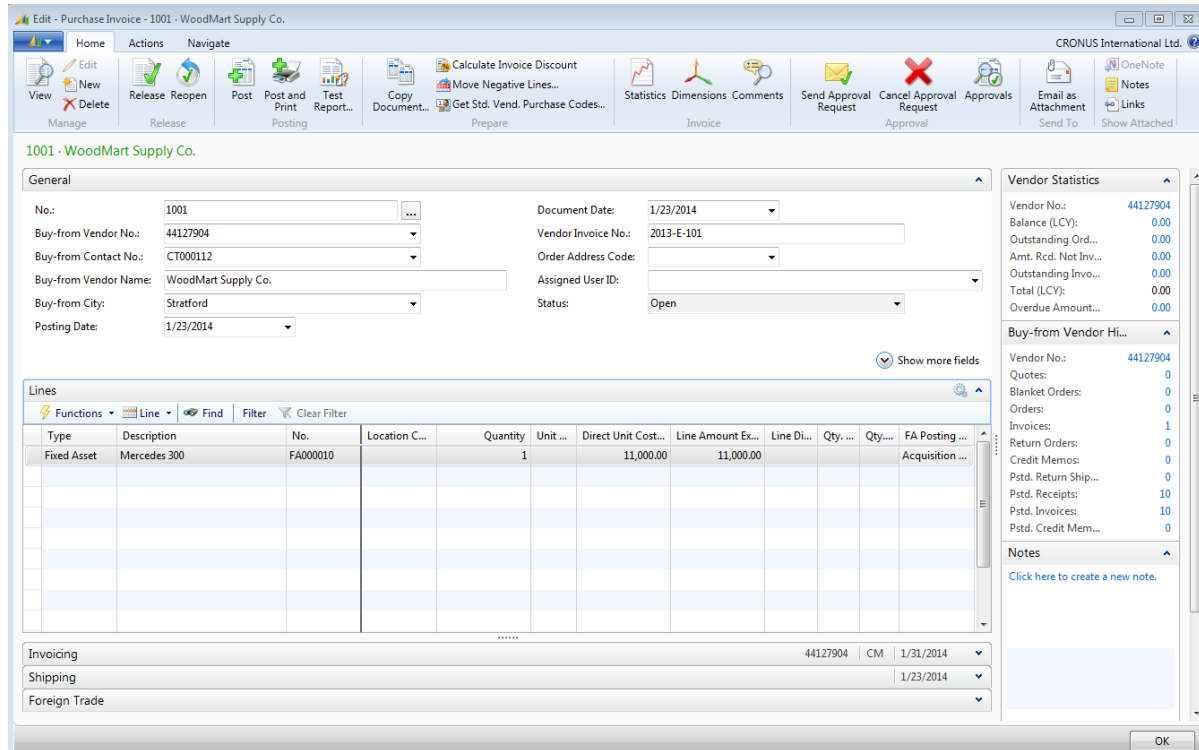
Before purchasing a fixed asset, you must set up a fixed asset by using the fixed asset card.

#### **Demonstration Steps**

To purchase a fixed asset and post the acquisition costs, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Payables > Purchase Invoices**.
2. Click **New**.
3. Press ENTER to create a new purchase invoice with number **1001**.
4. In the **Buy-from Vendor No.** field, click the field and select vendor **44127904**.
5. In the **Vendor Invoice No.** field, enter **2013-E-101**.
6. On the **Lines** FastTab, right-click the header and use the **Choose Columns** function to add the **FA Posting Type** field.
7. In the **Type** field, select **Fixed Asset**.
8. In the **No.** field, select **FA000010**.
9. In the **Quantity** field, enter **1**.
10. In the **Direct Unit Cost Excl. VAT** field, enter **11,000.00**.
11. In the **FA Posting Type** field, select **Acquisition Cost**.





**FIGURE 2.4: EDIT – PURCHASE INVOICE – 1001 WOODMART SUPPLY CO.**

12. Click **Post** to post the purchase of the Fixed Asset.
13. When you receive the message “Do you want to post the Invoice?”, click **Yes**.

### Additional Acquisition Costs

You may have to post additional acquisition costs for an already acquired fixed asset when, for example, you have invested additional costs into the fixed asset.

You post additional acquisition costs exactly as you post the original acquisition cost: from a purchase invoice, the FA G/L journal, or the FA journal.

If you already calculated depreciation for the fixed asset and you want the depreciation period to remain the same, you should select the **Depr. Acquisition Cost** check box on the purchase line. This guarantees that when you post the line, the program depreciates the acquisition cost less the salvage value in proportion to the amount by which the previously acquired fixed asset is already depreciated. In this case, the depreciation percentage is calculated according to the following formula:

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*Depreciation percentage = (total depreciation\*100) / depreciable basis*

The depreciation amount is calculated according to the following formula:

*Depreciation amount = (Depreciation percentage/100)\*(additional acquisition cost – salvage value).*

For example, a fixed asset has an acquisition cost of 1,000 and the total depreciation is -220. Post a line where acquisition cost is 150 and salvage value is -25. If you select the **Depr. Acquisition Cost** field before posting, then the following depreciation is calculated and posted:

$$(150 - 25) * -220 / 1000 = -27.50$$

If you enter a negative acquisition cost, for example if you receive a credit memo, then the calculated depreciation is a positive amount.



**Note:** Only the new acquisition cost is depreciated when you select the **Depr. Acquisition Cost** field. The previously posted acquisition cost will not be affected.

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You can have both the new and the old acquisition costs depreciated up to the current **FA Posting Date**, if you select the **Depr. Until FA Posting Date** field.

To have the program automatically calculate depreciation for the period from the FA posting date of the previously acquired fixed asset to the posting date of the additional acquisition cost, select the **FA Posting Date** check box on the invoice, FA G/L journal, or FA journal lines. Otherwise, only the previously posted acquisition cost will be depreciated.



**Note:** Companies frequently want depreciation calculated and posted monthly.

*Regardless of how the acquisitions are posted, it is important to find the depreciation posted at month end (to consider every change since the last depreciation calculation, for example, additional acquisitions).*

*In Microsoft Dynamics NAV 2013 you must calculate the depreciation for the existing book value before you post the additional acquisition, even if the calculation period for the depreciation is shorter than a month.*

*You can calculate the depreciation by using the **Calculate Depreciation** batch job or you can enable the **Depr. until FA Posting Date** field when you post the additional acquisition costs through a FA (G/L) journal or a purchase order or purchase invoice.*

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To automatically calculate depreciation for the period from the FA posting date of the last FA ledger entry of the previously acquired fixed asset to the posting date of the current additional acquisition cost, select the **Depr. until FA Posting Date** check box on the invoice, FA G/L journal, or FA journal lines. This makes sure that the total depreciation of the previously acquired fixed asset is correct before the program uses it to calculate the **Depr. Acquisition Cost** of the new acquisition.

## Lab 2.1: Purchase a Fixed Asset Using the Purchase Invoice

Cassie, the accountant, previously created a fixed asset card for the new fixed asset and associated this fixed asset with the COMPANY depreciation book that is integrated with the general ledger. Now, she wants to post the acquisition cost for this asset. Cassie posts the acquisition cost through the purchase invoice.



**Note:** You must have already created the fixed asset card for the fixed asset in question. In order to complete this task, the integration with the general ledger should be activated for the COMPANY depreciation book.

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### Objectives

Post the acquisition cost.

### Post the Acquisition Cost through Purchase Invoice

#### Exercise Scenario

To post the acquisition cost for the Reception Department Computer fixed asset, create and post the purchase invoice by using the information in the following table.

| Field                      | Value            |
|----------------------------|------------------|
| Buy-from Vendor No.        | 61000            |
| Posting Date               | 2/01/2013        |
| FA Posting Type            | Acquisition Cost |
| Quantity                   | 1                |
| Vendor Invoice No.         | 1005             |
| Direct Unit Cost Excl. VAT | 1,500.00         |

### Task 1: Post the Acquisition Cost through the Purchase Invoice

#### High Level Steps

1. Create a new purchase invoice.
2. Fill in the fields on the **General** FastTab of the invoice.
3. On the **Lines** FastTab, add a line with the acquisition cost.
4. Post the invoice.
5. Verify the book value on the fixed asset card.

### **Detailed Steps**

1. Create a new purchase invoice.
  - a. In the navigation pane, click **Departments > Financial Management > Payables > Purchase Invoices**.
  - b. Click **New**.
  
2. Fill in the fields on the **General** FastTab of the invoice.
  - a. Press ENTER to create a new purchase invoice number.
  - b. In the **Buy-from Vendor No.** field, click the field and select vendor **61000**.
  - c. In the **Vendor Invoice No.** field, enter **1005**.
  - d. In the **Posting Date** field, type "2/01/2013".
  
3. On the **Lines** FastTab, add a line with the acquisition cost.
  - a. On the **Lines** FastTab, in the **Type** field, select the field, and then click **Fixed Asset**.
  - b. In the **No.** field, select the field and then click the **Reception Department Computer** fixed asset.
  - c. In the **FA Posting Type** field, select **Acquisition Cost**.
  - d. In the **Quantity** field, enter **1**.
  - e. In the **Direct Unit Cost Excl. VAT** field, enter **1,500.00**.

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The screenshot displays the 'Purchase Invoice - 1005 - Electronics Ltd.' window. The 'General' section includes fields for No. (1005), Document Date (2/1/2013), Buy-from Vendor No. (61000), Vendor Invoice No. (1005), Buy-from Contact No. (CT000140), Order Address Code, Buy-from Vendor Name (Electronics Ltd.), Assigned User ID, Buy-from City (London), Status (Open), and Posting Date (2/1/2013). The 'Lines' table shows one line item: 'Fixed Asset' with No. FA000100, Description 'Reception Depart...', FA Posting 'Acquisition ...', Location 'WHITE', Quantity '1', and Direct Unit Cost '1,500.00'. The 'Vendor Statistics' panel on the right shows Vendor No. 61000, Balance (LCY) 3,750.00, and other metrics. The 'Buy-from Vendor Hi...' panel shows Vendor No. 61000 and various order and invoice counts. The 'Notes' panel has a link to create a new note. The bottom of the window shows 'Invoicing' (61000 | COD | 2/1/2013), 'Shipping' (WHITE | 1/23/2014), and 'Foreign Trade'.

**FIGURE 2.5: PURCHASE INVOICE WITH ACQUISITION COST**

4. Post the invoice.
  - a. Click **Post** to post the invoice.
  - b. When you receive the message "Do you want to post the Invoice?", click **Yes**.
  
5. Verify the book value on the fixed asset card.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**, and then double-click the fixed asset card for the **Reception Department Computer** fixed asset.

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Verify that the current book value in the **Book Value** field on the **Lines** FastTab corresponds to the posted acquisition cost.

FA000100 · Reception Department Computer

General

No.: FA000100 Search Description: RECEPTION DEPAR...  
Description: Reception Departmen... Responsible Employee:  
Serial No.: BTHC026000D Inactive:   
Main Asset/Component: Blocked:   
Component of Main Asset: Last Date Modified: 6/26/2012

Notes

Click here to create a new note.

Lines

| Depreciatio... | FA Posting ... | Depreciatio... | Deprecia... | Deprecia... | No. of ... | D.                       | Book Value |
|----------------|----------------|----------------|-------------|-------------|------------|--------------------------|------------|
| COMPANY        | IT-EQIP        | Straight-Line  | 2/1/2013    | 1/31/2016   | 3.00       | <input type="checkbox"/> | 1,500.00   |

Posting

FA Class Code: TANGIBLE FA Location Code: RECEPTION  
FA Subclass Code: EQUIPMENT Budgeted Asset:   
Maintenance 61000

OK

**FIGURE 2.6: FIXED ASSET BOOK VALUE**

## Lab 2.2: Increase the Cost of the Fixed Asset

Cassie previously created a fixed asset card for the Reception Department Computer fixed asset and posted the acquisition cost through the purchase invoice. Cassie learns that the company has invested additional costs into this fixed asset to upgrade the acquired computer and make it more powerful. Now, Cassie has to post the additional acquisition cost in the amount of 1000 (including VAT).



**Note:** Before you complete this lab, make sure that you have already created the fixed asset card for the fixed asset in question and that the initial acquisition cost is posted.

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### Objectives

Increase the cost of an acquired fixed asset.

### Post Additional Acquisition Cost

#### Exercise Scenario

To increase the cost of the asset, post the additional acquisition cost for the asset. Because the given fixed asset is associated with the COMPANY depreciation book that has integration with the general ledger, use the FA G/L journal to post additional acquisition cost.

For the acquisition journal line, use the information in the following table.

| Field                    | Value            |
|--------------------------|------------------|
| <b>Document Type</b>     | Invoice          |
| <b>FA Posting Date</b>   | 2/24/2013        |
| <b>FA Posting Type</b>   | Acquisition Cost |
| <b>Amount</b>            | 1,000.00         |
| <b>Bal. Account Type</b> | G/L Account      |
| <b>Bal. Account No.</b>  | 2910             |

Because you have not yet posted any depreciation for this fixed asset, leave the **Depr. until FA Posting Date** and **Depr. Acquisition Cost** fields empty.



### Task 1: Post Additional Acquisition Cost

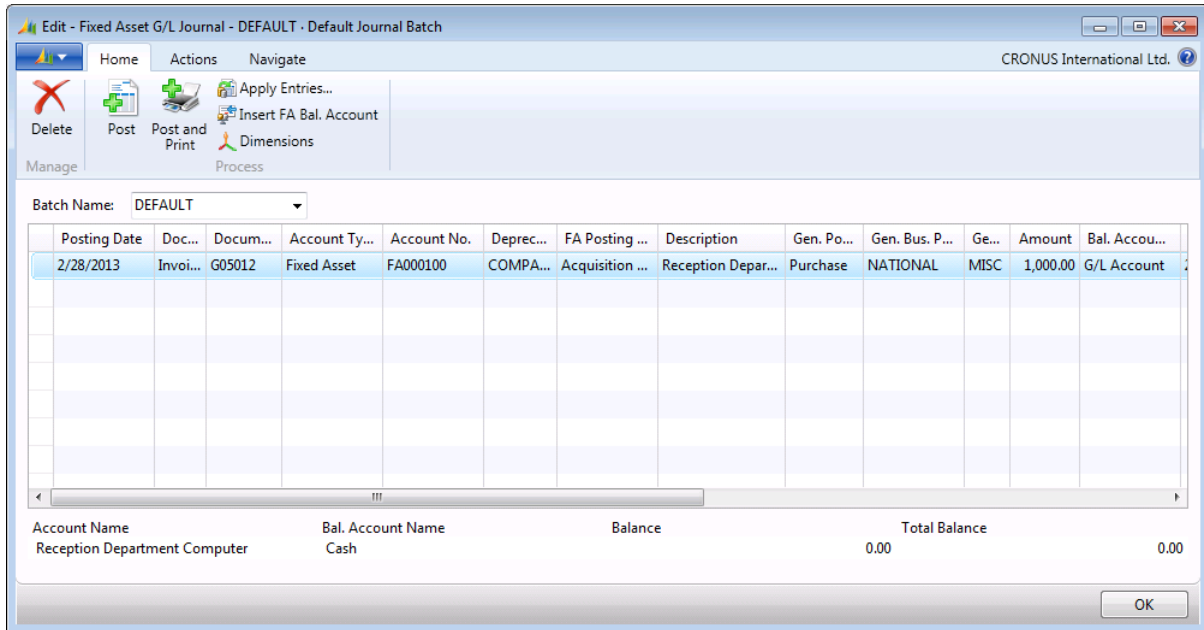
#### **High Level Steps**

1. Create a new FA G/L journal line.
2. Fill in additional acquisition cost information.
3. Create a balancing line.
4. Post the FA G/L journal.
5. Verify the book value on the fixed asset card.

#### **Detailed Steps**

1. Create a new FA G/L journal line.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journal**.
  - b. In the **Posting Date** field, type "2/24/2013".
  - c. In the **Account Type** field, select the field, and then select **Fixed Asset**.
  - d. In the **Account No.**, field, select the field, and then select the **Reception Department Computer** fixed asset.
2. Fill in additional acquisition cost information.
  - a. In the **FA Posting Type** field, select the field, and then select **Acquisition Cost**.
  - b. In the **Gen. Posting Type** field, select the field, and then select **Purchase**.
  - c. In the **Description** field, type "Add. Acq. Cost".
  - d. In the **Amount** field, enter **1,000.00**.
3. Create a balancing line.
  - a. Create a new line.
  - b. On the new line, in the **Posting Date** field, type "2/24/2013".
  - c. In the **Account Type** field, select the field, and then select **G/L Account**.
  - d. In the **Account No.**, field, select the field, and then select account **2910**.
  - e. In the **Amount** field, enter **-1,000.00**.

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**FIGURE 2.7: FA G/L JOURNAL WITH ADDITIONAL ACQUISITION COST**

4. Post the FA G/L journal.
  - a. Click **Post** to post the journal line.
  - b. When you receive the message "Do you want to post the journal lines?", click **Yes**.
  - c. When you receive the message "The journal lines were successfully posted.", click **OK**.
  
5. Verify the book value on the fixed asset card.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**, and then click the fixed asset card for the **Reception Department Computer** fixed asset.

Verify that the current book value in the **Book Value** field on the **Lines** FastTab has increased according to the posted additional acquisition cost.

The screenshot displays the 'Edit - Fixed Asset Card' for 'FA000100 - Reception Department Computer'. The 'General' section includes fields for 'No.' (FA000100), 'Description' (Reception Departmen...), 'Serial No.' (BTHC026000D), and 'Main Asset/Component'. The 'Lines' section shows a table with the following data:

| Depreciatio... | FA Posting ... | Depreciatio... | Deprecia... | Deprecia... | No. of ... | D.                       | Book Value |
|----------------|----------------|----------------|-------------|-------------|------------|--------------------------|------------|
| COMPANY        | IT-EQUIP       | Straight-Line  | 2/1/2013    | 1/31/2016   | 3.00       | <input type="checkbox"/> | 2,300.00   |

The 'Posting' section shows 'FA Class Code' as TANGIBLE, 'FA Subclass Code' as EQUIPMENT, and 'FA Location Code' as RECEPTION. The 'Maintenance' field is set to 61000.

**FIGURE 2.8: INCREASED FIXED ASSET BOOK VALUE**

**Note:** The book value is increased by 800 because the value in the **Amount** field on the journal line included the VAT amount, which is 25%.

You can click the link in the **Book Value** field to view the posted FA ledger entries.

## Calculate and Post Depreciation

Depreciation is used to allocate fixed assets over their depreciable life. Fixed asset depreciation can be calculated and posted by using two methods:

- Manual
- Automatic

For the manual method, use the FA G/L journal or the FA journal. For the automatic method, run the **Calculate Depreciation** batch job.

### Manual Depreciation with the FA G/L Journal

To manually post depreciation for a fixed asset that has integration with the general ledger, use the FA G/L journal.

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
2. In the **FA G/L Journal** window, in the **Posting Date** field, enter the relevant posting date.
3. In the **Account Type** field, click the field, and then select **Fixed Asset**.
4. In the **Account No.** field, click the field, and then select the fixed asset for which you want to post depreciation.
5. In the **Depreciation Book Code** field, click the field, and then select the depreciation book associated with the selected fixed asset and integrated with the general ledger, for example, **COMPANY**.
6. In the **FA Posting Type** field, click the field, and then select **Depreciation**.
7. Make sure that an allocation key is set up in the **FA Posting Group**, and then click **Insert FA Bal. Account.** on the **Home** FastTab. Balancing lines with different department codes are now created automatically. You can use the **Choose Columns** function to add the **Department Code** field.
8. Click **Post** to post the depreciation.
9. When you receive the message "Do you want to post the journal lines?", click **Yes**.
10. When you receive the message "The journal lines were successfully posted.", click **OK**.

To view the posted depreciation, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. Open the fixed asset card for the fixed asset whose posted depreciation you want to view.
3. On the **Lines** FastTab, click the **Book Value** field value to view the FA ledger entries.
4. In the **FA Ledger Entries** window, select the line with the relevant depreciation entry, and then on the **Actions** FastTab, click **Navigate**.
5. In the **Navigate** page, select **G/L entry** line, and then click **Show** on the **Home** FastTab. The **General Ledger Entries** window appears. This displays the G/L entries.
6. Close the **General Ledger Entries** window.

In the **Navigate** page, select the **FA Ledger Entry** line, and then click **Show** on the **Home** FastTab. The **FA Ledger Entries** window appears. This shows the FA ledger entries.

### Demonstration: Post a Manual Depreciation with the FA G/L Journal

Annie, the bookkeeper for CRONUS International Ltd., has to post a manual depreciation in February 2013 for the Switchboard fixed asset. The monthly depreciation amount for the Switchboard fixed asset is 85.

#### Demonstration Steps

To post the depreciation for the Switchboard fixed asset, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
2. In the **Posting Date** field, enter **02/28/2013**.
3. In the **Account Type** field, click the field, and then select **Fixed Asset**.
4. In the **Account No.** field, click the field, and then select **FA000090**.
5. In the **Depreciation Book Code** field, click the field, and then select **COMPANY**.
6. In the **FA Posting Type** field, click the field, and then select **Depreciation**.
7. In the **Amount** field, enter **-85.00**.
8. In the **Description** field, type **Depreciation February 2013**.
9. On the **Home** FastTab, in the **Process** group, click **Insert FA Bal. Account**.

| Posting Date                          | Document Type | Document No. | Account Type | Account No. | Depreciation Book Code | FA Posting Type | Description                | Gen. Posting Type | Gen. Bus. Posting Group | Gen. Prod. Posting Group | Amount            | Bal. Account Type | Bal.          |      |      |
|---------------------------------------|---------------|--------------|--------------|-------------|------------------------|-----------------|----------------------------|-------------------|-------------------------|--------------------------|-------------------|-------------------|---------------|------|------|
| 2/28/2013                             |               | G05004       | Fixed Asset  | FA000090    | COMPANY                | Depreciation    | Depreciation February 2013 |                   |                         |                          | -85.00            | G/L Account       |               |      |      |
| 2/28/2013                             |               | G05004       | G/L Account  | 8820        |                        |                 | Depreciation February 2013 |                   |                         |                          | 26.00             | G/L Account       |               |      |      |
| 2/28/2013                             |               | G05004       | G/L Account  | 8820        |                        |                 | Depreciation February 2013 |                   |                         |                          | 17.00             | G/L Account       |               |      |      |
| 2/28/2013                             |               | G05004       | G/L Account  | 8820        |                        |                 | Depreciation February 2013 |                   |                         |                          | 42.00             | G/L Account       |               |      |      |
|                                       |               |              |              |             |                        |                 |                            |                   |                         |                          |                   |                   |               |      |      |
| Account Name: Depreciation, Equipment |               |              |              |             |                        |                 |                            |                   |                         |                          | Bal. Account Name | Balance           | Total Balance | 0.00 | 0.00 |

**FIGURE 2.9: THREE BALANCING LINES CREATED AUTOMATICALLY**

Three balancing lines with different department codes are now created automatically, because the allocation key was already set up.

10. Click **Post** to post the depreciation.
11. When you receive the message "Do you want to post the journal lines?", click **Yes**.
12. When you receive the message "The journal lines were successfully posted.", click **OK**.

To view the posted depreciation, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. In the **Fixed Assets** window, double-click the line with fixed asset **FA000090** to open the fixed asset card.
3. In the **Fixed Asset Card** window, on the **Lines** FastTab, click the **Book Value** field value to view the FA ledger entries.
4. Select the line with the relevant depreciation entry (the document number should start with G), and then on the **Actions** FastTab in the **General** group, click **Navigate**.
5. In the **Navigate** window, select the **G/L Entry** line, and then click **Show**.

The **General Ledger Entries** window displays the depreciation posted for fixed asset number FA000090 to the COMPANY depreciation book.

6. In the **Navigate** window, select the **FA Ledger Entry** line, and then click **Show**.

The **FA Ledger Entries** window displays the depreciation posted for fixed asset number FA000090 to the COMPANY depreciation book.

### Demonstration: FA Journal

You can post the same depreciation transaction in a depreciation book that does not have general ledger integration. The following example shows how to post the same information from the FA G/L Journal example to an FA journal.

#### Demonstration Steps

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA Journals**.
2. Enter the same values that you used in the FA G/L journal as shown in the following table.

| Field                         | Value      |
|-------------------------------|------------|
| <b>FA Posting Date</b>        | 02/28/2013 |
| <b>FA No.</b>                 | FA000030   |
| <b>Depreciation Book Code</b> | TAX        |

| Field                  | Value                      |
|------------------------|----------------------------|
| <b>FA Posting Type</b> | Depreciation               |
| <b>Description</b>     | Depreciation February 2013 |
| <b>Amount</b>          | -85                        |

3. Click **Post**.
4. When you receive the message "Do you want to post the journal lines?", click **Yes**.
5. When you receive the message "The journal lines were successfully posted.", click **OK**.

### Calculate Depreciation Automatically

**Calculate Depreciation** is a batch job that automatically calculates depreciation based on the conditions that you set up on the batch job request page. Sold, blocked, or inactive assets, and assets that use the manual depreciation method, are excluded from the automatic depreciation calculation. The batch job automatically creates journal lines, and you only have to check and post the created journal lines.

### Fixed Asset Statistics

Use the **Fixed Asset Statistics** window to view the last postings to a fixed asset.

To access the **Fixed Asset Statistics** window, in the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**, select a fixed asset, and then, on the **Navigate** FastTab, click **Statistics**.

The screenshot shows the 'Fixed Asset Statistics' window for asset FA000010. The 'General' tab is active, displaying the following fields and values:

|                            |                          |
|----------------------------|--------------------------|
| Acquisition Date:          | 1/1/2013                 |
| G/L Acquisition Date:      | 1/1/2013                 |
| Disposed Of:               | <input type="checkbox"/> |
| Disposal Date:             |                          |
| Proceeds on Disposal:      | 0.00                     |
| Gain/Loss:                 | 0.00                     |
| Book Value after Disposal: | 0.00                     |
| Acquisition Cost:          | 41,000.00                |
| Depreciation:              | -6,000.00                |
| Write-Down:                | 0.00                     |
| Appreciation:              | 0.00                     |
| Custom 1:                  | 0.00                     |
| Book Value:                | 35,000.00                |
| Salvage Value:             | 0.00                     |
| Depreciable Basis:         | 41,000.00                |
| Custom 2:                  | 0.00                     |
| Maintenance:               | 20,000.00                |

The table also includes columns for 'Last FA Posting Date' and 'Amount' for the Acquisition Cost, Depreciation, and Book Value rows.

**FIGURE 2.10: FIXED ASSET STATISTICS**

## Demonstration: Calculate Depreciation

The following demonstration explains how to calculate depreciation for fixed asset FA000080 by using the **Calculate Depreciation** batch job.

### Demonstration Steps

To calculate depreciation, 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 fixed asset **FA000080**, and then, on the **Navigate** FastTab, click **Ledger Entries**. The last depreciation happened on December 31, 2013. So, the new depreciation must be calculated for January 2014.
3. Close the **FA Ledger Entries** window.



4. Double-click **FA00080**, then on the **Actions** FastTab, in the **General** group, click **Calculate Depreciation**. The **Calculate Depreciation** batch job request page appears.
5. On the **Options** FastTab, in the **Depreciation Book** field, select **COMPANY**.
6. In the **FA Posting Date** field, type "1/31/2014".
7. Select the **Insert Bal. Account** check box.
8. On the **Fixed Asset** FastTab, set the filter for the **No.** field to **FA00080**.

The screenshot shows the 'Edit - Calculate Depreciation' dialog box. The 'Options' section includes the following fields and values:

- Depreciation Book: COMPANY
- FA Posting Date: 1/31/2014
- Use Force No. of Days:
- Force No. of Days: [Empty]
- Posting Date: [Empty]
- Document No.: [Empty]
- Posting Description: [Empty]
- Insert Bal. Account:

The 'Fixed Asset' section shows 'Sorting' set to 'No.' and a filter for 'No.' set to 'FA00080'.

The 'Show results' section lists the following filters:

- Where No. is FA00080
- And FA Class Code is Enter a value.
- And FA Subclass Code is Enter a value.
- And Budgeted Asset is Select a value

There are 'Add Filter' buttons and 'Limit totals to: Add Filter' options. 'OK' and 'Cancel' buttons are at the bottom right.

**FIGURE 2.11: CALCULATE DEPRECIATION BATCH JOB REQUEST PAGE**

## Fixed Assets in Microsoft Dynamics® NAV 2013

- Click **OK** to calculate the depreciation on January 31, 2014. The batch job calculates depreciation for fixed asset number FA000080 and creates the lines in the Fixed Asset G/L journal.
- Close the fixed assets card.
- Click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.

The **Fixed Asset G/L Journal** window contains the lines created by the **Calculate Depreciation** batch job.

| Posting Date | Document ... | Document ... | Account Ty... | Account No. | Depreciatio... | FA Posting ... | Description | Gen. Postin... | Gen. Bus. P... | Gen. Prod. |
|--------------|--------------|--------------|---------------|-------------|----------------|----------------|-------------|----------------|----------------|------------|
| 1/31/2014    |              | G05005       | Fixed Asset   | FA000080    | COMPANY        | Depreciation   |             |                |                |            |
| 1/31/2014    |              | G05005       | G/L Account   | 8820        |                |                |             |                |                |            |

| Account Name       | Bal. Account Name | Balance | Total Balance |      |
|--------------------|-------------------|---------|---------------|------|
| Lift for Furniture |                   |         | -40.00        | 0.00 |

**FIGURE 2.12: FIXED ASSET G/L JOURNAL**

- View the lines, and then click **Post** to post the depreciation.
- When you receive the message "Do you want to post the journal lines?", click **Yes**.
- When you receive the message "The journal lines were successfully posted.", click **OK**.
- Click **OK** to close the **Fixed Asset G/L Journal** window.

### G/L Journal for Automatic Depreciations

The FA G/L journal is automatically created by the **Calculate Depreciation** batch job. The **No. of Depreciation Days** field value in the FA G/L journal is automatically updated after it runs the batch job.

The balancing line in the FA G/L journal is also created automatically when the **Insert Bal. Account** field on the **Options** FastTab of the **Calculate Depreciation** batch job request page is selected.

### Document Number

The following rules apply to the **Document No.** field on the **Options** FastTab on the **Calculate Depreciation** batch job request page:

- If the journal batch used by the batch job has a number series in the **No. Series** field, leave the **Document No.** field blank. All journal lines are automatically assigned the same number—the next available number from the number series. When you use this method, the journal must be empty.
- If the journal batch used by the batch job does not have a number series in the **No. Series** field, enter a number in the **Document No.** field. This number is assigned automatically to all the journal lines.

Select the journal that the batch job uses in **the FA Journal Setup** window.

### Number of Depreciation Days

The standards for depreciation in Microsoft Dynamics NAV 2013 are 360 days for a year and 30 days for a month.

The depreciation starting date for each fixed asset is the last entry date (from the **FA Posting Date** field). If only the acquisition cost and salvage value are posted for a fixed asset, the date from the **Depreciation Starting Date** field in the FA depreciation book is used to calculate depreciation.

If the last entry is anything other than a depreciation entry, the FA posting date is included automatically in the calculation of the number of depreciation days. This means that both the starting date and the ending date are included.

For example, the program calculates 01/01/13 – 01/10/13 as 10 days if the entry posted on 01/01/13 is not a depreciation entry, but as 9 days if the entry on 01/01/13 is a depreciation entry.

Microsoft Dynamics NAV 2013 calculates depreciation up to and including the date in the **FA Posting Date** field on the **Options** FastTab on the **Calculate Depreciation** batch job request page.

### Force Number of Days

The program can calculate a full month's depreciation for an entry that is posted at the beginning of a month. On the **Calculate Depreciation** batch job request page, on the **Option** FastTab, enter, for example, 30 days in the **Force No. of Days** field and select the **Use Force No. of Days** check box. If these fields are filled in, the system always uses the number of days entered in the **Force No. of Days** field.

## Fixed Assets in Microsoft Dynamics® NAV 2013

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The following table displays examples of how the program calculates the number of depreciation days. In these examples, the last entry was a depreciation entry. Therefore, only the last date of the interval is included in the calculations.

| Date Interval       | Number of Depreciation Days |
|---------------------|-----------------------------|
| 01/31/14 – 02/28/14 | 30                          |
| 03/31/14 – 04/30/14 | 30                          |
| 12/31/13 – 12/31/14 | 360                         |
| 02/27/14 – 03/01/14 | 4                           |
| 02/08/14 – 03/01/14 | 1                           |
| 03/30/14 – 04/01/14 | 1                           |
| 03/31/14 – 04/01/14 | 1                           |
| 03/30/14 – 03/31/14 | 0                           |
| 03/30/14 – 03/31/15 | 360                         |

When you select the Straight-line depreciation method and fill in the **No. of Depreciation Years** field in the FA depreciation book, the program calculates the number of remaining days based on the ending date. The depreciable basis is divided by the remaining number of days and then multiplied by the number of days in the depreciation period. This means that the final depreciation amount may have to be rounded off to the final numbers of days. Also, the program does not post depreciation amounts of zero. Therefore, nothing occurs if you run the **Calculate Depreciation** batch job multiple times.

When you use the Straight-line method and enter a number in the **No. of Depreciation Years** field, you can adjust the amount that is depreciated by changing the date in the **Depreciation Ending Date** field.

## Lab 2.3: Calculate Depreciation

Cassie, the accountant, previously created a fixed asset card for the Reception Department Computer fixed asset and posted the acquisition cost. This includes the additional acquisition cost. After one month, she has to calculate and post depreciation for February 2013. Cassie uses the **Calculate Depreciation** batch job to calculate the depreciation automatically.



**Note:** Before you complete this lab, make sure that the acquisition cost for the Reception Department Computer fixed asset is already posted.

### Objectives

Calculate and post depreciation for February 2013.

### Calculate and Post Depreciation

#### Exercise Scenario

To calculate and post the depreciation for the Reception Department Computer fixed asset, run the **Calculate Depreciation** batch job from the fixed asset card by using the values that are shown in the following table.

| Field                      | Value                      |
|----------------------------|----------------------------|
| <b>Depreciation Book</b>   | COMPANY                    |
| <b>FA Posting Date</b>     | 2/28/2013                  |
| <b>Posting Description</b> | Depreciation February 2013 |
| <b>Insert Bal. Account</b> | Yes                        |

If you set up the number series for the fixed asset journal batch, you can leave the **Document No.** field empty.



**Note:** The program defines February 28th or 29th (depending on whether the year is a leap year), and the 30th and the 31st for the other months in the year, as the last day of the month. For example, if any of these dates were used in the last depreciation entry, and you enter the first date of the next month in the **FA Posting Date** field in the batch job, the program will calculate depreciation for one day.

After the batch job creates depreciation lines in the FA G/L journal, review and post the journal.

### Task 1: Calculate and Post Depreciation

#### High Level Steps

1. Open the fixed asset card for the fixed asset for which you want to calculate and post depreciation.
2. Run the **Calculate Depreciation** batch job.
3. Review the created journal lines.
4. Post the **FA G/L journal**.
5. Review the changed book value and posted ledger entries.

#### Detailed Steps

1. Open the fixed asset card for the fixed asset for which you want to calculate and post depreciation.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
  - b. Open the fixed asset card for the **Reception Department Computer** fixed asset.
2. Run the **Calculate Depreciation** batch job.
  - a. On the **Home** FastTab, click **Calculate Depreciation**.
  - b. In the **Calculate Depreciation** batch job request window, on the **Options** FastTab, make sure that the **Depreciation Book** field is set to **COMPANY**.
  - c. In the **FA Posting Date** field, type "2/28/2013". This date is used as the ending date in the depreciation calculation.
  - d. In the **Posting Description** field, type "Depreciation Asset February 2013".
  - e. Select the **Insert Bal. Account** check box.
  - f. Click **OK** to run the batch job

Do not close **the Fixed Asset Card** window

3. Review the created journal lines.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
  - b. In the **Fixed Asset G/L Journal** window, review the created journal lines.

| Posting Date | Docu... | Docu... | Account Ty... | Account No. | Depreciatio... | FA Posting ... | Description       | Gen. Postin... | Gen. Bus. P... | Gen. Pro... | Amount | Bal. A |
|--------------|---------|---------|---------------|-------------|----------------|----------------|-------------------|----------------|----------------|-------------|--------|--------|
| 2/28/2013    |         | G05014  | Fixed Asset   | FA000100    | COMPANY        | Depreciation   | Depreciation A... |                |                |             | -64.00 | G/L Ac |
| 2/28/2013    |         | G05014  | G/L Account   | 8820        |                |                | Depreciation A... |                |                |             | 64.00  | G/L Ac |

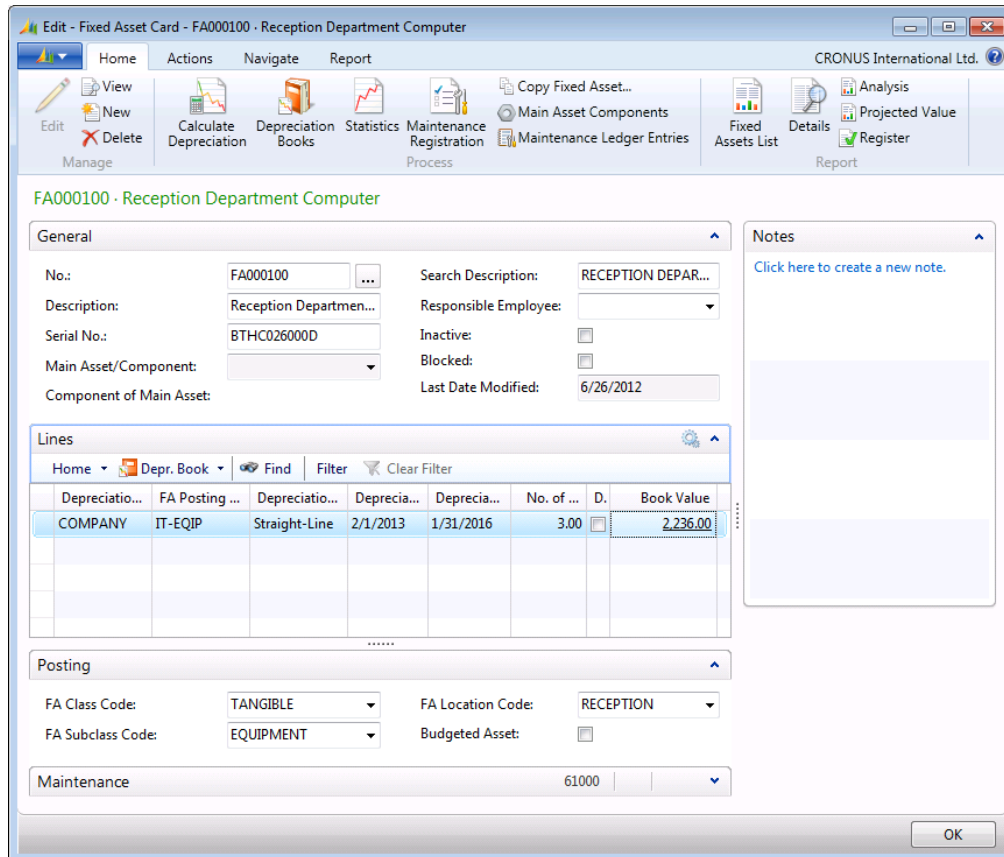
  

| Account Name            | Bal. Account Name | Balance | Total Balance |
|-------------------------|-------------------|---------|---------------|
| Depreciation, Equipment |                   |         | 0.00          |
|                         |                   |         | 0.00          |

**FIGURE 2.13: FIXED ASSET G/L JOURNAL WITH DEPRECIATION LINES**

4. Post the **FA G/L journal**.
  - a. Click **Post** to post the journal lines.
  - b. When you receive the message "Do you want to post the journal lines?", click **Yes**.
  - c. When you receive the message "The journal lines were successfully posted.", click **OK**.
  
5. Review the changed book value and posted ledger entries.
  - a. In the **Fixed Asset Card** window for the Reception Department Computer fixed asset, on the **Lines** FastTab, review the value in the **Book Value** field.

The value has decreased, because of the posted depreciation.



**FIGURE 2.14: DECREASED BOOK VALUE AFTER POSTED DEPRECIATION**

You can click the link in the **Book Value** field to review the posted FA ledger entries.

## Write-down and Appreciation of Fixed Assets

### Write-down of a Fixed Asset

A write-down is a decrease in the value of a fixed asset. A decrease may be the result of the asset becoming out of date or damaged.

You can use write-down entries as a correction to decrease an asset's depreciable base when the depreciation of the asset was too low in the past. The asset's value decrease is posted as a loss in the financial statement.

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**Note:** The handling of write-down (Appreciation) transactions on posting and reporting in Microsoft Dynamics NAV is controlled by the FA Posting Type Setup table settings. For more information, please refer to Module 1: Fixed Assets Setup.

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## Demonstration: Integrate a Write-down with a G/L Journal

To post a write-down entry to a depreciation book for which write-down has G/L integration, you must use an FA G/L journal. To set up the FA posting group to which you have to post write-down, follow these steps:

### Demonstration Steps

1. In the navigation pane, click **Departments > Administration > Application Setup > Financial Management > Posting Groups > FA Posting Groups**.
2. Right-click the column header, select **Choose Columns**, add the **Write-Down Account** and the **Write-Down Expense Acc.** fields, and then click **OK**.
3. On the line with the TELEPHONE posting group, in the **Write-Down Account** field, enter **1230**.
4. In the **Write-Down Expense Acc.** field, enter **8640**.
5. Click **OK**.

## Demonstration: Post a Write-down

The Switchboard fixed asset decreased in value over time, and you must post a write-down for this fixed asset.

### Demonstration Steps

To post a write-down entry, follow these steps.

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
2. In the **Fixed Asset G/L Journal** window, enter the information in the following table.

| Field                  | Value       |
|------------------------|-------------|
| <b>Posting Date</b>    | 01/31/14    |
| <b>Document Type</b>   | <Blank>     |
| <b>Account Type</b>    | Fixed Asset |
| <b>Account No.</b>     | FA000090    |
| <b>FA Posting Type</b> | Write-down  |
| <b>Amount</b>          | -300        |

3. On the **Home** FastTab, click **Insert FA Bal. Account**.

## Fixed Assets in Microsoft Dynamics® NAV 2013

The program creates a second line with a balancing entry.

| Posting Date  | Doc... | Document ... | Account Ty...     | Account No. | Depreciatio... | FA Posting ... | Description | Gen. P...     | Gen. Bus.... | Gen. P... | Amount  |
|---------------|--------|--------------|-------------------|-------------|----------------|----------------|-------------|---------------|--------------|-----------|---------|
| 1/31/2014     |        | G05006       | Fixed Asset       | FA000090    | COMPANY        | Write-Down     | Switchboard |               |              |           | -300.00 |
| 1/31/2014     |        | G05006       | G/L Account       | 8640        |                |                | Switchboard | Purchase      | NATIONAL     | MISC      | 300.00  |
|               |        |              |                   |             |                |                |             | Total Balance |              |           | 0.00    |
| Account Name  |        |              | Bal. Account Name |             |                | Balance        |             | Total Balance |              |           | 0.00    |
| Miscellaneous |        |              |                   |             |                |                |             |               |              |           |         |

**FIGURE 2.15: WRITE-DOWN JOURNAL ENTRIES**

4. Click **Post**.
5. When you receive the message "Do you want to post the journal lines?", click **Yes**.
6. When you receive the message "The journal lines were successfully posted.", click **OK**.



**Note:** If the entries do not have to be integrated with the general ledger, you can also post write-down from the FA journal.

### Appreciation of Fixed Assets

Appreciation is an increase in the value of a fixed asset (typically land and buildings). It can also be used for a fixed asset that increases in value because of increased demand for the item.

You can use an appreciation entry as a correction to increase an asset's depreciable base when the depreciation of the asset was too high in the past. This value is posted as a gain in the financial statement.

## Demonstration: Integrate an Appreciation with the FA G/L Journal

Use an FA G/L journal to post an appreciation transaction to a depreciation book in which appreciation has a G/L integration. Before posting appreciation in the FA G/L journal, you must set up FA posting groups for appreciation. To set up FA posting groups for posting appreciation, follow these steps:

### Demonstration Steps

1. In the navigation pane, click **Departments > Administration > Application Setup > Financial Management > Posting Groups > FA Posting Groups**.
2. Right-click the column header, select **Choose Columns**, add the **Appreciation Account** and the **Appreciation Bal. Account** fields, and then click **OK**.
3. On the line with the TELEPHONE posting group, in the **Appreciation Account** field, enter **1220**.
4. In the **Appreciation Bal. Account** field, enter **8640**.
5. Click **OK**.

## Demonstration: Post an Appreciation

The Switchboard fixed asset increased in value, and you must post an appreciation for this fixed asset.

### Demonstration Steps

To post an appreciation entry, follow these steps:

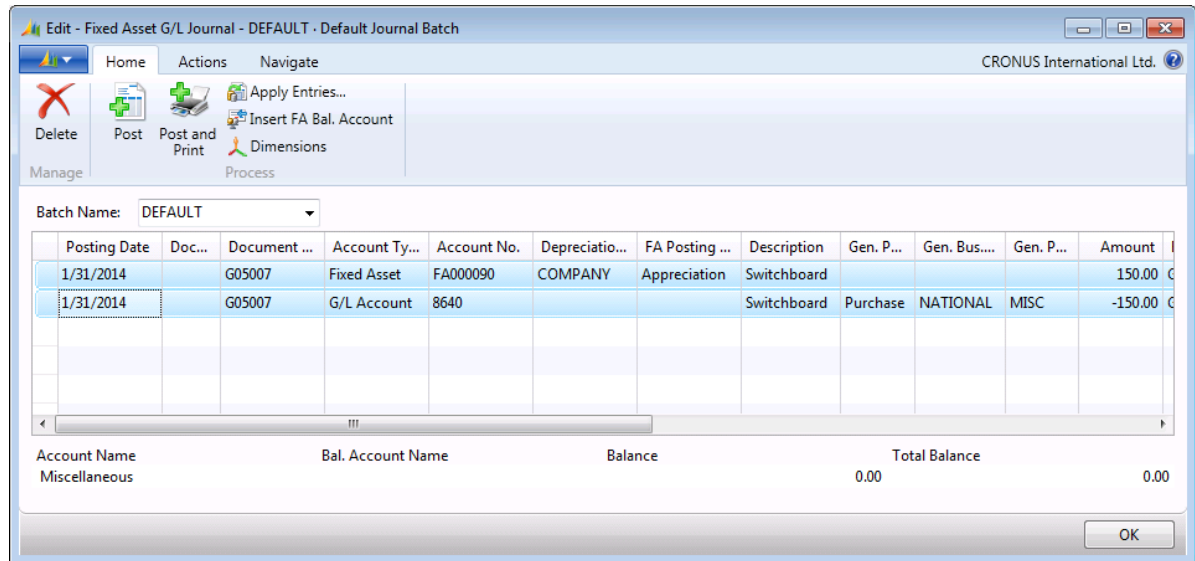
1. In the navigation pane, click **Financial Management > Fixed Assets > FA G/L Journals**.
2. In the **Fixed Asset G/L Journal** window, enter the information in the following table.

| Field                  | Value        |
|------------------------|--------------|
| <b>Posting Date</b>    | 01/31/14     |
| <b>Document Type</b>   | <Blank>      |
| <b>Account Type</b>    | Fixed Asset  |
| <b>Account No.</b>     | FA000090     |
| <b>FA Posting Type</b> | Appreciation |
| <b>Amount</b>          | 150          |

3. Click **Insert FA Bal. Account**.


## Fixed Assets in Microsoft Dynamics® NAV 2013

The program creates a second line with a balancing entry.



**FIGURE 2.16: APPRECIATION JOURNAL ENTRIES**

4. Click **Post**.
5. When you receive the message "Do you want to post the journal lines?", click **Yes**.
6. When you receive the message "The journal lines were successfully posted.", click **OK**.

 **Note:** If the entries do not have to be integrated with the general ledger, you can also post appreciation from the FA journal.

## Lab 2.4: Post Write-down

The Reception Department Computer fixed asset was damaged while in service. This decreased the value of the fixed asset by 200. Cassie has to post a write-down to reflect the decreased value.



**Note:** Before completing this lab, make sure that in the **FA Posting Groups** window, for the IT-EQUIP posting group, you set up write-down accounts to which write-down will be posted. To open the **FA Posting Groups** window, in the navigation pane, click **Departments > Financial Management > Administration > Setup > Posting Groups > FA Posting Groups**. For the IT-EQUIP posting group, in the **Write-Down Account** field enter **1230** and in the **Write-Down Expense Acc.** enter **8640**.

### Objectives

Post a write-down.

### Post a Write-down

#### Exercise Scenario

Post a write-down for the Reception Department Computer fixed asset. Use the FA G/L journal, because this value is associated with the depreciation book that is integrated with the general ledger.

Use information from the following table.

| Field                  | Value      |
|------------------------|------------|
| <b>Posting Date</b>    | 11/01/2013 |
| <b>FA Posting Type</b> | Write-down |
| <b>Amount</b>          | -200.00    |

#### Task 1: Post a Write-down


##### High Level Steps

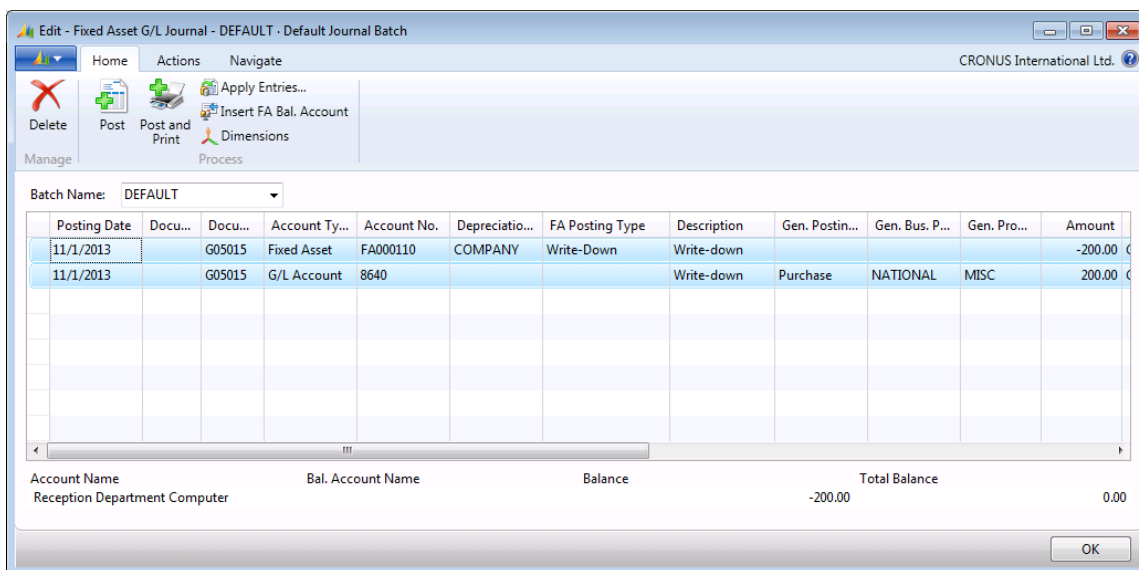
1. Open the Fixed Asset G/L journal.
2. Create a write-down line by filling in the mandatory fields.
3. Create a balancing line.
4. Post the journal.
5. Review the revalued book value on the fixed asset card.

# Fixed Assets in Microsoft Dynamics® NAV 2013

## Detailed Steps

1. Open the Fixed Asset G/L journal.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
2. Create a write-down line by filling in the mandatory fields.
  - a. In the **Fixed Asset G/L Journal** window, in the **Posting Date** field, type "11/1/2013".
  - b. In the **Account Type** field, click the field, and then select **Fixed Asset**.
  - c. In the **Account No.** field, click the field, and then select the number of the **Reception Department Computer** fixed asset.
  - d. In the **FA Posting Type** field, click the field, and then select **Write-Down**.
  - e. In the **Description** field, type **Write-down**.
  - f. In the **Amount** field, type "-200.00".
3. Create a balancing line.
  - a. On the **Home** FastTab, click **Insert FA Bal. Account** to add a balancing line.

 **Note:** To insert a balancing account by using the **Insert FA Bal. Account** function, you must have the appropriate accounts set up in the **FA Posting Groups** window.



| Posting Date | Docu... | Docu... | Account Ty... | Account No. | Depreciatio... | FA Posting Type | Description | Gen. Postin... | Gen. Bus. P... | Gen. Pro... | Amount  |
|--------------|---------|---------|---------------|-------------|----------------|-----------------|-------------|----------------|----------------|-------------|---------|
| 11/1/2013    |         | G05015  | Fixed Asset   | FA000110    | COMPANY        | Write-Down      | Write-down  |                |                |             | -200.00 |
| 11/1/2013    |         | G05015  | G/L Account   | 8640        |                |                 | Write-down  | Purchase       | NATIONAL       | MISC        | 200.00  |

Account Name: Reception Department Computer      Bal. Account Name:      Balance: -200.00      Total Balance: 0.00

FIGURE 2.17: FIXED ASSET G/L JOURNAL WITH WRITE-DOWN

4. Post the journal.
  - a. Click **Post** to post the journal.
  - b. When you receive the message "Do you want to post the journal lines?", click **Yes**.
  - c. When you receive the message "The journal lines were successfully posted.", click **OK**.
  
5. Review the revalued book value on the fixed asset card.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
  - b. Select the line with fixed asset **FA000110** and click **Edit** to open the fixed asset card for the Reception Department Computer fixed asset.

On the **Lines** FastTab, in the **Book Value** field, you can see the decreased book value because of the posted write-down.

The screenshot displays the 'Edit - Fixed Asset Card' for FA000110, 'Reception Department Computer'. The 'Lines' FastTab is active, showing a table with the following data:

| Depreciation Method | FA Posting | Depreciation Method | Start Date | End Date  | No. of Months | D. | Book Value |
|---------------------|------------|---------------------|------------|-----------|---------------|----|------------|
| COMPANY             | IT-EQIP    | Straight-Line       | 2/1/2013   | 1/31/2016 | 3.00          |    | 2,036.00   |

The 'Posting' section shows the following details:

- FA Class Code: TANGIBLE
- FA Subclass Code: EQUIPMENT
- FA Location Code: RECEPTION
- Budgeted Asset:
- Maintenance: 61000

**FIGURE 2.18: FIXED ASSET CARD WITH DECREASED BOOK VALUE**

## Fixed Asset Disposals

When you sell or otherwise dispose of a fixed asset, the disposal value must be posted. Disposal of the whole or a part of a fixed asset is the last step in the typical life cycle of a fixed asset. For partially disposed of fixed assets, you can post several disposal entries. Before you can dispose of parts of an asset, you must split the asset into two separate assets. Then you must completely dispose of one part, and the other part remains in the current fixed asset.

Use the FA G/L journal to post a disposal transaction to a depreciation book for which disposal has general ledger integration.

Use the FA journal to post a disposal transaction to a depreciation book for which disposal does not have general ledger integration.


### Salvage Value

Salvage value represents the residual value of a fixed asset when it can no longer be used. Post the salvage value of an asset from a purchase invoice or from the FA journal when you post the acquisition cost.

To post salvage value from a purchase invoice, add the **Salvage Value** field to the purchase lines by using the **Choose Column** function. Enter the salvage value in the field as a positive or negative number, and then post the invoice as usual. Typically, the salvage value is posted with a negative sign.

The salvage value reduces the depreciation base and therefore reduces all depreciation amounts. The final rounding amount reduces only the last depreciation amount. For example, a fixed asset costs 4800 today. After 4 years of usage, its salvage value is defined as 800. When you use the Straight-line depreciation method for calculating depreciation, this asset is depreciated at 1000 each year. If no salvage value existed, the depreciation would be 1,200 for each year, and not 1,000. Therefore, the salvage value has caused a reduction in the yearly depreciation of 200 each year.

---

 **Note:** You can post the salvage value either when you post acquisition cost or later. Entering a salvage value at the same time as the acquisition cost is important if you also select the **Depr. Acquisition Cost** check box on the purchase line. In this case, the program calculates the depreciation basis as follows: acquisition cost minus salvage value.

---



You can calculate depreciation below the book value of zero. Therefore, you must select the **Allow Depr. below Zero** check box in the depreciation book.

This enables the **Calculate Depreciation** batch job to continue calculating depreciation even if the book value of the fixed asset is zero or below zero.



In order to calculate depreciation below zero, you must set the values for the specific fields in the individual FA depreciation books, such as **Depr. below Zero %** or **Fixed Depr. Amount below Zero**.

When you reach the period where book value is just above zero and you want to calculate the depreciation for the period, so that the system can depreciate below zero, please be aware that Microsoft Dynamics NAV 2013 cannot calculate the depreciation from book value above zero to book value below zero in one step. Instead you must run the **Calculate Depreciation** batch job two times. The system can calculate depreciation only from above zero to zero, or from zero to below zero.

For example, an asset has a book value of 800 and you want to calculate depreciation below zero:

1. In the FA depreciation book for the asset, in the **Fixed Depr. Amount below Zero** field, enter **1,000**.
2. Run the **Calculate Depreciation** batch job for the asset. The program calculates the depreciation as 800. This makes the book value 0.
3. Run the **Calculate Depreciation** batch job for the asset for the next period. The program calculates the depreciation as 1.000. This makes the book value -1.000.

### Scenario – Using Salvage Value

Salvage value is used to determine depreciation amounts.

For example, an asset has a book value of 4800. After a usage of 4 years, its salvage value is defined as 800. When you use the Straight-line depreciation method for calculating depreciation, the asset is depreciated at 1000 each year. If no salvage value is defined after 4 years, the same asset is depreciated at 1200 each year.

| Depreciation profile | With the specified salvage value | Without a salvage value |
|----------------------|----------------------------------|-------------------------|
| Purchase today       | 4800                             | 4800                    |
| Depreciation Year 1  | -1000                            | -1200                   |
| Depreciation Year 2  | -1000                            | -1200                   |
| Depreciation Year 3  | -1000                            | -1200                   |
| Depreciation Year 4  | -1000                            | -1200                   |
| Salvage value Year 4 | -800                             | 0                       |

This example shows that specifying the salvage value of 800 reduces the depreciation amount of 200 per year.



**Note:** A salvage value is not posted as an alternative to a final rounding amount. Set up the final rounding amount in the FA depreciation book. This amount reduces the last depreciation amount. The program does not post the final rounding amount.

---

### Final Ending Book Value

The final ending book value is frequently used to represent a fully depreciated asset that is still active. When you use a salvage value, a reduction in depreciation over the life of the asset is allowed. However, some local laws give only the reduction of the last depreciation amount. You can reduce the last depreciation amount by inserting an ending book value on the fixed asset card. When you use this feature on most of the fixed assets, you can set up a default ending book value in the relevant depreciation book.

### Disposal of Fixed Assets

When you sell or otherwise dispose of a fixed asset, you must post the disposal value together with any related gain or loss.

A disposal entry must be the last entry posted for an asset so that you can record related disposal costs for an asset. You must record related disposal costs in the FA G/L journal before the actual disposal entry. You must also post all disposal entries through the FA G/L journal, the FA journal, or a sales invoice.

Set up the disposal method for each depreciation book in the **Disposal Calculation Method** field. The program can handle disposals by using one of the following methods:

- **Net method:** Post to either a disposal loss or gain account. This is the most common disposal method.
- **Gross method:** Post to a book value gain or loss account and to a sales gain or loss account. When you enter the sales price in a journal, the program calculates the gain or loss on the disposal and calculates all other relevant entries. The gain or loss amount is calculated automatically from the difference between the sales price and the book value.



**Note:** For information about both methods, please refer to the Help within Microsoft Dynamics NAV 2013 on the **Depreciation Book Card** window on the **Disposal Calculation Method** field by clicking **F1**.

---

### Scenario – Disposing of a Fixed Asset

The fixed asset Warehouse was purchased for 100,000. The depreciation on the fixed asset was 70,000. A new highway is built near the warehouse. This results in appreciation of the fixed asset of 40,000. The resulting book value is 70,000 (Acquisition Cost – Account Depreciation + Appreciation). The warehouse is finally sold for 20,000, and the losses on the fixed asset are 50,000.

The following table shows the amounts used in the following examples, by using both Net and Gross methods of disposal.

| Field                    | Value                                       |
|--------------------------|---|
| <b>Acquisition Cost</b>  | 100,000                                     |
| <b>Acc. Depreciation</b> | 70,000                                      |
| <b>Appreciation</b>      | 40,000                                      |
| <b>Book Value</b>        | 70,000 (Acq. Cost - Acc. Deprec. + Apprec.) |
| <b>Sales Price</b>       | 20,000                                      |
| <b>Loss</b>              | 50,000 (Sales Price - Book Value)           |

When you post the disposal of a fixed asset by using a journal or sales invoice, the system calculates the gain or loss on disposal and creates the other entries. The following examples show which amounts are posted to the accounts when you post the disposal of a fixed asset. In the end, the result of both methods is the same in the financial statement. However, depending on the method, a different G/L account is used, and other amounts are registered on the different accounts.

### Disposal of Fixed Assets – Example A

In the example of disposal in the following table, appreciation is included in the book value and is a part of the calculation of gain or loss. You select this in the **FA Posting Type Setup** window, by selecting the **Include in the Gain/Loss Calc.** check box. When you use the Net method, the disposal amount of 50,000 is allocated to the **Losses Acc. on Disp.** account.

| Field                             | Net Method |         | Gross Method |         |
|-----------------------------------|------------|---------|--------------|---------|
| <b>G/L Account</b>                | Debit      | Credit  | Debit        | Credit  |
| <b>Cash</b>                       | 20,000     |         | 20,000       |         |
| <b>Acq. Cost Acc. on Disposal</b> |            | 100,000 |              | 100,000 |

## Fixed Assets in Microsoft Dynamics® NAV 2013

| Field                                | Net Method |        | Gross Method |        |
|--------------------------------------|------------|--------|--------------|--------|
| <b>Accum. Depr. Acc. on Disposal</b> | 70,000     |        | 70,000       |        |
| <b>Appreciation Acc. on Disposal</b> |            | 40,000 |              | 40,000 |
| <b>Losses Acc. on Disposal</b>       | 50,000     |        |              |        |
| <b>Apprec. Bal. Acc. on Disp.</b>    |            |        |              |        |
| <b>Book Value Acc. on Disposal</b>   |            |        | 70,000       |        |
| <b>Sales Acc. on Disposal</b>        |            |        |              | 20,000 |

### Disposal of Fixed Assets – Example B

In the example of disposal in the following table, appreciation is included in the book value, but not included in the gain or loss calculation. This results in a smaller loss than the loss that results from the Net disposal calculation method.

When you use the Net method, the disposal amount is allocated to the **Losses Acc. on Disp.** and **Apprec. Bal. Acc. on Disposal** accounts. The Gross method posts the sale amount of 20,000 to the credit of the **Sales Acc. on Disposal** account and the fixed asset book value of 70,000 to the **Book Value Acc. on Disposal** account. In both cases, the **Cash** account is debited for the sales price of 20,000.

| Field                                | Net Method |         | Gross Method |         |
|--------------------------------------|------------|---------|--------------|---------|
| <b>G/L Account</b>                   | Debit      | Credit  | Debit        | Credit  |
| <b>Cash</b>                          | 20,000     |         | 20,000       |         |
| <b>Acq. Cost Acc. on Disposal</b>    |            | 100,000 |              | 100,000 |
| <b>Accum. Depr. Acc. on Disposal</b> | 70,000     |         | 70,000       |         |
| <b>Appreciation Acc. on Disposal</b> |            | 40,000  |              | 40,000  |
| <b>Losses Acc. on Disposal</b>       | 10,000     |         |              |         |
| <b>Apprec. Bal. Acc. on Disp.</b>    | 40,000     |         |              |         |

| Field                              | Net Method |  | Gross Method |        |
|------------------------------------|------------|--|--------------|--------|
| <b>Book Value Acc. on Disposal</b> |            |  | 70,000       |        |
| <b>Sales Acc. on Disposal</b>      |            |  |              | 20,000 |

### Post the Disposal through the FA G/L Journal

Another way to post disposals is through the FA G/L journal.

To post disposals through the FA G/L journal, follow these steps:

1. In the navigation pane, click **Financial Management > Fixed Assets > FA G/L Journals**.
2. In the **Fixed Asset G/L Journal** window, enter the appropriate information on the line.
3. In the **Amount** field, enter the disposal amount as a credit or negative number.
4. On the **Actions** FastTab, click **Post**.
5. When you receive the message "Do you want to post the journal lines?", click **Yes**.
6. When you receive the message "The journal lines were successfully posted.", click **OK**.

You can also post the FA disposal in combination with a VAT posting group. The program automatically creates the sales VAT amount. If the program has to post the sales VAT automatically, enter the gross amount in the **Amount** field.


To view the results of the journal entry, follow these steps:

1. In the **Fixed Assets** window, select the asset that you want to view.
2. In the **Navigate** FastTab, in the **Fixed Asset** group, click **Depreciation Books**.
3. In the **FA Depreciation Books** window, on the **Navigate** FastTab, in the **Depr. Book** group, click **Ledger Entries**.
4. In the **FA Posting Category** field, select the line with **Disposal**, and then, on the **Actions** FastTab, click **Navigate**.
5. In the **Navigate** window, select the general ledger entry line. On the **Actions** FastTab, click **Show**. The **General Ledger Entries** window appears. It displays the entries created by the disposal transaction.

If you record a disposal for an asset without integration to the general ledger, you must record it in an **FA Journal**. The same information that is in the FA G/L journal is recorded automatically.

When you trade in an asset, you must record both the sale of the old asset (the disposal) and the purchase of the new one (the acquisition). You cannot record this type of transaction as a single transaction.

---

 **Note:** Avoid using the **Inactive** check box on the fixed asset card until two years after the last transaction on the asset. If an asset is sold in the current fiscal year and the asset is recorded as inactive, the asset will not appear in the **Fixed Asset - Book Value 01** report for the current fiscal year.

---

### Partial Disposal

You can also dispose of a part of a fixed asset instead of the whole fixed asset. When you sell or otherwise dispose of a part of an asset, you must split the asset into two or more assets before you record the disposal transaction.

For more information about how to dispose of a part of a fixed asset, refer to the “Fixed Asset Reclassifications” module in this course.


### Disposal from a Sales Invoice or a Sales Order

You can create a sales invoice by selecting the type of the fixed asset on the line. This lets you invoice an asset to a customer. The disposal of a fixed asset through a sales invoice or sales order works in the same manner as the disposal through a FA G/L journal.

### Demonstration: Dispose of a Whole Fixed Asset from a Sales Invoice

The following demonstration shows how to create a sales invoice to dispose of an asset.

---

 **Note:** You can also use a sales order to dispose of a fixed asset. The procedure for disposing of a fixed asset by using a sales order is the same as that using a sales invoice.

---

### Demonstration Steps

To dispose of a whole fixed asset by using a sales invoice, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Receivables > Sales Invoices**.
2. Click **New** to create a new sales invoice.
3. Press ENTER to have the program fill in the invoice number automatically.
4. In the **Sell-to-Customer No.** field, enter **30000**.

## Module 2: Fixed Asset Transactions

---

5. In the **Posting Date** and **Document Date** fields, enter **01/31/14**.
6. When you receive a warning about a Credit Limit check, click **Yes**.
7. On the **Lines** FastTab, click the **Type** field, and then select **Fixed Asset**.
8. Select the **No.** field, and then select the asset **FA000030** VW Transporter.
9. Type "1" in the **Quantity** field. No more than one asset for each sales line can be sold.
10. In the **Unit Price Excl. VAT** field, enter the net sales price. For example, enter **15,000.00**.
11. Right-click the column header, select **Choose Column**, add the **Depr. until FA Posting Date** field, and then click **OK**.
12. Select the **Depr. until FA Posting Date** check box.
13. On the **Home** FastTab, click **Statistic** to view the sales statistics for this invoice.

The program calculated the sales VAT.

14. Click **OK** to close the **Sales Invoice Statistics** window.
15. Click **Post**, to post the invoice.
16. When you receive the message "Do you want to post the Invoice?", click **Yes**.


An error message about the combination of the Project and Customer Group dimensions appears.

17. On the **Lines** FastTab, click **Line > Dimensions**.
18. In the **Edit Dimension Set Entries** window, select the VW Project dimension line, and then click **Delete**.
19. Click **Yes**.
20. Click **OK** to close the **Edit Dimension Set Entries** window.
21. Click **Post** to post the invoice.
22. Click **OK** to close the **Sales Invoice** window.

## Lab 2.5: Dispose of a Fixed Asset with a Sales Invoice

The company decided to dispose of the Reception Department Computer fixed asset in the middle of its depreciation period by selling it to a customer. Cassie must depreciate the fixed asset up to the posting date and post a sales invoice to register the disposal in the program.

---

 **Note:** Before completing this lab, make sure that in the **FA Posting Groups** window, for the **IT-EQUIP** posting group, you set up write-down accounts on disposal to which write-down will be posted during disposal. To open the **FA Posting Groups** window, in the navigation pane, click **Departments > Financial Management > Setup > Posting Groups**. For the **IT-EQUIP** posting group, fill in the **Write-Down Acc. on Disposal** field with **1230** and the **Write-Down Bal. Acc. on Disposal** with **8640**.

---

### Objectives

Post a disposal of a whole fixed asset with sales invoice.

### Dispose of a Whole Fixed Asset

#### Exercise Scenario

Create a sales invoice for the Reception Department Computer fixed asset by using the information from the following table.

| Field                       | Value      |
|-----------------------------|------------|
| <b>Sell-to Customer</b>     | 50000      |
| <b>Posting Date</b>         | 01/31/2014 |
| <b>Shipment Date</b>        | 01/31/2014 |
| <b>Quantity</b>             | 1          |
| <b>Unit Price Excl. VAT</b> | 700        |

On the sales line, select the **Depr. until FA Posting Date** check box to have the program depreciate the fixed asset up to the posting date.



### Task 1: Dispose of a Whole Fixed Asset

#### *High Level Steps*

1. Create a sales invoice.
2. Fill in the mandatory fields.
3. Post the sales invoice.
4. On the fixed asset card, verify the book value and make sure that the fixed asset is marked as disposed of.

#### *Detailed Steps*

1. Create a sales invoice.
  - a. In the navigation pane, click **Departments > Financial Management > Receivables > Sales Invoices**.
  - b. Click **New** to create a new sales invoice.
2. Fill in the mandatory fields.
  - a. Press ENTER to have the program fill in the invoice number automatically.
  - b. In the **Sell-to-Customer No.** field, enter **50000**.
  - c. In the **Posting Date** and **Document Date** fields, enter **01/31/14**.
  - d. On the **Shipping** FastTab, in the **Shipment Date** field, enter **01/31/14**.
  - e. On the **Lines** FastTab, in the **Type** field, click the field and select **Fixed Asset**.
  - f. Select the **No.** field, and select the asset **Reception Department Computer**. In this case, its number is **FA000120**.
  - g. Type "1" in the **Quantity** field. No more than one asset for each sales line can be sold.
  - h. In the **Unit Price Excl. VAT** field, type "700.00".
  - i. Select the **Depr. until FA Posting Date** check box to have the program calculate the depreciation up to the FA posting date.

## Fixed Assets in Microsoft Dynamics® NAV 2013

**103004 - Guildford Water Department**

**General**

No.: 103004    Posting Date: 1/31/2014  
Sell-to Customer No.: 50000    Document Date: 1/31/2014  
Sell-to Contact No.:  
Sell-to Customer Name: Guildford Water Departm...  
Sell-to City: Guildford    Salesperson Code: PS  
Sell-to Contact: Mr. Jim Stewart    Status: Open

**Customer Statistics - ...**

Customer No.: 50000  
Balance (LCY): 666.75  
**Sales**  
Outstanding Ord... 0.00  
Shipped Not Inv... 0.00  
Outstanding Inv... 0.00  
**Service**  
Outstanding Ser... 74.30  
Serv Shipped No... 0.00  
Outstanding Ser... 0.92  
Total (LCY): **741.97**  
Credit Limit (LCY): 0.00  
Overdue Amount... 666.75  
Total Sales (LCY): 0.00

**Customer Details**

Customer No.: 50000  
Phone No.:  
E-Mail: guildford...  
Fax No.:  
Credit Limit (LCY): 0.00  
Available Credit (... 0.00  
Payment Terms C... 14 DAYS  
Contact: Mr. Jim S...

**Lines**

| Type        | No.      | Description          | Location C... | Quan... | Unit of Mea... | Unit Price Excl. ... | Lir |
|-------------|----------|----------------------|---------------|---------|----------------|----------------------|-----|
| Fixed Asset | FA000110 | Reception Departm... |               | 1       |                | 700.00               |     |

**Invoicing**    50000    14 DAYS    2/14/2014

**Shipping**    GU7 5GT    1/31/2014

**Foreign Trade**

OK

**FIGURE 2.19: SALES INVOICE**

3. Post the sales invoice.
  - a. Click **Post**, to post the invoice.
  - b. When you receive the message "Do you want to post the Invoice?", click **Yes**.
  - c. Click **OK** to close the **Sales Invoice** window.
4. On the fixed asset card, verify the book value and make sure that the fixed asset is marked as disposed of.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**, and open the fixed asset card for the Reception Department Computer fixed asset.

## Module 2: Fixed Asset Transactions

The current book value is now zero, and when the **Disposed of** check box is selected, it indicates that the fixed asset was disposed of. To view the FA ledger entries, click the link in the **Book Value** field.

The screenshot shows the 'Edit - Fixed Asset Card - FA000110 - Reception Department Computer' window. The interface includes a ribbon with tabs for Home, Actions, Navigate, and Report. The 'Home' tab is active, showing various icons for actions like View, New, Delete, Calculate Depreciation, Depreciation Books, Statistics, Maintenance Registration, Main Asset Components, Maintenance Ledger Entries, Copy Fixed Asset..., Fixed Assets List, Details, Analysis, Projected Value, and Register. The main area displays the asset details for 'FA000110 - Reception Department Computer'. The 'General' section includes fields for No. (FA000110), Description (Reception Departmen...), Serial No. (BTHC026000D), Main Asset/Component, Component of Main Asset, Search Description (RECEPTION DEPAR...), Responsible Employee, Inactive (checkbox), Blocked (checkbox), and Last Date Modified (6/26/2012). The 'Lines' section shows a table with columns for Depreciation, FA Posting, Depreciation, Depreciation, Depreciation, No. of ..., D., and Book Value. The first row is highlighted and shows 'COMPANY', 'IT-EQIP', 'Straight-Line', '2/1/2013', '1/31/2016', '3.00', a checked 'D.' box, and '0.00'. The 'Posting' section includes fields for FA Class Code (TANGIBLE), FA Subclass Code (EQUIPMENT), FA Location Code (RECEPTION), and Budgeted Asset (checkbox). The 'Maintenance' section shows '61000'. A 'Notes' panel on the right contains a link to 'Click here to create a new note.' An 'OK' button is located at the bottom right.

| Depreciation | FA Posting | Depreciation  | Depreciation | Depreciation | No. of ... | D.                                  | Book Value |
|--------------|------------|---------------|--------------|--------------|------------|-------------------------------------|------------|
| COMPANY      | IT-EQIP    | Straight-Line | 2/1/2013     | 1/31/2016    | 3.00       | <input checked="" type="checkbox"/> | 0.00       |

**FIGURE 2.20: FIXED ASSET CARD OF A DISPOSED ASSET**

### Correct an Entry

In Microsoft Dynamics NAV 2013, there are two methods of correcting an incorrectly posted entry:

- **Cancel an entry:** You can cancel an incorrectly posted FA entry for one or more fixed assets by using the **Cancel FA entries** batch job, which can be run on the **FA Ledger Entries** window from the **Actions** FastTab. To cancel entries for various assets at the same time, run the **Cancel FA Ledger Entries** batch job that can be accessed from a depreciation book. When you cancel an entry, the batch job creates a correcting journal entry that you can review and post. If the assets are integrated with the general ledger, the batch job creates lines in the FA G/L journal. Otherwise, the batch job creates lines in the FA journal. The program marks the entry from the journal line and the entry from the FA ledger entry as error ledger entries. This can be possible only if the two entries have the same FA posting dates, the same FA posting types, and the same amounts with opposite signs, debit and credit. When you post the journal, the program removes the fixed asset ledger entries from the **FA Ledger Entries** window and posts them to the FA error ledger. You can view the error ledger entries in the **FA Error Ledger Entries** window.
- **Reverse an entry:** Using the **Reverse Transactions** function, you can reverse (undo) entries. When you reverse an entry, the program automatically posts an entry with a negative amount. This is a general method of correcting all general ledger postings and can be used only with entries generated from a general journal line. You can reverse entries from the G/L registers, fixed asset ledger entries, and other ledger entries windows. You cannot reverse fixed asset ledger entries associated with sold fixed assets and fixed assets ledger entries if reversing an entry results in a negative book value for the fixed asset.



**Note:** *The important difference between the two methods is that when you reverse an entry, the program posts an entry with the opposite sign in the same table. When you cancel entries, the program moves the incorrect entries to the FA error ledger. Therefore, we recommend that you do not use the **Reverse Transactions** function to correct an incorrect acquisition cost entry, because in this case the **Calculate Depreciation** batch job cannot calculate the depreciation correctly. We recommend that you use the **Cancel FA Entries** batch job to correct FA entries.*

---

Because the program uses the FA posting date in many calculations, you should correct entries with incorrect FA posting dates.

Be aware that the **Cancel FA Entries** batch job usually creates entries with the original **FA Posting Date** unless you select otherwise in the batch job request window. This may result in posting to a closed fiscal year. If an FA entry occurred in a closed fiscal year, you must cancel it. If the posting period is restricted in the **Allow FA Posting From** and **Allow FA Posting To** fields in the FA setup page, the program cannot post the cancellation. However, you can make a correction entry for an asset in the current fiscal year.

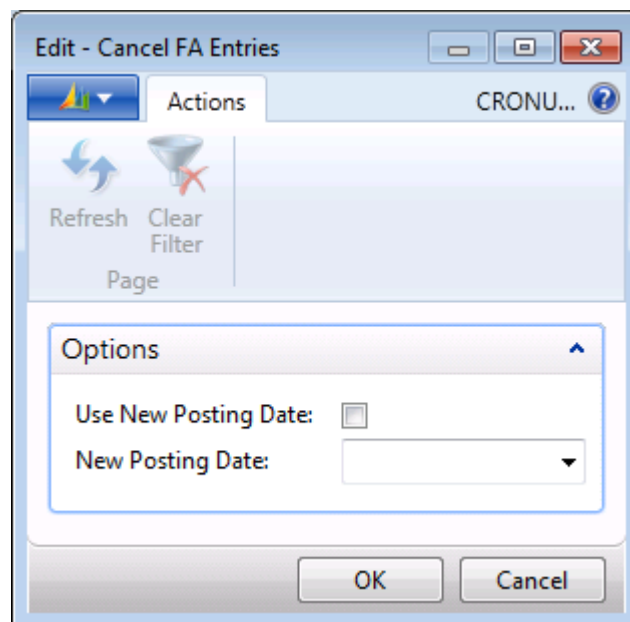
You can cancel entries in previous fiscal years by selecting the entries to be canceled and running the **Cancel FA Ledger Entries** batch job as usual.

### Cancel Depreciation

Use the **Cancel FA Ledger Entries** or **Cancel FA Entries** batch job to cancel incorrect depreciation entries. Both batch jobs work similarly. The **Cancel FA Entries** batch job cancels incorrect entries for a specific fixed asset, whereas the **Cancel FA Ledger Entries** batch job cancels entries for various fixed assets.

You can run the **Cancel FA Entries** batch job from the fixed asset card of the asset for which you want to cancel entries.

To run the **Cancel FA Entries** batch job, on the fixed asset card, on the **Navigate** FastTab, click **Ledger Entries**, select the ledger entry or entries to cancel, and then, on the **Actions** FastTab of the **FA Ledger Entries** window, click **Cancel Entries**.



**FIGURE 2.21: CANCEL FA ENTRIES BATCH JOB REQUEST PAGE**

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To run the **Cancel FA Ledger Entries** batch job, on the depreciation book card, on the **Actions** FastTab, click **Cancel FA Ledger Entries**.

In the batch job request window, you can set filters for fixed assets, select the period of fixed asset entries to be included in the journal, select the fixed asset transaction types, and select whether you want the batch job to include a balancing account.

The screenshot shows the 'Edit - Cancel FA Ledger Entries' window. The 'Options' section contains the following fields and controls:

- Cancel Book: COMPANY (dropdown)
- Starting Date: 2/28/2013 (dropdown)
- Ending Date: (dropdown)
- Use New Posting Date:
- New Posting Date: (dropdown)
- Document No.: (text box)
- Posting Description: (text box)
- Insert Bal. Account:

The 'Cancel' section contains the following checkboxes:

- Acquisition Cost:
- Depreciation:
- Write-Down:
- Appreciation:
- Custom 1:
- Custom 2:
- Salvage Value:
- Disposal:

The 'Fixed Asset' section contains the following filters:

- Show results:
  - Where No. is Enter a value.
  - And FA Class Code is Enter a value.
  - And FA Subclass Code is Enter a value.
  - + Add Filter
- Limit totals to:
  - + Add Filter

Buttons: OK, Cancel

FIGURE 2.22: CANCEL FA LEDGER ENTRIES BATCH JOB REQUEST PAGE



**Note:** When you cancel entries with the **Cancel Entries** function, the **Cancel FA Ledger Entries** batch job suggests all depreciation entries in the selected period for the cancellation. If any manual postings were made with this posting type in the selected period, the program also includes these entries in the cancellation suggestion.

---

After you cancel the entries, run the **Calculate Depreciation** batch job again to calculate and create the correct entries. When you cancel an FA entry, both the original entry and the cancellation entry are excluded from the depreciation calculation.

### Demonstration: Cancel and Recalculate Depreciation

In this demonstration, you cancel an incorrectly posted depreciation for fixed asset FA000060 and then post the correct entry. The depreciation entry for December 31, 2013 should be -50.00 instead of -47.00.

#### Demonstration Steps

To cancel an FA entry, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. Open the fixed asset card number **FA000060**.
3. On the **Lines** FastTab, select the line with the COMPANY depreciation book, and then click **Depr. Book > Ledger Entries**.

# Fixed Assets in Microsoft Dynamics® NAV 2013


The **FA Ledger Entries** window appears.

| Depreciat... | FA Postin... | FA Postin...  | Description                 | Amount   | R.                       | No. of De... | Posting D... | G/L Entry ... | Entry No. | R.                       | Rever |
|--------------|--------------|---------------|-----------------------------|----------|--------------------------|--------------|--------------|---------------|-----------|--------------------------|-------|
| COMPANY      |              | Acquisitio... | Order 106019                | 4,512.00 | <input type="checkbox"/> | 0            | 2/1/2013     | 210           | 5         | <input type="checkbox"/> |       |
| COMPANY      |              | Depreciation  | Depreciation February 2013  | -47.00   | <input type="checkbox"/> | 30           | 2/28/2013    | 400           | 9         | <input type="checkbox"/> |       |
| COMPANY      |              | Depreciation  | Depreciation March 2013     | -47.00   | <input type="checkbox"/> | 30           | 3/31/2013    | 582           | 14        | <input type="checkbox"/> |       |
| COMPANY      |              | Depreciation  | Depreciation April 2013     | -47.00   | <input type="checkbox"/> | 30           | 4/30/2013    | 752           | 20        | <input type="checkbox"/> |       |
| COMPANY      |              | Depreciation  | Depreciation May 2013       | -47.00   | <input type="checkbox"/> | 30           | 5/31/2013    | 954           | 28        | <input type="checkbox"/> |       |
| COMPANY      |              | Depreciation  | Depreciation June 2013      | -47.00   | <input type="checkbox"/> | 30           | 6/30/2013    | 1160          | 37        | <input type="checkbox"/> |       |
| COMPANY      |              | Depreciation  | Depreciation July 2013      | -47.00   | <input type="checkbox"/> | 30           | 7/31/2013    | 1349          | 45        | <input type="checkbox"/> |       |
| COMPANY      |              | Depreciation  | Depreciation August 2013    | -47.00   | <input type="checkbox"/> | 30           | 8/31/2013    | 1549          | 53        | <input type="checkbox"/> |       |
| COMPANY      |              | Depreciation  | Depreciation September 2013 | -47.00   | <input type="checkbox"/> | 30           | 9/30/2013    | 1745          | 61        | <input type="checkbox"/> |       |
| COMPANY      |              | Depreciation  | Depreciation October 2013   | -47.00   | <input type="checkbox"/> | 30           | 10/31/2013   | 1940          | 69        | <input type="checkbox"/> |       |
| COMPANY      |              | Depreciation  | Depreciation November 2013  | -47.00   | <input type="checkbox"/> | 30           | 11/30/2013   | 2144          | 77        | <input type="checkbox"/> |       |
| COMPANY      |              | Depreciation  | Depreciation December 2013  | -47.00   | <input type="checkbox"/> | 30           | 12/31/2013   | 2402          | 85        | <input type="checkbox"/> |       |

**FIGURE 2.23: FA LEDGER ENTRIES**

The page displays all the depreciation entries. In this example, the entry on December 31, 2013 should have been -50.00 instead of -47.00.

4. Select the entry with the posting date 12/31/2013 and on the **Home** FastTab, click **Cancel Entries** from the **Functions** group.
5. In the **Cancel FA Entries** batch job request window, click **OK** to run the batch job.
6. When you receive the message "The ledger entries have been transferred to the journal.", click **OK**.

 **Note:** You can select the **Use New Posting Date** check box and enter a new posting date in the **New Posting Date** field when you want to apply a new posting date to the journal entries created by the batch job. If these fields are cleared, the program copies the posting date of the fixed asset ledger entries to be canceled to the journal entries. You can also use these options when, for example, you must correct only the posting date of an incorrect entry.



7. Close the **FA Ledger Entries** page.
8. Switch to the **Microsoft Dynamics NAV** window. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.

The program automatically creates the necessary entries in a journal.

| Posting Date  | Docu... | Docu... | Account Ty... | Account No. | Depreciatio... | FA Posting Type | Description   | Gen. Postin... | Gen. Bus. P... | Gen. Pr... | Amount        | B     |
|---------------|---------|---------|---------------|-------------|----------------|-----------------|---------------|----------------|----------------|------------|---------------|-------|
| 12/31/2013    |         | G05016  | Fixed Asset   | FA000060    | COMPANY        | Depreciation    | Conveyor Lift |                |                |            | 47.00         | G     |
|               |         |         |               |             |                |                 |               |                |                |            | Total Balance | 47.00 |
| Account Name  |         |         |               |             |                |                 |               |                |                |            | Balance       |       |
| Conveyor Lift |         |         |               |             |                |                 |               |                |                |            |               | 47.00 |

**FIGURE 2.24: FIXED ASSET G/L JOURNAL WITH ERROR ENTRY**



**Note:** The program automatically filled in the **FA Error Entry No.** field.

9. On the **Home** FastTab, click **Insert FA Bal. Account No.** Make sure that G/L account 8820 is inserted.
10. Click **Post** to post the cancellation journal.
11. When you receive the message "Do you want to post the journal lines?", click **Yes**.
12. When you receive the message "The journal lines were successfully posted.", click **OK**.
13. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
14. Open the fixed asset card number **FA000060**.
15. On the **Lines** FastTab, select the line with the COMPANY depreciation book, and then click **Depr. Book > Ledger Entries**.

## Fixed Assets in Microsoft Dynamics® NAV 2013

The incorrect entry with posted depreciation for December 2013 is removed from the FA ledger entries.

16. Close the **FA Ledger Entries** window.
17. On the **Lines** FastTab, select the line with the COMPANY depreciation book, and then click **Depr. Book > Error Ledger Entries**.

In the **FA Error Ledger Entries** window, you can see error ledger entries that the program moved from the FA ledger entries after you canceled them.

| FA Postin... | Documen... | Documen...   | Canceled ... | Depreciat... | FA Postin... | FA Postin... | Description                | Amount | R.                       | No. of De... | Pe |
|--------------|------------|--------------|--------------|--------------|--------------|--------------|----------------------------|--------|--------------------------|--------------|----|
| 12/31/2013   |            | D20131200... | FA000060     | COMPANY      |              | Depreciation | Depreciation December 2013 | -47.00 | <input type="checkbox"/> | 30           | 12 |
| 12/31/2013   |            | G05016       | FA000060     | COMPANY      |              | Depreciation | Conveyor Lift              | 47.00  | <input type="checkbox"/> | 30           | 12 |

**FIGURE 2.25: FA ERROR LEDGER ENTRIES**

After the entry is canceled, you must post the correct entry.

To post the correct entry, follow these steps:

1. In the **Fixed Asset Card** window for fixed asset FA000060, on the **Home** FastTab, click **Calculate Depreciation**.
2. In the **Calculate Depreciation** batch job request window, set the **FA Posting Date** window to **1/2/2014** to include two days from January 2014.
3. In the **Posting Description** field, type "Depreciation Dec 2013 – Jan 2014".
4. Select the **Insert Bal. Account No.** check box.
5. Click **OK**.
6. Switch to the **Microsoft Dynamics NAV** window. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
7. Review the created depreciation line and a balancing line.

## Module 2: Fixed Asset Transactions

Make sure that the depreciation amount is -50.

Batch Name: DEFAULT

| Posting Date | Docu... | Docu... | Account Ty... | Account No. | Depreciatio... | FA Posting Type | Description       | Gen. Postin... | Gen. Bus. P... | Gen. Pr... | Amount | B |
|--------------|---------|---------|---------------|-------------|----------------|-----------------|-------------------|----------------|----------------|------------|--------|---|
| 1/2/2014     |         | G05017  | Fixed Asset   | FA000060    | COMPANY        | Depreciation    | Depreciation D... |                |                |            | -50.00 | G |
| 1/2/2014     |         | G05017  | G/L Account   | 8820        |                |                 | Depreciation D... |                |                |            | 50.00  | G |

Account Name: Depreciation, Equipment      Bal. Account Name:      Balance:      Total Balance: 0.00      0.00

OK

**FIGURE 2.26: FIXED ASSET G/L JOURNAL DEPRECIATION ENTRIES**

8. Click **Post** to post the journal.
9. When you receive the message "Do you want to post the journal lines?", click **Yes**.
10. When you receive the message "The journal lines were successfully posted.", click **OK**.
11. In the **Fixed Asset Card** window for fixed asset FA000060, on the **Lines** FastTab, click **Depr. Book > Ledger Entries**.

## Fixed Assets in Microsoft Dynamics® NAV 2013


In the **FA Ledger Entries** window, the correct entry is displayed.

| FA Postin... | Documen... | Documen...   | FA No.   | Depreciat... | FA Postin... | FA Postin...  | Description                     | Amount   | R.                       | No. of De |
|--------------|------------|--------------|----------|--------------|--------------|---------------|---------------------------------|----------|--------------------------|-----------|
| 2/1/2013     | Invoice    | I08011       | FA000060 | COMPANY      |              | Acquisitio... | Order 106019                    | 4,512.00 | <input type="checkbox"/> |           |
| 2/28/2013    |            | D20130200... | FA000060 | COMPANY      |              | Depreciation  | Depreciation February 2013      | -47.00   | <input type="checkbox"/> |           |
| 3/31/2013    |            | D20130300... | FA000060 | COMPANY      |              | Depreciation  | Depreciation March 2013         | -47.00   | <input type="checkbox"/> |           |
| 4/30/2013    |            | D20130400... | FA000060 | COMPANY      |              | Depreciation  | Depreciation April 2013         | -47.00   | <input type="checkbox"/> |           |
| 5/31/2013    |            | D20130500... | FA000060 | COMPANY      |              | Depreciation  | Depreciation May 2013           | -47.00   | <input type="checkbox"/> |           |
| 6/30/2013    |            | D20130600... | FA000060 | COMPANY      |              | Depreciation  | Depreciation June 2013          | -47.00   | <input type="checkbox"/> |           |
| 7/31/2013    |            | D20130700... | FA000060 | COMPANY      |              | Depreciation  | Depreciation July 2013          | -47.00   | <input type="checkbox"/> |           |
| 8/31/2013    |            | D20130800... | FA000060 | COMPANY      |              | Depreciation  | Depreciation August 2013        | -47.00   | <input type="checkbox"/> |           |
| 9/30/2013    |            | D20130900... | FA000060 | COMPANY      |              | Depreciation  | Depreciation September 2013     | -47.00   | <input type="checkbox"/> |           |
| 10/31/2013   |            | D20131000... | FA000060 | COMPANY      |              | Depreciation  | Depreciation October 2013       | -47.00   | <input type="checkbox"/> |           |
| 11/30/2013   |            | D20131100... | FA000060 | COMPANY      |              | Depreciation  | Depreciation November 2013      | -47.00   | <input type="checkbox"/> |           |
| 1/2/2014     |            | G05017       | FA000060 | COMPANY      | 1/2/2014     | Depreciation  | Depreciation Dec 2013 - Jan ... | -50.00   | <input type="checkbox"/> |           |

FIGURE 2.27: FA LEDGER ENTRIES

### Cancel a Fixed Asset Sale

If you accidentally disposed of a fixed asset by selling it through a sales invoice and you must cancel the sale, use the **Cancel Entries** function in the **FA Ledger Entries** window.

 **Note:** You cannot use the **Reverse Transaction** function for entries that have sold fixed assets or for transactions that were not created in a general journal, for example, a sold fixed asset created through a sales invoice.

When you sell a fixed asset, the program creates multiple ledger entries that may include Disposal entries, Gain/Loss entries, Depreciation, and other entries, for example, Customer Ledger entries and VAT entries. To cancel a fixed asset sale, you must run the **Cancel Entries** function only for the FA ledger entry that has the **FA Posting Type** field set to **Proceeds on Disposal**. The program will create a FA G/L journal line which you should post with a balancing account.

The balancing account can be a G/L Account or a Customer Account. When VAT is registered on posting the sale of the fixed asset, you must make sure that the VAT is also considered when you cancel the sale.

Therefore, you should add the VAT amount to the suggested amount and fill in the **General Posting Type** and the **Posting Group** fields.

After you post the FA G/L journal line, the program automatically cancels all entries related to the fixed asset disposal, removes them from the FA ledger entries, and creates corresponding FA error ledger entries.

### **Demonstration: Cancel a Fixed Asset Sale**

In this demonstration, you cancel the transaction where you disposed of the Reception Department Computer fixed asset by selling it through the sales invoice.

To perform this demonstration, you should have completed the "Disposing of a Fixed Asset" lab in the "Fixed Asset Disposals" lesson of this module.

### **Demonstration Steps**

To cancel the fixed asset sale, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. Open the fixed asset card for the Reception Department Computer fixed asset.



**Note:** On the **Lines** FastTab, the **Disposed Of** check box is selected which indicates that you disposed of this fixed asset.

---

3. On the **Navigate** FastTab, click **Ledger Entries**.

## Fixed Assets in Microsoft Dynamics® NAV 2013

The **FA Ledger Entries** window shows the ledger entries created by the sales invoice.

| FA Posting Da... | Documen... | Document No. | FA No.   | Depreciat... | FA Postin... | FA Posting Type      | Description              | Amount    |
|------------------|------------|--------------|----------|--------------|--------------|----------------------|--------------------------|-----------|
| 2/1/2013         | Invoice    | 108031       | FA000110 | COMPANY      |              | Acquisition Cost     | Invoice 1005             | 1,500.00  |
| 2/24/2013        |            | G05013       | FA000110 | COMPANY      |              | Acquisition Cost     | Add. Acq. Cost           | 800.00    |
| 2/28/2013        |            | G05014       | FA000110 | COMPANY      |              | Depreciation         | Depreciation Asset Fe... | -64.00    |
| 11/1/2013        |            | G05015       | FA000110 | COMPANY      |              | Write-Down           | Write-down               | -200.00   |
| 1/31/2014        | Invoice    | 103004       | FA000110 | COMPANY      |              | Depreciation         | Invoice 103004           | -224.00   |
| 1/31/2014        | Invoice    | 103004       | FA000110 | COMPANY      |              | Proceeds on Disposal | Invoice 103004           | -700.00   |
| 1/31/2014        | Invoice    | 103004       | FA000110 | COMPANY      |              | Gain/Loss            | Invoice 103004           | 1,112.00  |
| 1/31/2014        | Invoice    | 103004       | FA000110 | COMPANY      | Disposal     | Acquisition Cost     | Invoice 103004           | -2,300.00 |
| 1/31/2014        | Invoice    | 103004       | FA000110 | COMPANY      | Disposal     | Depreciation         | Invoice 103004           | 288.00    |
| 1/31/2014        | Invoice    | 103004       | FA000110 | COMPANY      | Disposal     | Write-Down           | Invoice 103004           | 200.00    |

**FIGURE 2.28: FA LEDGER ENTRIES**

4. Select the ledger entry with the **FA Posting Type** field set to **Proceeds on Disposal**, and then, on the **Home** FastTab, click **Cancel Entries**.
5. In the **Cancel FA Entries** batch job request window, click **OK** to create a journal entry.
6. When you receive the message "The ledger entries have been transferred to the journal.", click **OK**.
7. Do not close the **Fixed Asset Card** window.
8. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.

The batch job created an error entry and filled in the **FA Error Entry No.** field.

9. Add a balancing line, selecting G/L journal 2910 as the balancing account. To do this, select the next line, then in the **Account Type** field select **G/L Account**. In the **Account No.** field select **2910**. In the **Amount** field enter **-700.00**.

| Posting Date      | Docu... | Document No. | Account Ty... | Account No. | Deprec... | FA Posti... | Description               | Gen. Postin... | Gen. Bus. P... | Gen.... | Amount  |
|-------------------|---------|--------------|---------------|-------------|-----------|-------------|---------------------------|----------------|----------------|---------|---------|
| 1/31/2014         |         | G05024       | Fixed Asset   | FA000110    | COMPA...  | Disposal    | Reception Department C... |                |                |         | 700.00  |
| 1/31/2014         |         | G05024       | G/L Account   | 2910        |           |             | Cash                      |                |                |         | -700.00 |
| Account Name      |         |              |               |             |           |             |                           |                |                |         |         |
| Cash              |         |              |               |             |           |             |                           |                |                |         | 0.00    |
| Bal. Account Name |         |              |               |             |           |             |                           |                |                |         |         |
| Balance           |         |              |               |             |           |             |                           |                |                |         | 0.00    |
| Total Balance     |         |              |               |             |           |             |                           |                |                |         | 0.00    |

**FIGURE 2.29: FA G/L JOURNAL**

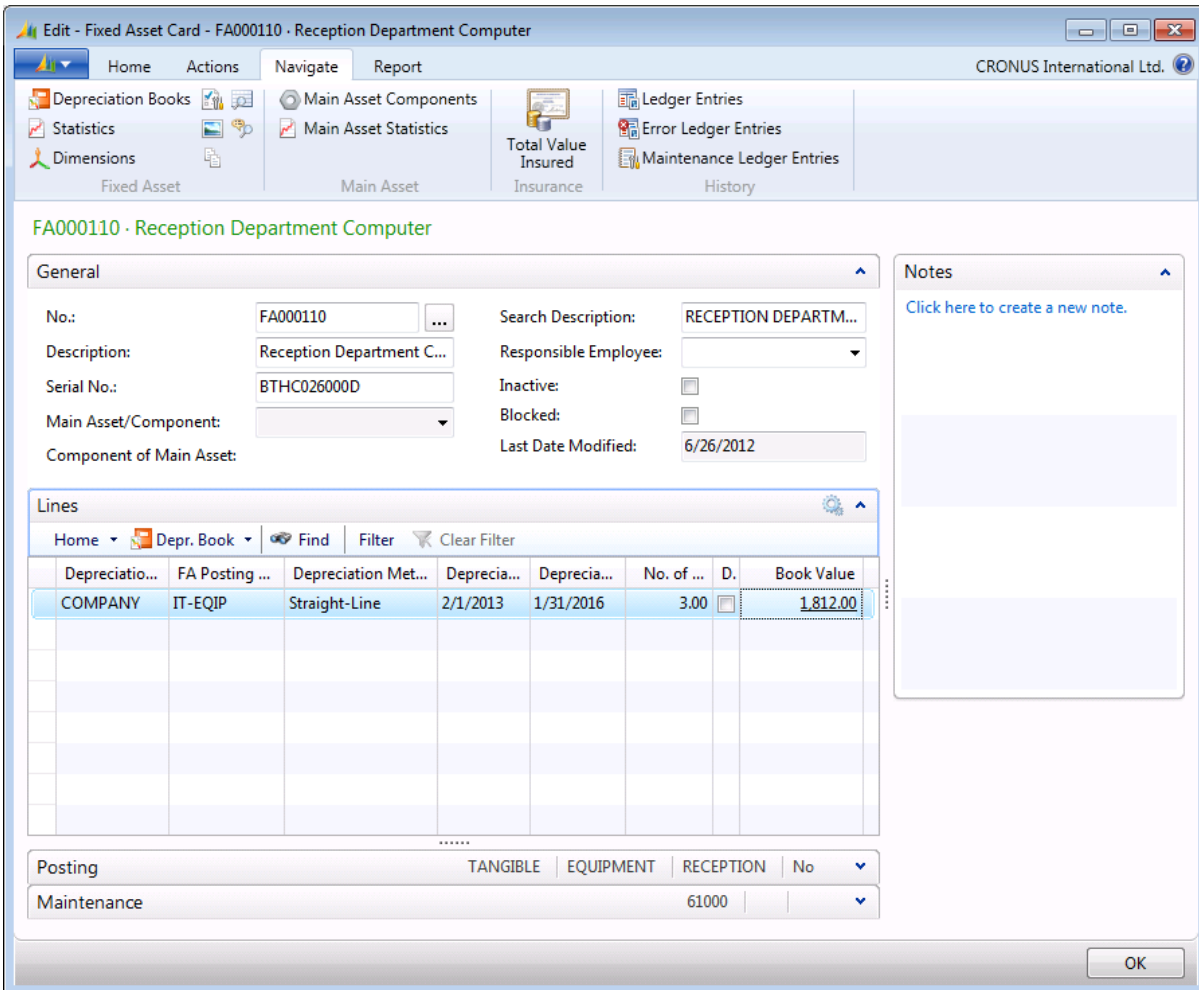


**Note:** Or, if you set up the balancing accounts in the **FA Posting Groups** window for the **IT-EQUIP** posting group, you can select the **Insert Bal. Account** check box to have the program insert the balancing account automatically.

10. Click **Post** to post the journal.
11. When you receive the message "Do you want to post the journal lines?", click **Yes**.
12. When you receive the message "The journal lines were successfully posted.", click **OK**.

## Fixed Assets in Microsoft Dynamics® NAV 2013

In the **Fixed Asset Card** window for the Reception Department Computer fixed asset, the program cleared the **Disposed Of** check box.



**FIGURE 2.30: FIXED ASSET CARD AFTER CANCELED SALE**

13. To view the FA ledger entries, on the **Navigate** FastTab, click **FA Ledger Entries**.



## Module 2: Fixed Asset Transactions

The program removed the ledger entries that were generated by the sales invoice.

| FA Posting Da... | Documen... | Document No. | FA No.   | Depreciat... | FA Postin... | FA Posting Type  | Description              | Amount   |
|------------------|------------|--------------|----------|--------------|--------------|------------------|--------------------------|----------|
| 2/1/2013         | Invoice    | 108031       | FA000110 | COMPANY      |              | Acquisition Cost | Invoice 1005             | 1,500.00 |
| 2/24/2013        |            | G05013       | FA000110 | COMPANY      |              | Acquisition Cost | Add. Acq. Cost           | 800.00   |
| 2/28/2013        |            | G05014       | FA000110 | COMPANY      |              | Depreciation     | Depreciation Asset Fe... | -64.00   |
| 11/1/2013        |            | G05015       | FA000110 | COMPANY      |              | Write-Down       | Write-down               | -200.00  |
| 1/31/2014        | Invoice    | 103004       | FA000110 | COMPANY      |              | Depreciation     | Invoice 103004           | -224.00  |

**FIGURE 2.31: FA LEDGER ENTRIES AFTER CANCELED SALE**



**Note:** In the given example, there is a depreciation ledger entry that was not canceled. This entry was created because, when the fixed asset was disposed of, you selected the **Depr. until FA Posting Date** check box to depreciate the asset up to the FA posting date. If you want to cancel this entry also, run the **Cancel Entries** function for this entry exactly as for any other depreciation entry that you want to cancel. If a fixed asset is fully depreciated when you dispose of it through a sales invoice, and then you cancel the sale, the program cancels all entries created by the sales invoice.

14. To view the created FA error ledger entries, on the **Navigate** FastTab of the fixed asset card, click **Error Ledger Entries**.



**Note:** When you must correct all entries, including **VAT Ledger Entries** and **Customer Ledger Entries**, you should manually change the amount and fill in the **Gen. Posting Type**, **Gen. Bus. Posting Group**, and **Gen. Prod. Posting Group** fields before you add a balancing line with a corresponding balancing account.

### Reverse Journal Postings

To reverse postings made in the general journal, use the **Reverse Transaction** function.

Reversing a transaction, in contrast to canceling a transaction, does not remove the entries from the FA ledger, but automatically creates the same entry with the opposite sign. Use this function with caution. To make sure that the program correctly calculates depreciation, we recommend that you use the **Cancel Entries** function for fixed asset entries.

To reverse a transaction posted from the general journal, follow these steps:

1. Open the relevant window (such as G/L registers or fixed asset ledger entries).
2. Select the entry that you want to reverse.
3. On the **Actions** FastTab, in the **Functions** group, click **Reverse Transaction**.
4. In the **G/L Registers** window, select the register that you want to reverse.
5. On the **Actions** FastTab, in the **Functions** group, click **Reverse Register**.
6. Change the description in the **Description** field if it is necessary.
7. On the **Actions** FastTab, in the **Reversing** group, click **Reverse**.
8. Click **OK**.

The program automatically creates the same entry with the opposite sign.

## Lab 2.6: Cancel and Recalculate Depreciation

Cassie notices that the depreciation posted for the Lift of Furniture fixed asset for January 2014 has a missing posting description. Cassie decides to cancel the depreciation and post the depreciation again with the corrected information.



**Note:** Before you complete this lab, make sure that you completed the previous demonstration in this module where you posted depreciation for fixed asset FA000080 for January 2014 without a posting description.

---

### Objectives

Cancel and recalculate depreciation.

### Cancel and Recalculate Depreciation

#### Exercise Scenario

Cassie has to cancel the depreciation for fixed asset FA000080 for January 2014 by using the **Cancel FA Ledger Entries** batch job, recalculate the depreciation by running the **Calculate Depreciation** batch job, and then post the correct depreciation in the FA G/L journal.

In the corrected entry, change the document number to D2014010001 and add a posting description, "Depreciation January 2014."

### Task 1: Cancel and Recalculate Depreciation

#### High Level Steps

1. Open the fixed asset card for fixed asset FA000080 Lift for Furniture.
2. Open the **FA Ledger Entries** window from the fixed asset card.
3. Select the ledger entry with FA posting date 1/31/2014, and run the **Cancel Entries** function.
4. In the created journal entry, add a balancing line.
5. Post the canceled entries.
6. Review the FA error ledger entries.
7. Run the **Calculate Depreciation** batch job.
8. In the created journal entry, add a description and change the document number.
9. Post the correct depreciation in the FA G/L journal.
10. Review the corrected FA ledger entries.

## Detailed Steps

1. Open the fixed asset card for fixed asset FA000080 Lift for Furniture.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
  - b. Open the fixed asset card for fixed asset **FA000080**.
2. Open the **FA Ledger Entries** window from the fixed asset card.
  - a. On the **Lines** FastTab, click **Depr. Book > Ledger Entries**.

| FA Postin... | Documen... | Document No. | FA No.   | Depreciat... | FA Postin... | FA Postin...  | Description                 | Amount   | R. | No. o |
|--------------|------------|--------------|----------|--------------|--------------|---------------|-----------------------------|----------|----|-------|
| 4/1/2013     | Invoice    | 108014       | FA000080 | COMPANY      |              | Acquisitio... | Order 106021                | 3,840.00 |    |       |
| 4/30/2013    |            | D2013040001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation April 2013     | -40.00   |    |       |
| 5/31/2013    |            | D2013050001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation May 2013       | -40.00   |    |       |
| 6/30/2013    |            | D2013060001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation June 2013      | -40.00   |    |       |
| 7/31/2013    |            | D2013070001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation July 2013      | -40.00   |    |       |
| 8/31/2013    |            | D2013080001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation August 2013    | -40.00   |    |       |
| 9/30/2013    |            | D2013090001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation September 2013 | -40.00   |    |       |
| 10/31/2013   |            | D2013100001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation October 2013   | -40.00   |    |       |
| 11/30/2013   |            | D2013110001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation November 2013  | -40.00   |    |       |
| 12/31/2013   |            | D2013120001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation December 2013  | -40.00   |    |       |
| 1/31/2014    |            | G05005       | FA000080 | COMPANY      |              | Depreciation  |                             | -40.00   |    |       |

**FIGURE 2.32: FA LEDGER ENTRIES FOR FA000080**

3. Select the ledger entry with FA posting date 1/31/2014, and run the **Cancel Entries** function.
  - a. Select the line with the incorrect depreciation entry where the posting description is missing and the **FA Posting Date** field is set to **1/31/2014**.
  - b. On the **Home** FastTab, click **Cancel Entries**.
  - c. In the **Edit – Cancel FA Entries** batch job request window, click **OK** to transfer the postings to the FA G/L journal.
  - d. When you receive the message “The ledger entries have been transferred to the journal.”, click **OK**.

## Module 2: Fixed Asset Transactions

4. In the created journal entry, add a balancing line.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
  - b. On the **Home** FastTab, click **Insert FA Bal. Account No.**
5. Post the canceled entries.
  - a. Click **Post** to post the canceled entries.
  - b. When you receive the message "Do you want to post the journal lines?", click **Yes**.
  - c. When you receive the message "The journal lines were successfully posted.", click **OK**.
6. Review the FA error ledger entries.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
  - b. Open the fixed asset card number **FA000080**.
  - c. On the **Lines** FastTab, select the line with the COMPANY depreciation book and then click **Depr. Book > Ledger Entries**.
  - d. The incorrect entry with posted depreciation for January 2014 is removed from the FA ledger entries.
  - e. Close the **FA Ledger Entries** window.
  - f. On the **Lines** FastTab, select the line with the COMPANY depreciation book and then click **Depr. Book > Error Ledger Entries**.

Error ledger entries now show the posted canceled entries.

| FA Postin... | Documen... | Documen... | Canceled ... | Depreciat... | FA Postin... | FA Postin... | Description        | Amount | R. | No. of De... | Pr  |
|--------------|------------|------------|--------------|--------------|--------------|--------------|--------------------|--------|----|--------------|-----|
| 1/31/2014    | G05005     | FA000080   | COMPANY      |              |              | Depreciation |                    | -40.00 |    | 30           | 1/3 |
| 1/31/2014    | G05018     | FA000080   | COMPANY      |              |              | Depreciation | Lift for Furniture | 40.00  |    | 30           | 1/3 |

**FIGURE 2.33: FA ERROR LEDGER ENTRIES**

7. Run the **Calculate Depreciation** batch job.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
  - b. Open the fixed asset card for fixed asset **FA000080**.
  - c. On the **Home** FastTab, click **Calculate Depreciation**.
  - d. In the **Calculate Depreciation** batch job request window, make sure that the **Depreciation Book** field is set to **COMPANY**.
  - e. In the **FA Posting Date** field, type "1/31/2014".
  - f. In the **Posting Description** field, type "Depreciation January 2014".
  - g. Select the **Insert Bal. Account** check box.
  - h. Click **OK** to run the batch job.
  
8. In the created journal entry, add a description and change the document number.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
  - b. Make sure that the **Description** field is filled in with **Depreciation January 2014** on both depreciation and balancing lines.
  
9. Post the correct depreciation in the FA G/L journal.
  - a. Click **Post** to post the journal.
  - b. When you receive the message "Do you want to post the journal lines?", click **Yes**.
  - c. When you receive the message "The journal lines were successfully posted.", click **OK**.
  
10. Review the corrected FA ledger entries.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
  - b. Open the fixed asset card number **FA000080**.
  - c. On the **Lines** FastTab, select the line with the COMPANY depreciation book, and then click **Depr. Book > Ledger Entries**.

## Module 2: Fixed Asset Transactions

The **FA Ledger Entries** window shows the corrected entry with posted depreciation for January 2014 where a posting description is present. The error ledger is removed from the FA ledger entries.

View - FA Ledger Entries - FA000080 - Lift for Furniture

CRONUS International Ltd.

FA Ledger Entries

Type to filter (F3) FA Posting Date

Sorting: FA No., Depreciation Book Code, FA Posting Date Filter: FA000080 • COMPANY

| FA Posting Da... | Documen... | Document No. | FA No.   | Depreciat... | FA Postin... | FA Postin...  | Description                 | Amount   | R. | N |
|------------------|------------|--------------|----------|--------------|--------------|---------------|-----------------------------|----------|----|---|
| 4/1/2013         | Invoice    | 108014       | FA000080 | COMPANY      |              | Acquisitio... | Order 106021                | 3,840.00 |    |   |
| 4/30/2013        |            | D2013040001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation April 2013     | -40.00   |    |   |
| 5/31/2013        |            | D2013050001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation May 2013       | -40.00   |    |   |
| 6/30/2013        |            | D2013060001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation June 2013      | -40.00   |    |   |
| 7/31/2013        |            | D2013070001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation July 2013      | -40.00   |    |   |
| 8/31/2013        |            | D2013080001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation August 2013    | -40.00   |    |   |
| 9/30/2013        |            | D2013090001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation September 2013 | -40.00   |    |   |
| 10/31/2013       |            | D2013100001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation October 2013   | -40.00   |    |   |
| 11/30/2013       |            | D2013110001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation November 2013  | -40.00   |    |   |
| 12/31/2013       |            | D2013120001  | FA000080 | COMPANY      |              | Depreciation  | Depreciation December 2013  | -40.00   |    |   |
| 1/31/2014        |            | G05019       | FA000080 | COMPANY      |              | Depreciation  | Depreciation January 2014   | -40.00   |    |   |

Close

**FIGURE 2.34: FA LEDGER ENTRIES**

## Lab 2.7: Cancel Entries

Cassie looks through the FA ledger entries for fixed asset FA000020 and sees that the depreciation for November 2013 is posted two times. Cassie has to cancel one of the entries.



**Note:** Before you complete this lab, make sure that you completed the previous demonstration in this module where you posted depreciation for fixed asset FA000020 for November 2013 in the recurring journal.

---

### Objectives

Cancel a ledger entry.

### Cancel an Entry

#### **Exercise Scenario**

To cancel the incorrect entry, Cassie uses the **Cancel FA Ledger Entries** batch job that she runs from the **FA Ledger Entries** window. Then, she has to post the created journal entries and verify that the entry is canceled.

Cancel the depreciation entry for November 2013 for fixed asset FA000020.

### Task 1: Cancel a Ledger Entry

#### **High Level Steps**

1. Open the fixed asset card for fixed asset **FA000020**, the Toyota Supra 3.0.
2. Open the **FA Ledger Entries** window from the fixed asset card.
3. Select one of the ledger entries with FA posting date 11/30/2013, and run the **Cancel Entries** function.
4. In the created journal entry, add a balancing line.
5. Post the canceled entries.
6. Review the FA error ledger entries.

#### **Detailed Steps**

1. Open the fixed asset card for fixed asset **FA000020**, the Toyota Supra 3.0.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
  - b. Open the fixed asset card for fixed asset **FA000020**.



## Module 2: Fixed Asset Transactions

2. Open the **FA Ledger Entries** window from the fixed asset card.
  - a. On the **Lines** FastTab, click **Depr. Book > Ledger Entries**.

View - FA Ledger Entries - FA000020 · Toyota Supra 3.0

CRONUS International Ltd.

FA Ledger Entries

Sorting: FA No., Depreciation Book Code, FA Posting Date


Filter: FA000020 · COMPANY

| FA Posting Da... | Documen... | Document No. | FA No.   | Depreciat... | FA Postin... | FA Postin...  | Description                 | Amount    | R. |
|------------------|------------|--------------|----------|--------------|--------------|---------------|-----------------------------|-----------|----|
| 5/1/2013         | Invoice    | 108015       | FA000020 | COMPANY      |              | Acquisitio... | Order 106016                | 42,000.00 |    |
| 5/31/2013        |            | D2013050001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation May 2013       | -700.00   |    |
| 6/30/2013        |            | D2013060001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation June 2013      | -700.00   |    |
| 7/31/2013        |            | D2013070001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation July 2013      | -700.00   |    |
| 8/31/2013        |            | D2013080001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation August 2013    | -700.00   |    |
| 9/30/2013        |            | D2013090001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation September 2013 | -700.00   |    |
| 10/31/2013       |            | D2013100001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation October 2013   | -700.00   |    |
| 11/30/2013       |            | D2013110001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation November 2013  | -700.00   |    |
| 11/30/2013       |            | G06001       | FA000020 | COMPANY      |              | Depreciation  | Toyota Supra 3.0            | -700.00   |    |
| 12/31/2013       |            | D2013120001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation December 2013  | -700.00   |    |

**FIGURE 2.35: FA LEDGER ENTRIES FOR FA000020**

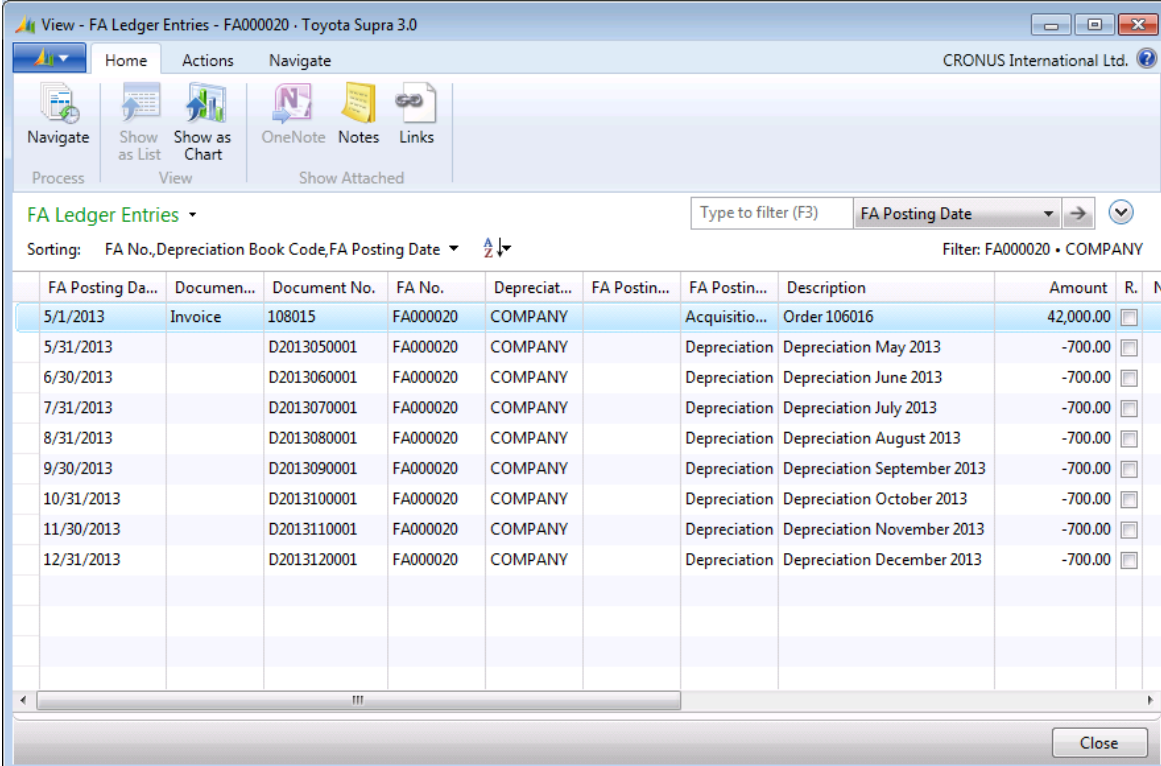
3. Select one of the ledger entries with FA posting date 11/30/2013, and run the **Cancel Entries** function.
  - a. Select the line with the incorrect depreciation entry (the document number should start with G) where the **FA Posting Date** field is set to **11/30/2013**.
  - b. On the **Home** FastTab, click **Cancel Entries**.
  - c. In the **Cancel FA Ledger Entries** batch job request window, click **OK** to transfer the postings to the FA G/L journal.
  - d. When you receive the message "The ledger entries have been transferred to the journal.", click **OK**.
4. In the created journal entry, add a balancing line.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
  - b. On the **Home** FastTab, click **Insert FA Bal. Account No.**

## Fixed Assets in Microsoft Dynamics® NAV 2013

 **Note:** On the created journal entry, the **FA Entry No.** field is filled in automatically. The value in this field indicates that this is an error entry and it will be posted to the FA error ledger.

5. Post the canceled entries.
  - a. Click **Post** to post the canceled entries.
  - b. When you receive the message "Do you want to post the journal lines?", click **Yes**.
  - c. When you receive the message "The journal lines were successfully posted.", click **OK**.
6. Review the FA error ledger entries.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
  - b. Open the fixed asset card number **FA000020**.
  - c. On the **Lines** FastTab, select the line with the COMPANY depreciation book, and then click **Depr. Book > Ledger Entries**.

The incorrect entry with posted depreciation for November 2013 is removed from the FA ledger entries.



| FA Posting Da... | Documen... | Document No. | FA No.   | Depreciat... | FA Postin... | FA Postin...  | Description                 | Amount    | R. | N |
|------------------|------------|--------------|----------|--------------|--------------|---------------|-----------------------------|-----------|----|---|
| 5/1/2013         | Invoice    | 108015       | FA000020 | COMPANY      |              | Acquisitio... | Order 106016                | 42,000.00 |    |   |
| 5/31/2013        |            | D2013050001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation May 2013       | -700.00   |    |   |
| 6/30/2013        |            | D2013060001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation June 2013      | -700.00   |    |   |
| 7/31/2013        |            | D2013070001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation July 2013      | -700.00   |    |   |
| 8/31/2013        |            | D2013080001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation August 2013    | -700.00   |    |   |
| 9/30/2013        |            | D2013090001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation September 2013 | -700.00   |    |   |
| 10/31/2013       |            | D2013100001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation October 2013   | -700.00   |    |   |
| 11/30/2013       |            | D2013110001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation November 2013  | -700.00   |    |   |
| 12/31/2013       |            | D2013120001  | FA000020 | COMPANY      |              | Depreciation  | Depreciation December 2013  | -700.00   |    |   |

**FIGURE 2.36: FA LEDGER ENTRIES FOR FA000020 AFTER CANCELING THE ENTRY**

- d. Close the **FA Ledger Entries** window.
- e. On the **Lines** FastTab, select the line with the COMPANY depreciation book, and then click **Depr. Book > Error Ledger Entries**.

The **FA Error Ledger Entries** window now shows the posted error entries.

| FA Postin... | Documen... | Documen... | Canceled ... | Depreciat... | FA Postin... | FA Postin... | Description      | Amount  | R. | No. of De... | Pc |
|--------------|------------|------------|--------------|--------------|--------------|--------------|------------------|---------|----|--------------|----|
| 11/30/2013   |            | G06001     | FA000020     | COMPANY      |              | Depreciation | Toyota Supra 3.0 | -700.00 |    | 0            | 11 |
| 11/30/2013   |            | G05020     | FA000020     | COMPANY      |              | Depreciation | Toyota Supra 3.0 | 700.00  |    | 0            | 11 |

FIGURE 2.37: FA ERROR LEDGER ENTRIES FOR FA000020

## Document Fixed Asset Transactions

The program automatically assigns consecutive entry numbers to all entries that you post to depreciation books. In the FA registers, the entries are sorted in entry number order regardless of FA numbers or depreciation book numbers.

### FA Registers

A register is created automatically with each posting, either directly from a fixed asset journal or indirectly from purchase invoices or sales invoices. The individual registers are also numbered (one is the first number).

To view a report of the existing register numbers, follow these steps:

1. In the navigation pane, click the **Departments > Financial Management > Fixed Assets > FA Register**.
2. In the **Fixed Asset Register** report request window, set the filters for the relevant fixed asset. If you do not set any filters, the report shows the register for all fixed assets.

# Fixed Assets in Microsoft Dynamics® NAV 2013

3. Click **Print** or **Preview** to see the register.

| Fixed Asset Register      |               |              |                        |          |                |                     |                  |                           |              | Wednesday, June 20, 2012 |               |           |
|---------------------------|---------------|--------------|------------------------|----------|----------------|---------------------|------------------|---------------------------|--------------|--------------------------|---------------|-----------|
| CRONUS International Ltd. |               |              |                        |          |                |                     |                  |                           |              | Page 1                   |               |           |
|                           |               |              |                        |          |                |                     |                  |                           |              | CONTOSO Administrator    |               |           |
| FA Posting Date           | Document Type | Document No. | Depreciation Book Code | FA No.   | FA Description | FA Posting Category | FA Posting Type  | Description               | Amount       | Posting Date             | G/L Entry No. | Entry No. |
| <b>Register No. 1</b>     |               |              |                        |          |                |                     |                  |                           |              |                          |               |           |
| 01/01/13                  | Invoice       | 108009       | COMPANY                | FA000010 | Mercedes 300   |                     | Acquisition Cost | Order 106015              | 30,000.00    | 01/01/13                 | 34            | 1         |
|                           |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>30,000.00</b>         |               |           |
| <b>Register No. 2</b>     |               |              |                        |          |                |                     |                  |                           |              |                          |               |           |
| 01/01/13                  | Invoice       | 108010       | COMPANY                | FA000050 | Conveyor Belt  |                     | Acquisition Cost | Order 106018              | 6,600.00     | 01/01/13                 | 39            | 2         |
|                           |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>6,600.00</b>          |               |           |
| <b>Register No. 4</b>     |               |              |                        |          |                |                     |                  |                           |              |                          |               |           |
| 01/31/13                  |               | D201301000   | COMPANY                | FA000010 | Mercedes 300   |                     | Depreciation     | Depreciation January 2013 | -500.00      | 01/31/13                 | 206           | 3         |
| 01/31/13                  |               | D201301000   | COMPANY                | FA000050 | Conveyor Belt  |                     | Depreciation     | Depreciation January 2013 | -5.00        | 01/31/13                 | 208           | 4         |
|                           |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>-555.00</b>           |               |           |
| <b>Register No. 5</b>     |               |              |                        |          |                |                     |                  |                           |              |                          |               |           |
| 02/01/13                  | Invoice       | 108011       | COMPANY                | FA000060 | Conveyor Lift  |                     | Acquisition Cost | Order 106019              | 4,512.00     | 02/01/13                 | 210           | 5         |
|                           |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>4,512.00</b>          |               |           |
| <b>Register No. 6</b>     |               |              |                        |          |                |                     |                  |                           |              |                          |               |           |
| 02/01/13                  | Invoice       | 108012       | COMPANY                | FA000090 | Switchboard    |                     | Acquisition Cost | Order 106022              | 7,140.00     | 02/01/13                 | 215           | 6         |
|                           |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>7,140.00</b>          |               |           |
| <b>Register No. 10</b>    |               |              |                        |          |                |                     |                  |                           |              |                          |               |           |
| 02/28/13                  |               | D201302000   | COMPANY                | FA000010 | Mercedes 300   |                     | Depreciation     | Depreciation February 201 | -500.00      | 02/28/13                 | 396           | 7         |
| 02/28/13                  |               | D201302000   | COMPANY                | FA000050 | Conveyor Belt  |                     | Depreciation     | Depreciation February 201 | -5.00        | 02/28/13                 | 398           | 8         |
| 02/28/13                  |               | D201302000   | COMPANY                | FA000060 | Conveyor Lift  |                     | Depreciation     | Depreciation February 201 | -47.00       | 02/28/13                 | 400           | 9         |
| 02/28/13                  |               | D201302000   | COMPANY                | FA000090 | Switchboard    |                     | Depreciation     | Depreciation February 201 | -85.00       | 02/28/13                 | 402           | 10        |
|                           |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>-687.00</b>           |               |           |

**FIGURE 2.38: FIXED ASSET REGISTER REPORT PRINT LAYOUT**

The **Fixed Asset Register** report shows posted fixed asset ledger entries that are sorted and divided by register number.

## Trace Transactions

The program automatically assigns a source code to all posted entries so that transactions can be traced to their origin. This code is shown in the **Source Code** field in the **FA Ledger Entries** window that is accessed from a fixed asset card.

In the **Reason Code** field, you can also assign a reason code to the transactions.



**Note:** By default, the **Source Code** and **Reason Code** fields are not displayed in the **FA Ledger Entries** window. To add the fields, use the **Choose Column** function.

# Fixed Asset Reports

When you prepare a balance sheet and income statement, you may have to print reports to analyze the depreciation, acquisition, disposal, and gain or loss values for the accounting period. You may also need reports about accumulated depreciation and book value at the end of the period.

You may need a list of all the fixed assets for inventory, insurance, and other management purposes.

To access fixed asset reports, in the navigation pane, click **Departments > Financial Management > Fixed Assets**, and then, under **Reports**, select the report that you want to run. Or, you can run reports from the Action Pane in the windows where they are available, such as the **Fixed Asset Card** or **Fixed Assets** window.

This section describes the most frequently used reports in the Fixed Assets application area.



**Note:** For information about other reports that are not covered in this module, refer to the Help within Microsoft Dynamics NAV 2013 on the request page of the respective report by clicking **F1**.

---

## Fixed Assets List Report

The **Fixed Asset List** is used for inventory, insurance, and other management purposes and shows information about each fixed asset without transaction data. This information is retrieved from the fixed asset cards and fixed asset depreciation books.

To print a list of all fixed assets, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. In the **Fixed Assets** window, on the **Report** tab, click **Fixed Asset List**.

# Fixed Assets in Microsoft Dynamics® NAV 2013

The **Fixed Asset – List** report request window appears.

Fixed Asset Register Wednesday, June 20, 2012  
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| FA Posting Date        | Document Type | Document No. | Depreciation Book Code | FA No.   | FA Description | FA Posting Category | FA Posting Type  | Description               | Amount       | Posting Date     | G/L Entry No. | Entry No. |
|------------------------|---------------|--------------|------------------------|----------|----------------|---------------------|------------------|---------------------------|--------------|------------------|---------------|-----------|
| <b>Register No. 1</b>  |               |              |                        |          |                |                     |                  |                           |              |                  |               |           |
| 01/01/13               | Invoice       | 108009       | COMPANY                | FA000010 | Mercedes 300   |                     | Acquisition Cost | Order 106015              | 30,000.00    | 01/01/13         | 34            | 1         |
|                        |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>30,000.00</b> |               |           |
| <b>Register No. 2</b>  |               |              |                        |          |                |                     |                  |                           |              |                  |               |           |
| 01/01/13               | Invoice       | 108010       | COMPANY                | FA000050 | Conveyor Belt  |                     | Acquisition Cost | Order 106018              | 6,600.00     | 01/01/13         | 39            | 2         |
|                        |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>6,600.00</b>  |               |           |
| <b>Register No. 4</b>  |               |              |                        |          |                |                     |                  |                           |              |                  |               |           |
| 01/31/13               |               | D201301000   | COMPANY                | FA000010 | Mercedes 300   |                     | Depreciation     | Depreciation January 2013 | -500.00      | 01/31/13         | 206           | 3         |
| 01/31/13               |               | D201301000   | COMPANY                | FA000050 | Conveyor Belt  |                     | Depreciation     | Depreciation January 2013 | -55.00       | 01/31/13         | 208           | 4         |
|                        |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>-555.00</b>   |               |           |
| <b>Register No. 5</b>  |               |              |                        |          |                |                     |                  |                           |              |                  |               |           |
| 02/01/13               | Invoice       | 108011       | COMPANY                | FA000060 | Conveyor Lift  |                     | Acquisition Cost | Order 106019              | 4,512.00     | 02/01/13         | 210           | 5         |
|                        |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>4,512.00</b>  |               |           |
| <b>Register No. 6</b>  |               |              |                        |          |                |                     |                  |                           |              |                  |               |           |
| 02/01/13               | Invoice       | 108012       | COMPANY                | FA000090 | Switchboard    |                     | Acquisition Cost | Order 106022              | 7,140.00     | 02/01/13         | 215           | 6         |
|                        |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>7,140.00</b>  |               |           |
| <b>Register No. 10</b> |               |              |                        |          |                |                     |                  |                           |              |                  |               |           |
| 02/28/13               |               | D201302000   | COMPANY                | FA000010 | Mercedes 300   |                     | Depreciation     | Depreciation February 201 | -500.00      | 02/28/13         | 396           | 7         |
| 02/28/13               |               | D201302000   | COMPANY                | FA000050 | Conveyor Belt  |                     | Depreciation     | Depreciation February 201 | -55.00       | 02/28/13         | 398           | 8         |
| 02/28/13               |               | D201302000   | COMPANY                | FA000060 | Conveyor Lift  |                     | Depreciation     | Depreciation February 201 | -47.00       | 02/28/13         | 400           | 9         |
| 02/28/13               |               | D201302000   | COMPANY                | FA000090 | Switchboard    |                     | Depreciation     | Depreciation February 201 | -85.00       | 02/28/13         | 402           | 10        |
|                        |               |              |                        |          |                |                     |                  |                           | <b>Total</b> | <b>-687.00</b>   |               |           |

**FIGURE 2.39: FIXED ASSET – LIST REPORT REQUEST PAGE**

- On the **Options** FastTab, select which depreciation book to print from and indicate whether each fixed asset must be printed on a separate page.
- On the **Fixed Asset** FastTab, set a filter to select the assets to include in the report. If the field is blank, all assets will be included. You can also set other filters, such as by FA class code, FA subclass code, and budgeted asset.

5. Click **Preview** to preview the report.

### Fixed Asset - List

CRONUS International Ltd.  
Depreciation Book: COMPANY

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| No.                        | FA000010      | Mercedes 300     | EA 12 394 Q           |
|----------------------------|---------------|------------------|-----------------------|
| FA Class Code              | TANGIBLE      |                  | Department Code ADM   |
| FA Subclass Code           | CAR           |                  | Project Code MERCEDES |
| FA Location Code           | ADM           |                  |                       |
| FA Posting Group           | CAR           |                  |                       |
| Depreciation Method        | Straight-Line |                  |                       |
| Depreciation Starting Date | 01/01/13      |                  |                       |
| Depreciation Ending Date   | 12/31/17      |                  |                       |
| No. of Depreciation Years  | 5.00          |                  |                       |
| No. of Depreciation Months | 60.00         |                  |                       |
| No.                        | FA000020      | Toyota Supra 3.0 | EA 12 395 Q           |
| FA Class Code              | TANGIBLE      |                  | Department Code SALES |
| FA Subclass Code           | CAR           |                  | Project Code TOYOTA   |
| FA Location Code           | SALES         |                  |                       |
| FA Posting Group           | CAR           |                  |                       |
| Depreciation Method        | Straight-Line |                  |                       |
| Depreciation Starting Date | 05/01/13      |                  |                       |
| Depreciation Ending Date   | 04/30/18      |                  |                       |
| No. of Depreciation Years  | 5.00          |                  |                       |
| No. of Depreciation Months | 60.00         |                  |                       |

**FIGURE 2.40: FIXED ASSET – LIST REPORT PRINT LAYOUT**

### Fixed Asset – Book Value Reports

To print or preview a report about depreciation, acquisitions, and disposals for a selected period, and also the book value at the end of the period, you can use the following two reports:

- **Book Value 01**
- **Book Value 02**

The reports include similar information. However, the **Book Value 01** report displays one line for each asset and must be printed in landscape orientation. The **Book Value 02** report displays the information on several lines for each asset.

To obtain information on Write-downs, Appreciation, Custom 1, and Custom 2 posting types included in the **Book Value 02** report, select either the **Acquisition Type** or the **Depreciation Type** field in the **FA Posting Type Setup** window.

## Fixed Assets in Microsoft Dynamics® NAV 2013

You can include reclassified entries in the **Book Value 02** report. To print one of these reports, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets**.
2. Under **Reports**, select **FA Book Value 01** or **FA Book Value 02**.



**Note:** You can set options and filters in the report request window for both **Book Value 01** and **Book Value 02** reports by using the same method.

Figure 2.41 shows the 'Edit - Fixed Asset - Book Value 02' report request page. The window title is 'Edit - Fixed Asset - Book Value 02' and the company name is 'CRONUS Internationa...'. The interface includes an 'Actions' menu with 'Refresh' and 'Clear Filter' buttons. Below this is an 'Options' section with fields for 'Depreciation Book' (COMPANY), 'Starting Date' (12/31/2012), 'Ending Date' (1/1/2014), 'Group Totals', and checkboxes for 'Print per Fixed Asset', 'Budget Report', and 'Include Reclassification'. The 'Fixed Asset' section shows 'Sorting: No.' and a list of filters under 'Show results:' including 'Where', 'And', 'And', and 'And' with various criteria like 'No.', 'FA Class Code', 'FA Subclass Code', and 'Budgeted Asset'. There are also 'Add Filter' buttons and 'Limit totals to:' options. At the bottom are 'Print', 'Preview', and 'Cancel' buttons.

**FIGURE 2.41: FIXED ASSET - BOOK VALUE 02 REPORT REQUEST PAGE**



## Module 2: Fixed Asset Transactions

---

3. On the **Options** FastTab of the **Book Value 02** report request window, select the depreciation book of the period for which you want to view the report.
4. Select the starting and ending dates of the period from which to include data.
5. You can group totals by FA class, subclass, location, main asset, global dimensions, and FA posting group by using the **Group Totals** field.
6. If you want to print the report for each fixed asset, select the **Fixed Asset** check box.
7. Select the **Include Reclassification** check box to include reclassified entries on the report.
8. Select the **Budget Report** check box to calculate depreciation from the last FA posting date up to the specified ending date.



**Note:** Please be aware that when you use the **Budget Report** option, the system only calculates depreciation for the Straight-line depreciation method.

*If you want to run the **Budget** report for all assets with the Declining-balance depreciation method, you will receive a message that states that the budget calculation has not been done on fixed assets with the Declining-balance, DB1/SL, or DB2/SL depreciation methods.*

*The assets with the declining balance are included in the report, but no depreciation is calculated.*

*The **Use Custom 1 Depreciation** must also be disabled in the **Depreciation Book** table when you want to run the book value reports as budget reports.*

*Or, you can use the **Projected Value** report instead of the book value reports.*

---

9. On the **Fixed Asset** FastTab, you can set a filter to select the assets to include in the report. If the field is blank, the report contains information on all active assets.
10. Click **Print** or **Preview**.

Fixed Asset - Book Value 02 (Budget Report) June 21, 2012  
Depreciation Book: COMPANY Page 1  
CRONUS International Ltd. CONTOSO\administrator

Fixed Asset: FA Posting Date Filter: 01/01/13..01/01/14

Total

|                    |          |            |                  |
|--------------------|----------|------------|------------------|
| Book Value         | 12/31/12 | 0.00       | Reclassification |
| Acquisition Cost   | 12/31/12 | 0.00       |                  |
| Addition in Period |          | 112,758.00 |                  |
| Disposal in Period |          | 0.00       |                  |
| Acquisition Cost   | 01/01/14 | 112,758.00 |                  |
| Depreciation       | 12/31/12 | 0.00       |                  |
| Addition in Period |          | -17,518.00 |                  |
| Disposal in Period |          | 0.00       |                  |
| Depreciation       | 01/01/14 | -17,518.00 |                  |
| Book Value         | 01/01/14 | 95,240.00  |                  |

**FIGURE 2.42: FIXED ASSET – BOOK VALUE 02 PRINT LAYOUT PREVIEW**

## Fixed Asset – Analysis Report

The **Fixed Asset – Analysis** report is a combined report that has the option to print most of the posting information related to fixed assets.

To print or preview the **Fixed Asset – Analysis** report, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. In the **Fixed Assets** window, on the **Report** tab, click **Analysis**.

**FIGURE 2.43: FIXED ASSET – ANALYSIS REPORT REQUEST PAGE**

## Fixed Assets in Microsoft Dynamics® NAV 2013

3. On the **Options** FastTab, enter information in the fields as described in the following table.

| Field   | Description   |
|---|---|
| <b>Depreciation Book</b>  | Select the code of the depreciation book to be included in the report.  |
| <b>Starting Date</b>  | Enter the starting date (FA posting date) of the period that the report should include.   |
| <b>Ending Date</b>  | Enter the ending date (FA posting date) of the period that the report should include.   |
| <b>Date Field 1</b><br><b>Date Field 2</b>                              | Select the fields to specify which types of date to show in two columns of the report.  |
| <b>Amount Field 1</b><br><b>Amount Field 2</b><br><b>Amount Field 3</b> | Select the types of amounts the report shows in three columns. Select the fields to choose 1 of the 11 available types.   |
| <b>Period 1</b><br><b>Period 2</b><br><b>Period 3</b>                   | Select how the amounts that you selected are calculated. The following options are available:<br><br><b>Before Starting Date:</b> Only amounts before the starting date are included.<br><br><b>Net Change:</b> Amounts with an FA posting date between the dates specified in the <b>Starting Date</b> and <b>Ending Date</b> fields are included. Amounts on the starting date and on the ending date are also included in <b>Net Change</b> .<br><br><b>At Ending Date:</b> Amounts posted on or before the date entered in the <b>Ending Date</b> field are included. |
| <b>Group Totals</b>   | If you want the report to group the fixed assets and print group totals, click the field to select a group type.  |
| <b>Print per Fixed Asset</b>  | Select this check box if you want the report to print a line for each fixed asset.  |
| <b>Only Sold Assets</b>   | Select this check box if you want the report to include information only for sold assets.   |

## Module 2: Fixed Asset Transactions

| Field                | Description   |
|----------------------|---|
| <b>Budget Report</b> | Select this check box if you want the report to calculate future depreciation and book value. |

- On the **Fixed Asset** FastTab, select the assets to include in the report. If the field is blank, the report includes all the fixed assets.
- Click **Print** to print the report or click **Preview** to view it on screen.

### Fixed Asset - Analysis

CRONUS International Ltd.  
Depreciation Book: COMPANY

June 21, 2012  
Page 1  
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Fixed Asset: FA Posting Date Filter: 01/01/13..01/01/14

| No.      | Description        | Acquisition Date | Disposal Date | Acquisition Cost Net Change | Book Value Net Change | Depreciation Net Change |
|----------|--------------------|------------------|---------------|-----------------------------|-----------------------|-------------------------|
| FA000010 | Mercedes 300       | 01/01/13         |               | 30,000.00                   | 24,000.00             | -6,000.00               |
| FA000020 | Toyota Supra 3.0   | 05/01/13         |               | 42,000.00                   | 35,700.00             | -6,300.00               |
| FA000030 | VW Transporter     | 01/25/13         |               | 15,640.00                   | 13,640.00             | -2,000.00               |
| FA000050 | Conveyor Belt      | 01/01/13         |               | 6,600.00                    | 5,940.00              | -660.00                 |
| FA000060 | Conveyor Lift      | 02/01/13         |               | 4,512.00                    | 3,995.00              | -517.00                 |
| FA000070 | Conveyor Computer  | 03/01/13         |               | 3,024.00                    | 2,394.00              | -630.00                 |
| FA000080 | Lift for Furniture | 04/01/13         |               | 3,840.00                    | 3,480.00              | -360.00                 |
| FA000090 | Switchboard        | 02/01/13         |               | 7,140.00                    | 6,120.00              | -1,020.00               |
|          |                    |                  | <b>Total</b>  | <b>112,756.00</b>           | <b>95,269.00</b>      | <b>-17,487.00</b>       |

**FIGURE 2.44: FIXED ASSET - ANALYSIS REPORT PRINT LAYOUT PREVIEW**

### G/L Analysis Report

If G/L integration is activated for a depreciation book, this report shows amounts posted to the general ledger coming from the FA application area. The report is based on the posting date in the FA ledger, whereas all other reports use the FA posting date.

To run the **G/L Analysis** report, follow these steps:

- In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
- In the **Fixed Assets** window, on the **Report** tab, click **G/L Analysis**.

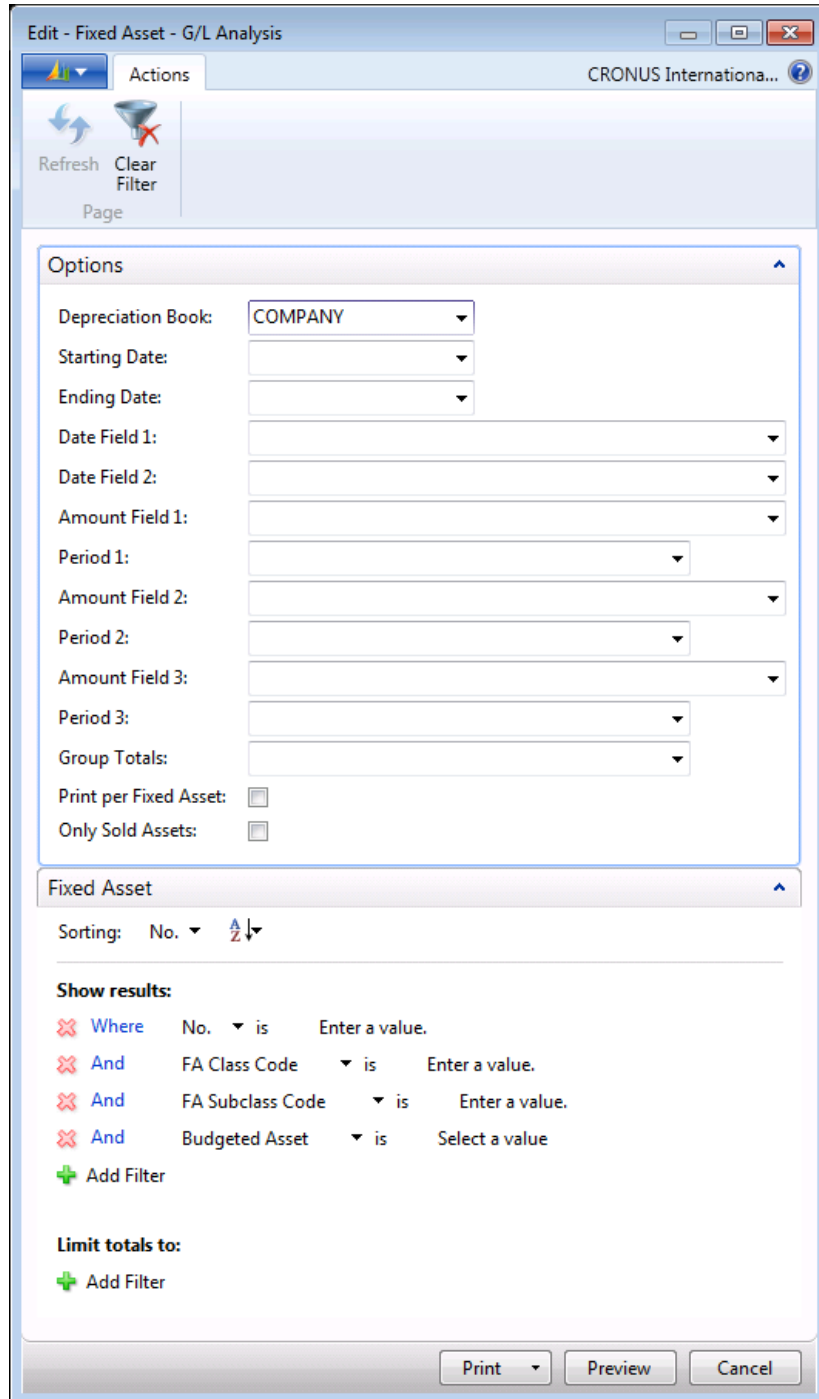


FIGURE 2.45: FIXED ASSET - G/L ANALYSIS REPORT REQUEST PAGE

## Module 2: Fixed Asset Transactions

3. On the **Options** FastTab, fill in the fields as described in the following table.

| Field   | Description  |
|---|--|
| <b>Depreciation Book</b>  | Select the code of the depreciation book to be included in the report.   |
| <b>Starting Date</b>  | Enter the starting date (FA posting date) of the period that the report should include.  |
| <b>Ending Date</b>  | Enter the ending date (FA posting date) of the period that the report should include.  |
| <b>Date Field 1</b><br><b>Date Field 2</b>                              | Select the fields to specify which types of date to show in two columns of the report.   |
| <b>Amount Field 1</b><br><b>Amount Field 2</b><br><b>Amount Field 3</b> | Select the types of amounts the report shows in three columns. Select the fields to choose 1 of the 9 available types.   |
| <b>Period 1</b><br><b>Period 2</b><br><b>Period 3</b>                   | <p>Select how the amounts that you selected are calculated. The following options are available:</p> <p><b>&lt;Blank&gt;</b>: Amounts posted to the FA ledger that correspond to the posting type selected in the <b>Amount Field 1</b> field. If you select the <b>Acquisition</b> option, the report will include acquisition costs.</p> <p><b>Disposal</b>: Amounts posted to disposal accounts. Only disposed assets will have values in this column. If you select the <b>Acquisition</b> option, the report will include acquisition costs.</p> <p><b>Bal. Disposal</b>: Amounts posted to the balance disposal accounts. This option can only be used together with Write-down, Appreciation, Custom 1, and Custom 2 FA posting types. The balance disposal accounts are used only if the posting types are not included in the calculation of gain and loss and the disposal calculation method is Net. The Bal. Disposal accounts are not used if the disposal calculation method is Gross.</p> |

## Fixed Assets in Microsoft Dynamics® NAV 2013

| Field                        | Description  |
|------------------------------|--|
| <b>Group Totals</b>          | Select the field to select a group type if you want the report to group the fixed assets and print group totals. |
| <b>Print per Fixed Asset</b> | Select this check box if you want the report to print a line for each fixed asset.                               |
| <b>Only Sold Assets</b>      | Select this check box if you want the report to include information only for sold assets.                        |

4. On the **Fixed Asset** FastTab you can select which assets to include in the report. If you leave the fields blank, you will receive information on all assets (except inactive assets).
5. Click **Print** to print the report or **Preview** to view it on screen.

### Fixed Asset - G/L Analysis

Depreciation Book: COMPANY  
CRONUS International Ltd.

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Fixed Asset: Posting Date Filter: 01/01/12..01/01/14

| No.          | Description        | G/L Acquisition Date | G/L Acquisition Date | Acquisition Cost  | Depreciation      | Appreciation |
|--------------|--------------------|----------------------|----------------------|-------------------|-------------------|--------------|
| FA000010     | Mercedes 300       | 01/01/13             | 01/01/13             | 30,000.00         | -8,000.00         |              |
| FA000020     | Toyota Supra 3.0   | 05/01/13             | 05/01/13             | 42,000.00         | -8,300.00         |              |
| FA000030     | VW Transporter     | 01/25/13             | 01/25/13             | 15,840.00         | -2,000.00         |              |
| FA000050     | Conveyor Belt      | 01/01/13             | 01/01/13             | 8,800.00          | -880.00           |              |
| FA000060     | Conveyor Lift      | 02/01/13             | 02/01/13             | 4,512.00          | -517.00           |              |
| FA000070     | Conveyor Computer  | 03/01/13             | 03/01/13             | 3,024.00          | -630.00           |              |
| FA000080     | Lift for Furniture | 04/01/13             | 04/01/13             | 3,840.00          | -380.00           |              |
| FA000090     | Switchboard        | 02/01/13             | 02/01/13             | 7,140.00          | -1,020.00         |              |
| <b>Total</b> |                    |                      |                      | <b>112,756.00</b> | <b>-17,487.00</b> |              |

**FIGURE 2.46: FIXED ASSET - G/L ANALYSIS REPORT PRINT LAYOUT PREVIEW**

### FA Posting Group - Net Change Report

The **FA Posting Group - Net Change** report shows the net change posted in the fixed asset ledger entries for each FA posting group. If G/L integration is activated for a depreciation book, the amounts in the report are the same as the net change in the G/L accounts assigned to the FA posting groups. You can use the report when you reconcile the fixed asset ledger and general ledger.

The report contains two sections. The first section shows the net change for each G/L account for each FA posting group. The second section shows the total change in each G/L account for all FA posting groups.



## Module 2: Fixed Asset Transactions

You can use the **FA Depreciation Book** FastTab to set filters if the report should include only certain depreciation books, fixed assets, or FA posting groups. You can select the information to view in the report by using the **Options** FastTab.

To run the **FA Posting Group - Net Change** report, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. Under **Reports**, click **FA Posting Group - Net Change**.

The screenshot shows the 'Edit - FA Posting Group - Net Change' report request page. The window title is 'Edit - FA Posting Group - Net Change' and the user is 'CRONUS International L...'. The interface includes a 'Page' section with 'Refresh' and 'Clear Filter' buttons. Below is the 'Options' section with 'Starting Date' and 'Ending Date' dropdowns, and an 'Only Totals per G/L Account' checkbox. The 'FA Depreciation Book' section has a 'Show results:' area with three filters: 'Where FA No. is Enter a value.', 'And Depreciation Book Code is Enter a value.', and 'And FA Posting Group is Enter a value.'. There is also an 'Add Filter' button. At the bottom, there is a 'Limit totals to:' section with an 'Add Filter' button. The bottom right corner has 'Print', 'Preview', and 'Cancel' buttons.

**FIGURE 2.47: FA POSTING GROUP - NET CHANGE REPORT REQUEST PAGE**

3. On the **Options** FastTab, in the **Starting Date** field, enter the starting date of the period that the report should include.
4. In the **Ending Date** field, enter the ending date of the period that the report should include.
5. Select the **Only Totals per G/L Account** check box if you want the report to show only the total change in each G/L account for all fixed asset posting groups. This option is for the second section of the report.
6. On the **FA Depreciation Book** FastTab, you can set filters if the report should include only certain depreciation books, fixed assets, or FA posting groups.

# Fixed Assets in Microsoft Dynamics® NAV 2013

## 7. Click **Print** or **Preview**.

FA Posting Group - Net Change  
CRONUS International Ltd.

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FA Depreciation Book: Posting Date Filter: 01/01/13..01/01/14

| FA Posting Group | Field Name                  | Account No. | Account Name                  | FA Net Change |
|------------------|-----------------------------|-------------|-------------------------------|---------------|
| CAR              | Acquisition Cost Account    | 1320        | Increases during the Year     | 87,840.00     |
| CAR              | Accum. Depreciation Account | 1340        | Accum. Depreciation, Vehicles | -14,300.00    |
| CAR              | Depreciation Expense Acc.   | 8830        | Depreciation, Vehicles        | 14,300.00     |
| CAR              | Maintenance Expense Account | 8530        | Repairs and Maintenance       | 21,000.00     |
| MACHINERY        | Acquisition Cost Account    | 1220        | Increases during the Year     | 17,978.00     |
| MACHINERY        | Accum. Depreciation Account | 1240        | Accum. Depr., Oper. Equip.    | -2,187.00     |
| MACHINERY        | Depreciation Expense Acc.   | 8820        | Depreciation, Equipment       | 2,187.00      |
| MACHINERY        | Maintenance Expense Account | 8640        | Miscellaneous                 | 22,200.00     |
| TELEPHONE        | Acquisition Cost Account    | 1220        | Increases during the Year     | 7,140.00      |
| TELEPHONE        | Accum. Depreciation Account | 1240        | Accum. Depr., Oper. Equip.    | -1,020.00     |
| TELEPHONE        | Depreciation Expense Acc.   | 8820        | Depreciation, Equipment       | 1,020.00      |
| TELEPHONE        | Maintenance Expense Account | 8640        | Miscellaneous                 | 2,000.00      |

### Total per G/L Account

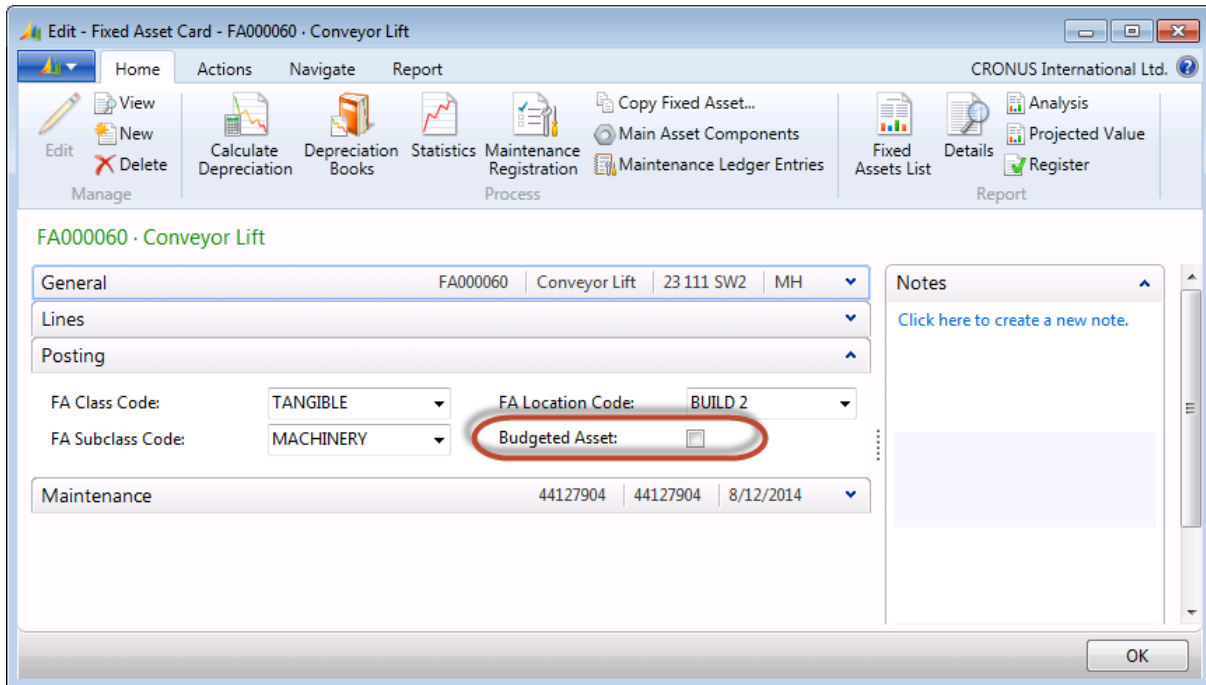
| Account No. | Account Name                  | Net Change  | FA Net Change | Difference  |
|-------------|-------------------------------|-------------|---------------|-------------|
| 1220        | Increases during the Year     | 25,118.00   | 25,118.00     |             |
| 1240        | Accum. Depr., Oper. Equip.    | -145,997.90 | -3,187.00     | -142,810.90 |
| 1320        | Increases during the Year     | 87,840.00   | 87,840.00     |             |
| 1340        | Accum. Depreciation, Vehicles | -36,750.02  | -14,300.00    | -22,450.02  |
| 8530        | Repairs and Maintenance       | 23,508.18   | 21,000.00     | 2,508.18    |
| 8640        | Miscellaneous                 | 29,875.27   | 24,200.00     | 5,475.27    |
| 8820        | Depreciation, Equipment       | 145,997.90  | 3,187.00      | 142,810.90  |
| 8830        | Depreciation, Vehicles        | 36,750.02   | 14,300.00     | 22,450.02   |

**FIGURE 2.48: FA POSTING GROUP - NET CHANGE REPORT PRINT LAYOUT PREVIEW**

## Budget Fixed Asset Transactions

To prepare the budgeted income statement, balance sheet, and cash flow, you may need information about future investments, disposals, and depreciation of fixed assets. When you set up a budgeted asset, you can plan for the addition of assets. After an asset is bought, you must create the new asset and post it with the actual acquisition cost through the FA journal, a purchase invoice, or the FA G/L journal. You can then compare the budgeted cost to the actual cost. A budgeted asset is not integrated to the general ledger. This information is available from the FA Projected Value report.

You can indicate that the asset was created for budgeting by selecting the **Budgeted Asset** check box on the fixed asset card, on the **Posting** FastTab.



**FIGURE 2.49: FIXED ASSET CARD - POSTING FASTTAB**

### Demonstration: Budget Future Acquisition Costs

In this demonstration, you prepare a budget for future acquisition costs, by setting up a fixed asset card for fixed assets that the company intends to buy in the future.

#### Demonstration Steps

To budget for future acquisition costs, follow these steps:

1. Click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. Click **New** to create a new fixed asset.
3. Press ENTER to automatically assign number to the asset.
4. In the **Description** field, type "Ferrari".
5. In the **Serial No.** field, type "ZM 21 241".
6. On the **Lines** FastTab, in the **Depreciation Book Code** field, click the field and then select **COMPANY**.
7. In the **FA Posting Group** field, click the field and select **CAR**.
8. In the **Depreciation Method** field, click the field and select **Straight-line**.

## Fixed Assets in Microsoft Dynamics® NAV 2013

9. In the **Depreciation Starting Date** field, type "1/1/2013".
10. In the **Depreciation Ending Date** field, type "1/31/2021".
11. On the **Posting** FastTab, in the **FA Class Code** field, click the field and select **TANGIBLE**.
12. In the **FA Subclass Code** field, click the field and select **CAR**.
13. In the **FA Location Code** field, click the field and select **SALES**.
14. Select the **Budgeted Asset** check box to prevent posting to the general ledger.

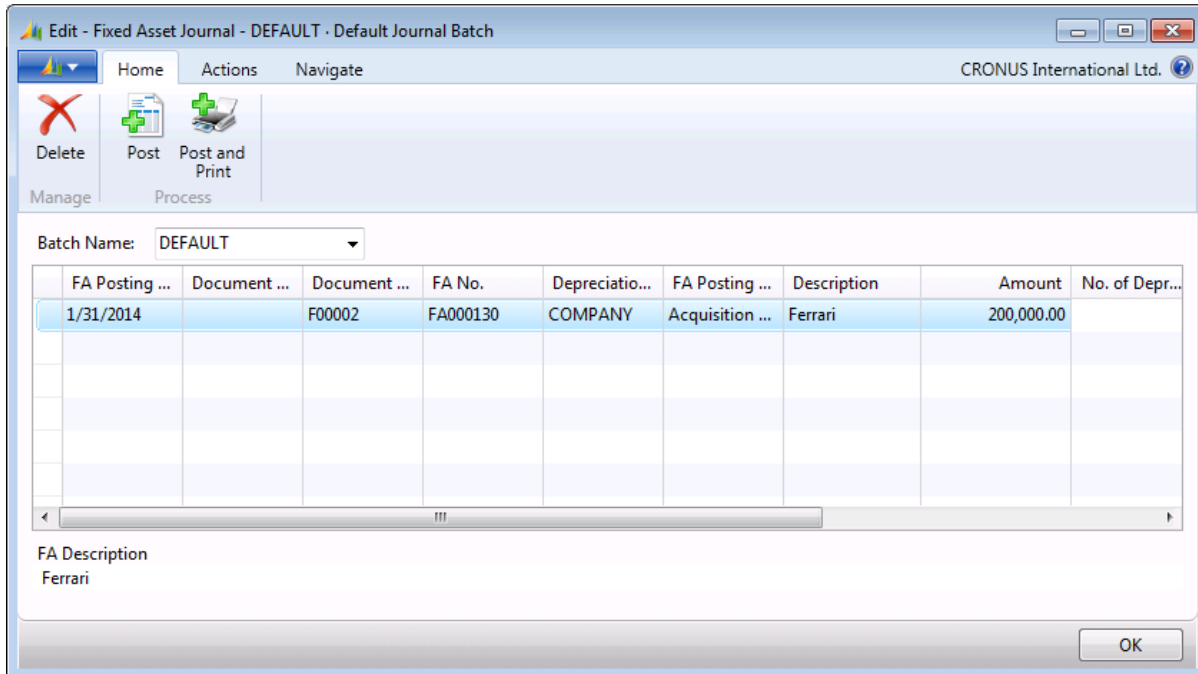
The screenshot displays the 'Edit - Fixed Asset Card - FA000130 - Ferrari' window. The interface includes a ribbon with tabs for Home, Actions, Navigate, and Report. The main area is divided into sections: General, Lines, and Posting. The General section contains fields for No. (FA000130), Description (Ferrari), Serial No. (ZM 21 241), and Search Description (FERRARI). The Lines section shows a table with columns for Depreciation, FA Posting, Depreciation, Depreciation, Depreciation, No. of Depreciation, D., and Book Value. The Posting section includes fields for FA Class Code (TANGIBLE), FA Subclass Code (CAR), FA Location Code (SALES), and a checked Budgeted Asset checkbox. A Notes section on the right contains a link to create a new note.

| Depreciatio... | FA Posting ... | Depreciatio... | Depreciatio... | Depreciatio... | No. of Deprecia... | D.                       | Book Value |
|----------------|----------------|----------------|----------------|----------------|--------------------|--------------------------|------------|
| COMPANY        | CAR            | Straight-Line  | 1/1/2013       | 1/31/2021      | 8.08333333         | <input type="checkbox"/> | 0.00       |

**FIGURE 2.50: FIXED ASSET CARD FOR A BUDGETED ASSET**

Now you can post the acquisition cost for the budgeted fixed asset by using the FA journal.

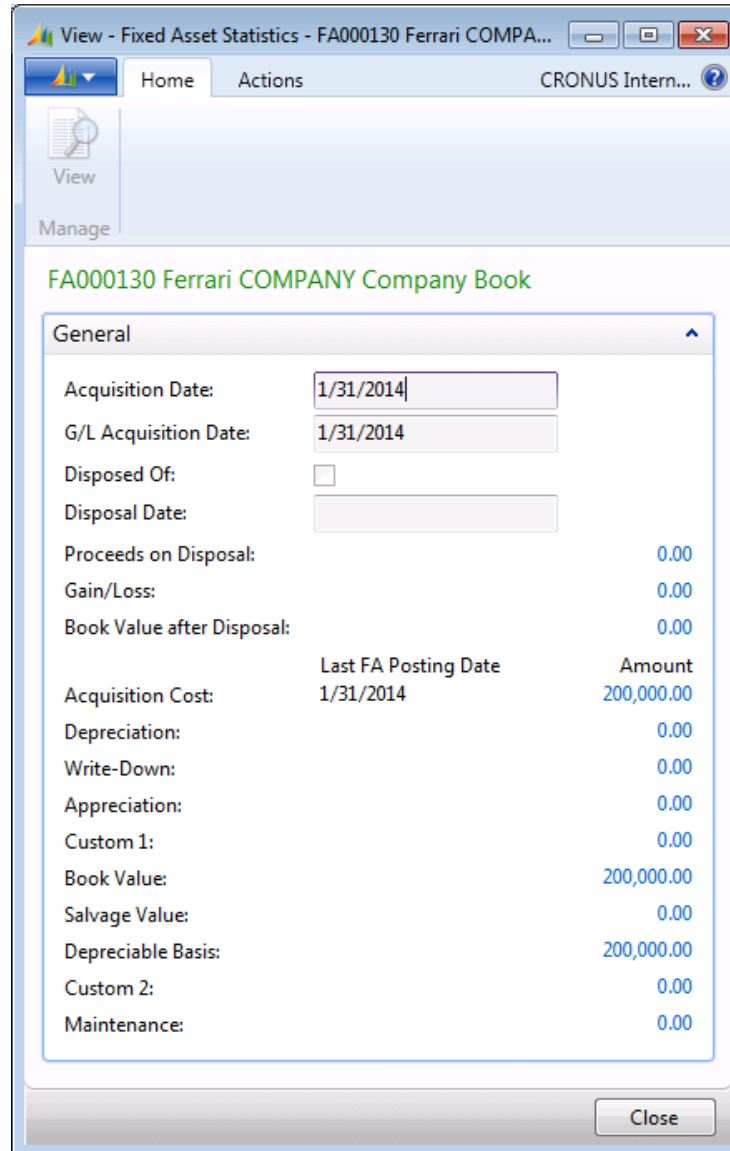
15. Close the **Fixed Asset Card** window.
16. Click **Departments > Financial Management > Fixed Assets > FA Journals** to open the **Fixed Asset Journal** window.
17. Enter and post the budgeted acquisition cost as shown in the image, Fixed Asset Journal.



**FIGURE 2.51: FIXED ASSET JOURNAL**

18. Post the journal line.

The budgeted acquisition cost now appears in the **Fixed Asset Statistics** window. You can open the **Fixed Asset Statistics** window from the FA depreciation book for the budgeted asset by clicking **Statistics** on the **Home** FastTab.



**FIGURE 2.52: FIXED ASSET STATISTICS**

## Follow Up on Budgeted Acquisition Costs

When you actually buy a budgeted fixed asset, you must set up a new fixed asset card. Follow the Budget Future Acquisition Costs procedure, but when you post the actual acquisition cost (in either the FA G/L journal or the FA journal), enter the number of the budgeted asset in the **Budgeted FA No.** field. The system posts an acquisition cost with an opposite sign for the budgeted asset. This means that the total acquisition cost on the budgeted asset is the difference between the budgeted and the actual acquisition cost.

### Demonstration: Budget Future Disposal of Fixed Assets

When your company plans to sell assets within the budget period, you can enter information about the expected sales price and sales date on the FA depreciation book.

The **Projected Disposal Date** field specifies the date on which you plan to dispose of the fixed asset. This date is shown in the **Fixed Asset - Projected Value** report.

The **Projected Proceeds on Disposal** field specifies the expected proceeds from disposal of the fixed asset. The amount from this field is shown in the **Fixed Asset - Projected Value** report.

### Demonstration Steps

To budget future disposal of a fixed asset, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
2. Open the fixed asset card for fixed asset FA000090.
3. In the **Fixed Asset Card** window, on the **Home** FastTab, click **Depreciation Books**.
4. In the **FA Depreciation Book** window, right-click the column header and select **Choose Column**, add the **Projected Disposal Date** and **Projected Proceeds on Disposal** fields, and then click **OK**.
5. Enter the information that is shown in the FA Depreciation Books figure.

| FA No.   | Depreciatio... | FA Posting ... | Depreciatio... | Depreciatio... | Depreciatio... | No. of Deprecia... | Projected D... | Projected Proce... |
|----------|----------------|----------------|----------------|----------------|----------------|--------------------|----------------|--------------------|
| FA000090 | COMPANY        | TELEPHONE      | Straight-Line  | 2/1/2013       | 1/31/2020      | 7.00               | 5/31/2014      | 3.00               |

FIGURE 2.53: FA DEPRECIATION BOOKS

6. Click **OK**.

### Calculate Budgeted Future Disposal

To view the projected disposal values and have the program calculate the gain or loss, use the **Fixed Asset - Projected Value** report. For example, run the report for fixed asset FA000090 for which you set up projected disposal.

To run the **Fixed Asset - Projected Value** report, follow these steps:

1. In the **Fixed Asset Card** window, on the **Report** tab, click **Projected Value**.
2. In the **FA Projected Value** report request window, on the **Options** FastTab, in the **First Depreciation Date** field, enter **1/1/2013**.
3. In the **Last Depreciation Date** field, enter **1/1/2020**.
4. Select the **Projected Disposal** check box.
5. Select the **Print per Fixed Asset** check box.
6. On the **Fixed Asset** FastTab, set the filter in the **No.** field to **FA000090**.



**Edit - Fixed Asset - Projected Value**

CRONUS Internationa...

Refresh Clear Filter

Page

**Options**

Depreciation Book: COMPANY

First Depreciation Date: 1/1/2013

Last Depreciation Date: 1/1/2020

Number of Days:

No. of Days in First Period:

Posted Entries From:

Group Totals:

Copy to G/L Budget Name:

Insert Bal. Account:

Print per Fixed Asset:

Projected Disposal:

Print Amounts per Date:

Use Accounting Period:

**Fixed Asset**

**Show results:**

Where No. is FA000090

And FA Class Code is Enter a value.

And FA Subclass Code is Enter a value.

And Budgeted Asset is Select a value

+ Add Filter

**Limit totals to:**

+ Add Filter

Print Preview Cancel

**FIGURE 2.54: FIXED ASSET - PROJECTED VALUE REPORT REQUEST PAGE**

7. Click **Preview** to view the report on screen or **Print** to print it.

## Fixed Asset - Projected Value

CRONUS International Ltd.  
Depreciation Book: COMPANY

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Fixed Asset No: FA000090, FA Posting Date Filter: 01/01/13..01/01/20

| No.          | Description | FA Posting Date | FA Posting Type | No. of Depreciation Days | Amount                         | Book Value      |
|--------------|-------------|-----------------|-----------------|--------------------------|--------------------------------|-----------------|
| FA000090     | Switchboard |                 |                 |                          |                                |                 |
| FA000090     |             | 05/31/14        | Depreciation    | 120                      | -332.00                        | 5,638.00        |
| FA000090     | Switchboard |                 |                 |                          | -332.00                        | 5,638.00        |
|              |             |                 |                 |                          | Projected Proceeds on Disposal | 3.00            |
|              |             |                 |                 |                          | Projected Gain/Loss            | 5,485.00        |
| <b>Total</b> |             |                 |                 |                          | <b>-332.00</b>                 | <b>5,638.00</b> |
|              |             |                 |                 |                          | Projected Proceeds on Disposal | 3.00            |
|              |             |                 |                 |                          | Projected Gain/Loss            | 5,485.00        |

**FIGURE 2.55: FIXED ASSET - PROJECTED VALUE REPORT PRINT LAYOUT**

## Calculate Budgeted Depreciation

You can also use the **Fixed Asset - FA Projected Value** report to calculate future depreciation.

To view the calculated future depreciation in the **Fixed Asset - FA Projected Value** report, follow these steps:

1. In the **Fixed Asset Card** window, on the **Report** tab, click **Projected Value**.
2. In the **FA Projected Value** report request window, on the **Options** FastTab, in the **First Depreciation Date** field, enter **1/1/2013**.
3. In the **Last Depreciation Date** field, select **1/1/2020**.
4. Select the **Print per Fixed Asset** check box.
5. On the **Fixed Asset** FastTab, in the **No.** field, select **FA000130**.
6. In the **Budgeted Asset** field, select **Yes** to see budgeted assets only.

**Edit - Fixed Asset - Projected Value**

CRONUS Internationa...

Refresh Clear Filter

**Options**

Depreciation Book: COMPANY

First Depreciation Date: 1/1/2013

Last Depreciation Date: 1/1/2020

Number of Days:

No. of Days in First Period:

Posted Entries From:

Group Totals:

Copy to G/L Budget Name:

Insert Bal. Account:

Print per Fixed Asset:

Projected Disposal:

Print Amounts per Date:

Use Accounting Period:

**Fixed Asset**

**Show results:**

Where Budgeted Asset is Yes

And No. is FA000130

And FA Class Code is Enter a value.

And FA Subclass Code is Enter a value.

+ Add Filter

**Limit totals to:**

+ Add Filter

Print Preview Cancel

FIGURE 2.56: FIXED ASSET - PROJECTED VALUE REPORT REQUEST PAGE

7. Click **Preview** to view the report on screen or **Print** to print it.

## Fixed Asset - Projected Value

Friday, June 22, 2012

CRONUS International Ltd.  
Depreciation Book: COMPANY

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CONTOSO\administrator

Fixed Asset No.: FA000130, Budgeted Asset: Yes, FA Posting Date Filter: 01/01/13..01/01/20

| No.                            | Description | FA Posting Date | FA Posting Type | No. of Depreciation Days | Amount             | Book Value       |
|--------------------------------|-------------|-----------------|-----------------|--------------------------|--------------------|------------------|
| FA000130                       | Ferrari     |                 |                 |                          |                    |                  |
| FA000130                       |             | 12/31/14        | Depreciation    | 720                      | -40,485.00         | 150,515.00       |
| FA000130                       |             | 12/31/15        | Depreciation    | 360                      | -24,742.00         | 125,773.00       |
| FA000130                       |             | 12/31/16        | Depreciation    | 360                      | -24,742.00         | 101,031.00       |
| FA000130                       |             | 12/31/17        | Depreciation    | 360                      | -24,742.00         | 76,289.00        |
| FA000130                       |             | 12/31/18        | Depreciation    | 360                      | -24,742.00         | 51,547.00        |
| FA000130                       |             | 12/31/19        | Depreciation    | 360                      | -24,743.00         | 26,804.00        |
| FA000130                       |             | 01/01/20        | Depreciation    | 1                        | -69.00             | 26,735.00        |
| FA000130                       | Ferrari     |                 |                 |                          | -173,265.00        | 26,735.00        |
| <b>Total</b>                   |             |                 |                 |                          | <b>-173,265.00</b> | <b>26,735.00</b> |
| Projected Proceeds on Disposal |             |                 |                 |                          | 0.00               |                  |
| Projected Gain/Loss            |             |                 |                 |                          | 0.00               |                  |

**FIGURE 2.57: FIXED ASSET – PROJECTED VALUE REPORT PRINT LAYOUT**

The report shows the following budgeted depreciation information:

- The book value and accumulated depreciation at the beginning of the selected period.
- Changes during the period.
- The book value and accumulated depreciation at the end of the selected period.

To see total values for all assets, in the report request window, on the **Options** FastTab, clear the **Print per Fixed Asset** field, and, on the **Fixed Asset** FastTab, click **Delete** to clear the filter in the **No.** field.

## Copy Fixed Asset Transactions to the G/L Budget

In Microsoft Dynamics NAV 2013, you can use the **Copy FA Entries to G/L Budget** batch job to copy posted or projected fixed asset transactions to the G/L budget.

To copy posted FA ledger entries that include FA ledger entries posted to budgeted assets, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**.
2. Open the depreciation book card from which you want to copy entries.

3. On the **Actions** FastTab, click **Copy FA Entries to G/L Budget**.

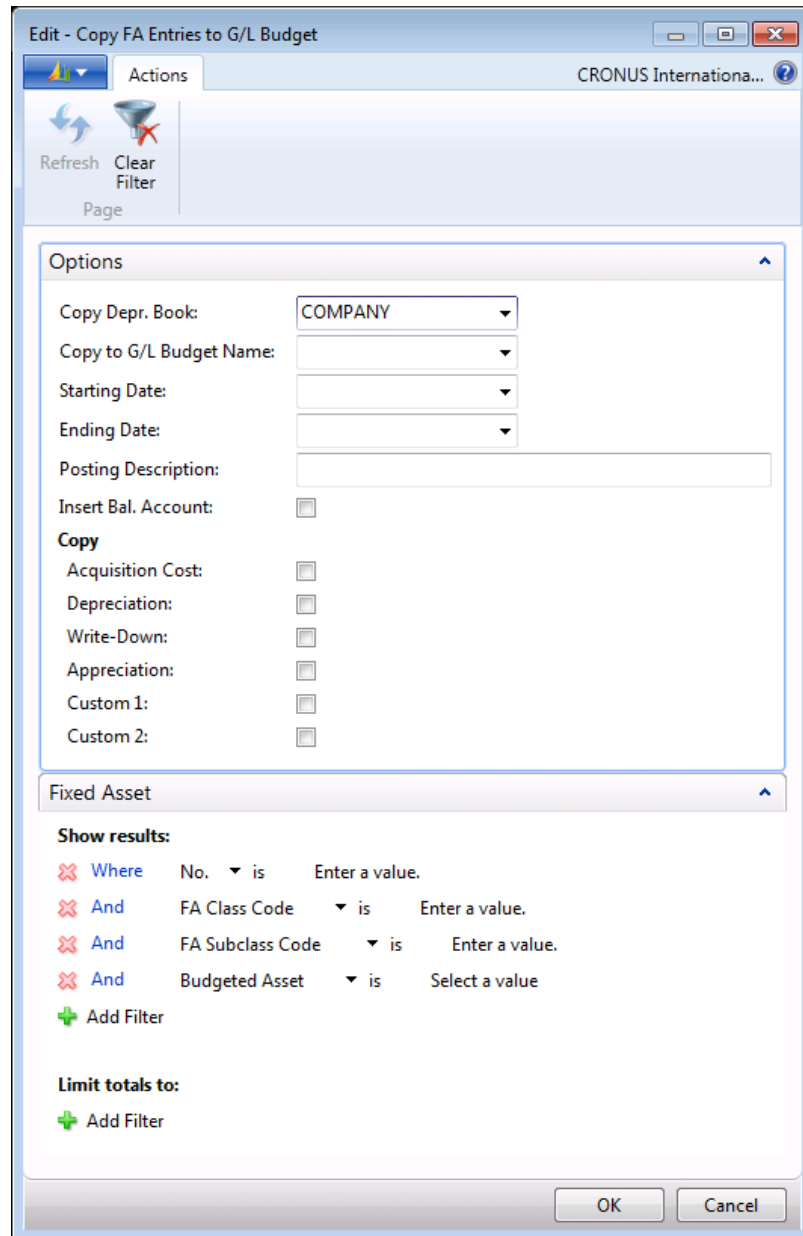


FIGURE 2.58: COPY FA ENTRIES TO G/L BUDGET

## Fixed Assets in Microsoft Dynamics® NAV 2013

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On the **Options** FastTab, you can select options as described in the following table.

| Field                          | Description   |
|--------------------------------|---|
| <b>Copy Depr. Book</b>         | Enter the depreciation book from which to copy entries.   |
| <b>Copy to G/L Budget Name</b> | Enter the name of the budget to which you want to copy. Select the field to select the budget.                |
| <b>Starting Date</b>           | Enter the starting date from which you want to copy entries. The program uses the FA posting date of entries. |
| <b>Ending Date</b>             | Enter the ending date until which you want to copy entries. The program uses the FA posting date of entries.  |
| <b>Posting Description</b>     | Enter a description if one is necessary.  |
| <b>Insert Bal. Account</b>     | Select this check box to copy the balancing entry to the G/L budget.  |
| <b>Copy</b>                    | Select the type(s) of entries to copy.  |

On the **Fixed Asset** FastTab, you can set filters for the assets from which to copy the FA ledger entries.

When you run the batch job, any entries that are posted for the selected assets are copied automatically to the G/L budget. The date of the G/L budget entries and dimensions for the budget entries are the same as the FA posting date and the dimensions posted to the FA ledger entry.

You can copy projected fixed asset transactions to the G/L budget by selecting the budget to copy to in the **Copy to G/L Budget Name** field in the **FA - Projected Value Report**.

When you preview or print the report, both posted and projected transactions are copied to the selected G/L budget. Each budget entry is automatically assigned a description of the fixed asset number and transaction type that was copied to the budget.

## Lab 2.8: Budget a Fixed Asset

### Scenario

The company plans to purchase a new fixed asset soon, an Audi A5 car, for internal transportation purposes. Cassie has to register the budgeted fixed asset in the program, post the budgeted acquisition cost and depreciation, and then copy the projected transactions to the G/L budget.

### Objectives

Budget a fixed asset.

### Budget a Fixed Asset

#### *Exercise Scenario*

To register the budgeted fixed asset, post budgeted acquisition cost and depreciation, and then copy the projected transactions to the G/L budget, use information from the following table.

| Field                             | Value         |
|-----------------------------------|---------------|
| <b>Description</b>                | Audi A5       |
| <b>Serial No.</b>                 | AU 14101 E    |
| <b>FA Posting Group</b>           | CAR           |
| <b>Depreciation Method</b>        | Straight-line |
| <b>Depreciation Starting Date</b> | 1/1/2014      |
| <b>Depreciation Ending Date</b>   | 12/31/2018    |
| <b>Vendor No.</b>                 | 62000         |
| <b>Maintenance Vendor No.</b>     | 62000         |
| <b>Amount</b>                     | 50,000.00     |
| <b>Copy to G/L Budget Name</b>    | 2014          |

### Task 1: Create a Budgeted Fixed Asset

### **High Level Steps**

1. Create a fixed asset card and select the **Budgeted Asset** check box to indicate that this is a budgeted fixed asset.

### **Detailed Steps**

1. Create a fixed asset card and select the **Budgeted Asset** check box to indicate that this is a budgeted fixed asset.

To create a budgeted fixed asset card, follow these steps:

- a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
- b. Click **New**.
- c. Press ENTER to automatically assign the number to the asset.
- d. In the **Description** field, type "Audi A5".
- e. In the **Serial No.** field, type "AU 14101 E".
- f. On the **Posting** FastTab, select the **Budgeted Asset** check box to prevent posting to the general ledger.
- g. On the **Lines** FastTab, in the **Depreciation Book Code** field, click the field, and then select **COMPANY**.
- h. In the **FA Posting Group** field, click the field and select **CAR**.
- i. In the **Depreciation Method** field, click the field and select **Straight-line**.
- j. In the **Depreciation Starting Date** field, type "1/1/2014".
- k. In the **Depreciation Ending Date** field, type "12/31/2018".
- l. On the **Maintenance** FastTab, fill in the **Vendor No.** and **Maintenance Vendor No.** fields with **62000**.



**FA000140 - Audi A5**

**General**

No.: FA000140    Search Description: AUDI A5  
 Description: Audi A5    Responsible Employee:  
 Serial No.: AU 14101 E    Inactive:  
 Main Asset/Component:    Blocked:  
 Component of Main Asset:    Last Date Modified: 6/28/2012

**Lines**

| Depreciatio... | FA Posting ... | Depreciatio... | Deprecia... | Deprecia... | No. of ... | D. | Book Value |
|----------------|----------------|----------------|-------------|-------------|------------|----|------------|
| COMPANY        | CAR            | Straight-Line  | 1/1/2014    | 12/31/2018  | 5.00       |    | 0.00       |

**Posting**

FA Class Code:    FA Location Code:  
 FA Subclass Code:    Budgeted Asset:

**Maintenance**

OK

**FIGURE 2.59: FIXED ASSET CARD FOR BUDGETED ASSET**

m. Click **OK**.

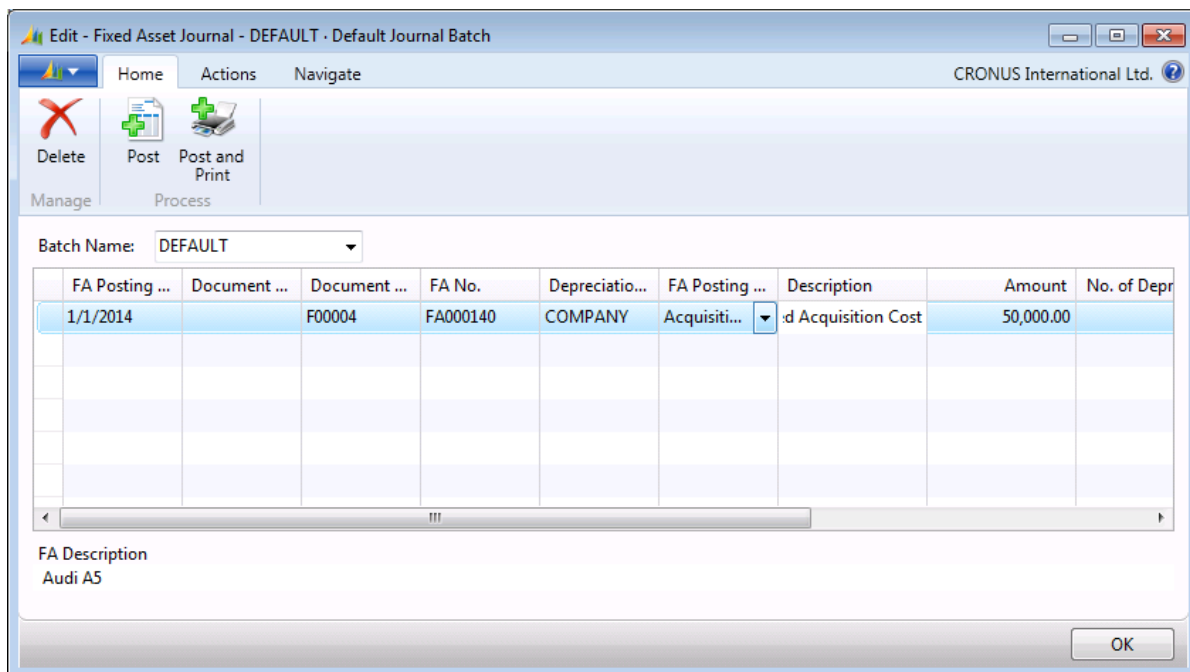
### Task 2: Post the Projected Acquisition Cost and Depreciation

#### High Level Steps

1. Open the FA journal and create a line with acquisition cost.
2. Post the FA journal line.
3. Open the fixed asset card for the Audi A5 fixed asset.
4. Use the **Fixed Asset - FA Projected Value** report to calculate future depreciation.
5. Post the projected depreciation for January 2014 by using the **Calculate Depreciation** batch job and the FA journal.

## Detailed Steps

1. Open the FA journal and create a line with acquisition cost.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA Journals**.
  - b. In the **FA Posting Date** field, type "1/1/2014".
  - c. In the **FA No.** field, click the field, and select the number of the Audi A5 budgeted asset.
  - d. In the **FA Posting Type** field, click the field and select **Acquisition Cost**.
  - e. In the **Description** field, type "Projected Acquisition Cost".
  - f. In the **Amount** field, type "50,000.00".



**FIGURE 2.60: FA JOURNAL WITH PROJECTED ACQUISITION COST**

2. Post the FA journal line.
  - a. Click **Post** to post the journal.
  - b. When you receive the message "Do you want to post the journal lines?", click **Yes**.
  - c. When you receive the message "The journal lines were successfully posted.", click **OK**.
3. Open the fixed asset card for the Audi A5 fixed asset.
  - a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
  - b. Open the fixed asset card for the Audi A5 fixed asset.

4. Use the **Fixed Asset - FA Projected Value** report to calculate future depreciation.
  - a. On the **Report** tab, click **Projected Value**.
  - b. In the **Fixed Asset - Projected Value** report request window, make sure that the **Depreciation Book** field is set to **COMPANY**.
  - c. In the **First Depreciation Date** field, type "1/1/2014".
  - d. In the **Last Depreciation Date** field, type "12/31/2018".
  - e. Select the **Print per Fixed Asset** check box.
  - f. On the **Fixed Asset** FastTab, set the filter to the Audi A5 fixed asset.
  - g. Click **Preview** to view the projected depreciation for the fixed asset.

**Fixed Asset - Projected Value**

Thursday, June 28, 2012  
Page 1  
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CRONUS International Ltd.  
Depreciation Book: COMPANY

Fixed Asset No: FA000140, FA Posting Date Filter: 01/01/14..12/31/18

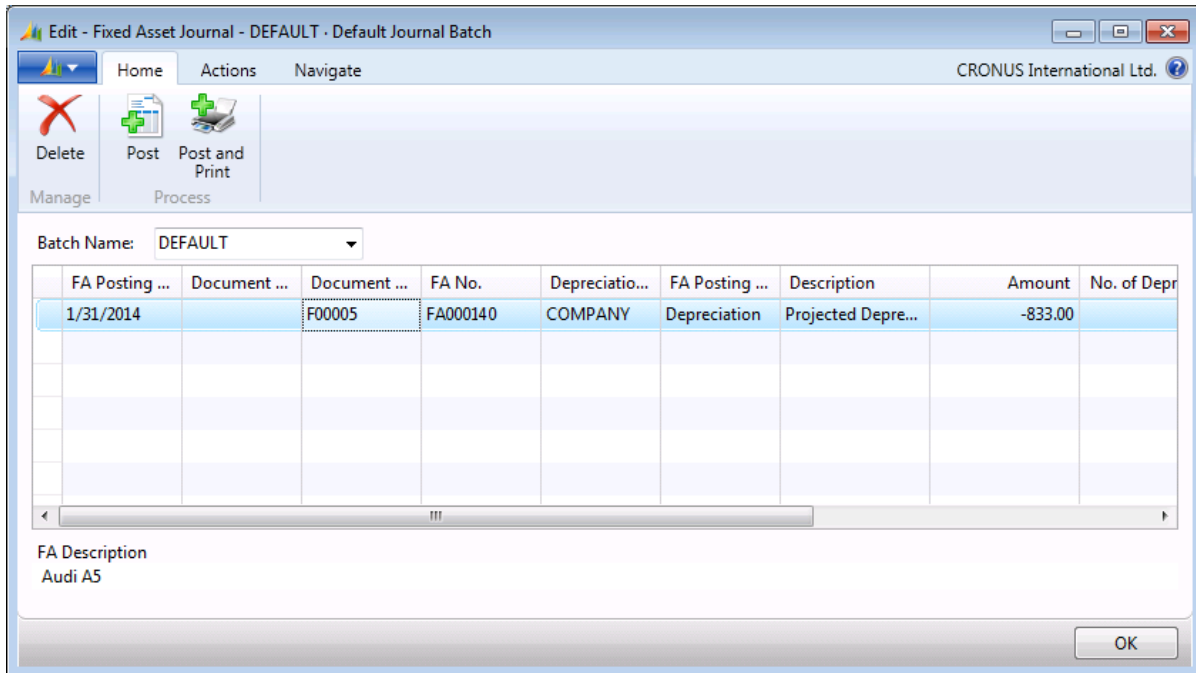
| No.          | Description | FA Posting Date | FA Posting Type | No. of Depreciation Days | Amount            | Book Value  |
|--------------|-------------|-----------------|-----------------|--------------------------|-------------------|-------------|
| FA000140     | Audi A5     |                 |                 |                          |                   |             |
| FA000140     |             | 01/01/14        | Depreciation    | 1                        | -28.00            | 49,972.00   |
| FA000140     |             | 12/31/14        | Depreciation    | 359                      | -9,972.00         | 40,000.00   |
| FA000140     |             | 12/31/15        | Depreciation    | 360                      | -10,000.00        | 30,000.00   |
| FA000140     |             | 12/31/16        | Depreciation    | 360                      | -10,000.00        | 20,000.00   |
| FA000140     |             | 12/31/17        | Depreciation    | 360                      | -10,000.00        | 10,000.00   |
| FA000140     |             | 12/31/18        | Depreciation    | 360                      | -10,000.00        | 0.00        |
| FA000140     | Audi A5     |                 |                 |                          | -50,000.00        | 0.00        |
| <b>Total</b> |             |                 |                 |                          | <b>-50,000.00</b> | <b>0.00</b> |

**FIGURE 2.61: FIXED ASSET - PROJECTED VALUE REPORT PREVIEW**

- h. Close the report print preview.
- i. In the **Fixed Asset Card** window, on the **Home** FastTab, click **Calculate Depreciation**.
- j. In the **Calculate Depreciation** batch job request window, make sure that the **Depreciation Book** field is set to **COMPANY**.
- k. In the **FA Posting Date**, type "1/31/2014".
- l. In the **Posting Description** field, type "Projected Depreciation January 2014".
- m. Click **OK** to generate the FA journal line.
- n. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA Journals**.

## Fixed Assets in Microsoft Dynamics® NAV 2013

The program generated a line with projected depreciation for January 2014.



**FIGURE 2.62: FA JOURNAL WITH PROJECTED DEPRECIATION**

5. Post the projected depreciation for January 2014 by using the **Calculate Depreciation** batch job and the FA journal.
  - a. Click **Post** to post the journal.
  - b. When you receive the message “Do you want to post the journal lines?”, click **Yes**.
  - c. When you receive the message “The journal lines were successfully posted.”, click **OK**.

To view the posted projected entries, on the fixed asset card, click the link in the **Book Value** field on the **Lines** FastTab.

### **Task 3: Copy the Projected Transactions to the G/L Budget**

#### **High Level Steps**

1. Open the COMPANY depreciation book card.
2. Run the **Copy FA Entries to G/L Budget** function.
3. In the **Copy FA Entries to G/L Budget** batch job request form, select the options to copy the acquisition cost and depreciation entries for the budgeted asset.

### **Detailed Steps**

1. Open the COMPANY depreciation book card.
  - a. In order to complete this task, you should setup the **Acquisition Cost Bal. Acc.** field for the **CAR** FA posting group.
  - b. Click **Departments > Administration > FA Posting Groups**
  - c. Right-click on the columns header and select the **Choose Columns** function to add the **Acquisition Cost Bal. Acc.** field.
  - d. Select the line with the **CAR** FA posting group.
  - e. In the **Acquisition Cost Bal. Acc.** field type **8640**.
  - f. Click **OK** to close the **Edit - FA Posting Groups** window.
  - g. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**.
  - h. Select the COMPANY depreciation book and then click **Edit**.
2. Run the **Copy FA Entries to G/L Budget** function.
  - a. In the **Depreciation Book Card** window, on the **Actions** FastTab, click **Copy FA Entries to G/L Budget**.
3. In the **Copy FA Entries to G/L Budget** batch job request form, select the options to copy the acquisition cost and depreciation entries for the budgeted asset.
  - a. In the **Copy FA Entries to G/L Budget** batch job request form, on the **Options** FastTab, in the **Copy to G/L Budget Name** field, click the field, and select **2014**.
  - b. In the **Starting Date** field, type "1/1/2014".
  - c. In the **Ending Date** field, type "12/31/2014".
  - d. In the **Posting Description** field, type "Budgeted Asset Audi A5".

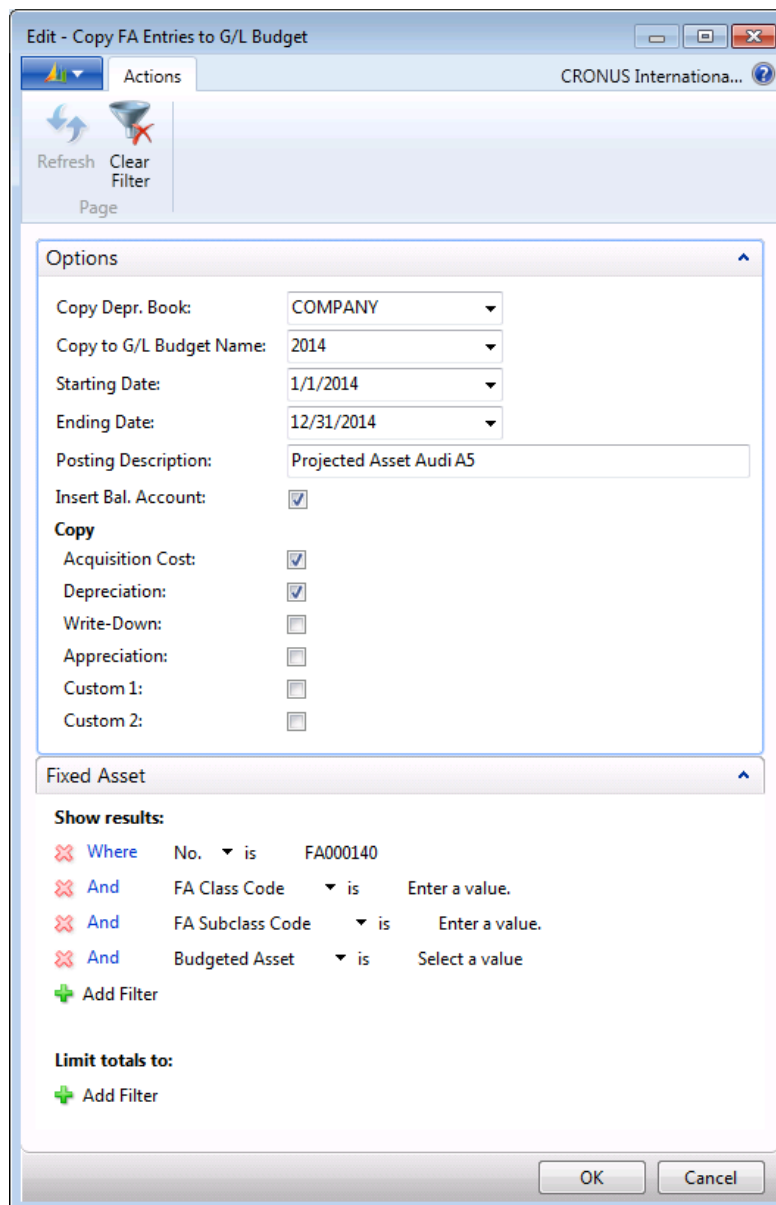


**Note:** If you set up the balancing account in the **FA Posting Groups** window for the **CAR** posting group, you can select the **Insert Bal. Account** check box to have the program insert the balancing account automatically.

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- e. Select the **Insert Bal. Account** check box.
- f. Under the **Copy** field group, select the **Acquisition Cost** and **Depreciation** check boxes.

- g. On the **Fixed Asset** FastTab, in the **No.** field, type **FA000140** to set the filter to the number of the budgeted asset Audi A5.



**FIGURE 2.63: COPY FA ENTRIES TO G/L BUDGET BATCH JOB REQUEST WINDOW**

- h. Click **OK** to run the batch job.
- i. To view the copied entries in the budget, click **Departments > Financial Management > General Ledger > G/L Budgets**, and then double-click the line with **budget 2014**.

Scroll down to locate the copied entries.

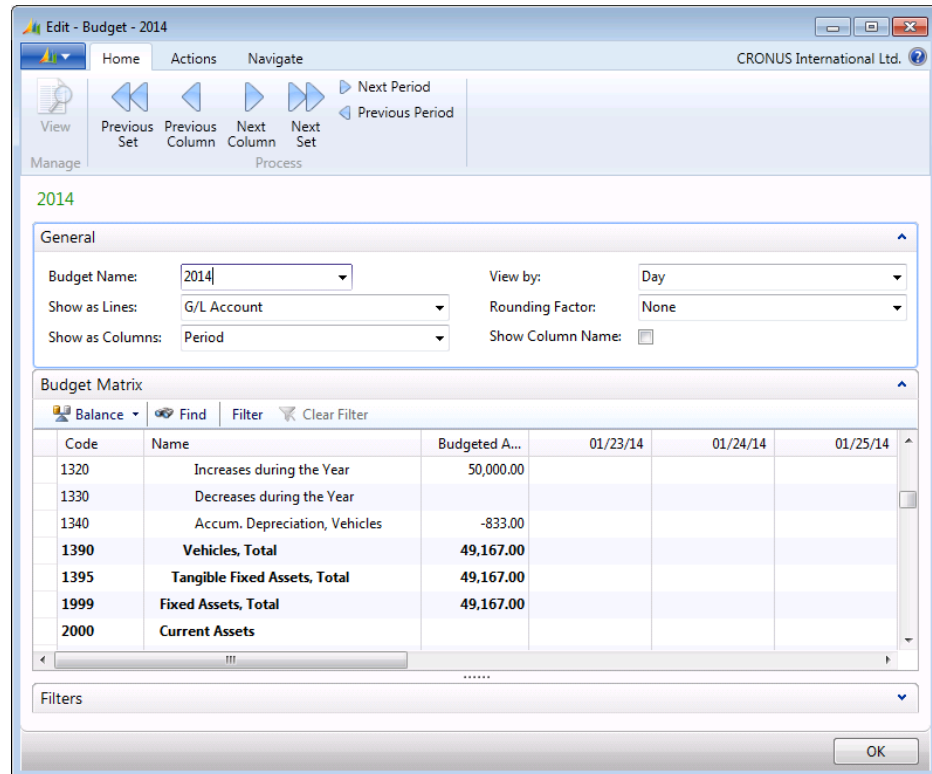


FIGURE 2.64: G/L BUDGET 2014

## Cost Accounting Depreciation

Some companies conduct a part of their cost accounting from the Fixed Asset application area. Microsoft Dynamics NAV 2013 handles the cost accounting depreciation for the cost accounting.

### Demonstration: Cost Accounting Depreciation Book

#### Demonstration Steps

To set up a depreciation book for cost accounting called COST, follow these steps:

1. In the navigation pane, click **Departments > Administration > Application Setup > Financial Management > Fixed Assets > Depreciation Books**.
2. Click **New**.
3. In the **Code** field, type "COST".
4. In the **Description** field, type "Cost Accounting Depreciation Book".

5. In the **Disposal Calculation Method**, click the field and select **Gross**.
6. Select the **Allow Correction of Disposal**, **Allow Depr. below Zero**, and **Allow Indexation** check boxes.
7. Clear the **Use FA Ledger Check** check box to force the program to check if an acquisition cost is the first entry and a disposal (if any) is the last entry. For example, you can post accumulated depreciation as a debit when acquisition cost is posted as a credit.
8. Clear the **Use Same FA+G/L Posting Dates** check box.
9. On the **Integration** FastTab, select the **Depreciation** field to make sure that only the depreciation is integrated with the general ledger. The program posts depreciation by using a posting group for cost-accounting depreciation.

|                                 |                                     |                                 |                                     |
|---------------------------------|-------------------------------------|---------------------------------|-------------------------------------|
| Code:                           | COST                                | VAT on Net Disposal Entries:    | <input type="checkbox"/>            |
| Description:                    | Cost Accounting De...               | Allow Identical Document No.:   | <input type="checkbox"/>            |
| Default Final Rounding Amou...: | 0.00                                | Allow Indexation:               | <input checked="" type="checkbox"/> |
| Default Ending Book Value:      | 0.00                                | Allow Depr. below Zero:         | <input checked="" type="checkbox"/> |
| Disposal Calculation Method:    | Gross                               | Allow more than 360/365 Days:   | <input type="checkbox"/>            |
| Subtract Disc. in Purch. Inv.:  | <input type="checkbox"/>            | Use FA Ledger Check:            | <input type="checkbox"/>            |
| Allow Correction of Disposal:   | <input checked="" type="checkbox"/> | Use Rounding in Periodic Depr.: | <input type="checkbox"/>            |
| Allow Changes in Depr. Fields:  | <input type="checkbox"/>            | Use Same FA+G/L Posting Dat...: | <input type="checkbox"/>            |
|                                 |                                     | Fiscal Year 365 Days:           | <input type="checkbox"/>            |

|                        |                                     |
|------------------------|-------------------------------------|
| <b>Integration</b>     |                                     |
| <b>G/L Integration</b> |                                     |
| Acquisition Cost:      | <input type="checkbox"/>            |
| Depreciation:          | <input checked="" type="checkbox"/> |
| Write-Down:            | <input type="checkbox"/>            |
| Appreciation:          | <input type="checkbox"/>            |
| Custom 1:              | <input type="checkbox"/>            |
| Custom 2:              | <input type="checkbox"/>            |
| Disposal:              | <input type="checkbox"/>            |
| Maintenance:           | <input type="checkbox"/>            |

**FIGURE 2.65: DEPRECIATION BOOK CARD - COST**

10. Click **OK**.



### Demonstration: Cost Accounting Posting Groups

You must set up a COST posting group so that the program posts the cost accounting depreciation correctly to the general ledger.

You must set up a COST posting group so that the program posts the cost accounting depreciation correctly to the general ledger.

Before setting up the posting group, two income statement accounts must be set up, so that entries do not affect the gain or loss in the financial statement, even though they are posted to the financial statement.

#### Demonstration Steps

1. In the navigation pane, click **Departments > Financial Management > General Ledger > Chart of Accounts**.
2. Click **New**.
3. In the **No.** field, type "8920".
4. In the **Name** field, enter **Cost Accounting Accumulated Depreciation**.
5. Click **OK > OK & New**.
6. In the **No.** field, type "8930".
7. In the **Name** field, enter **Cost Accounting Depreciation**.
8. Click **OK**.
9. Click **Indent Chart of Accounts**.
10. Click **Yes**.

To set up a FA posting group, follow these steps:

1. In the navigation pane, click **Departments > Administration > Application Setup > Financial Management > Posting Groups > FA Posting Groups**.
2. Create a new line and fill in the fields as shown in the FA Posting Groups figure.

| Code        | Acquisition Cost Account | Accum. Depreciation Account | Acq. Cost Acc. on Disposal | Accum. Depr. Acc. on Disposal | Gains Acc. on Disposal | Losses Acc. on Disposal | Maintenance Expense Account | Depreciation Expense Acc. |
|-------------|--------------------------|-----------------------------|----------------------------|-------------------------------|------------------------|-------------------------|-----------------------------|---------------------------|
| CAR         | 1320                     | 1340                        | 1330                       | 1340                          | 8840                   | 8840                    | 8530                        | 8830                      |
| <b>COST</b> |                          | 8920                        |                            |                               |                        |                         |                             | 8930                      |
| IT-EQUIP    | 1220                     | 1240                        | 1230                       | 1240                          | 8840                   | 8840                    | 8640                        | 8820                      |
| MACHINERY   | 1220                     | 1240                        | 1230                       | 1240                          | 8840                   | 8840                    | 8640                        | 8820                      |
| TELEPHONE   | 1220                     | 1240                        | 1230                       | 1240                          | 8840                   | 8840                    | 8640                        | 8820                      |

Code:

**FIGURE 2.66: FA POSTING GROUPS**

3. Click **OK**.

## Cost Accounting Booked Value of Zero

If the asset must be depreciated to the book value of zero, set up the annual depreciation percentage or the annual depreciation value in the related fields in the FA depreciation book as if the asset had a booked value.

When the book value is zero, select the **Allow Depr. Below Zero** check box on the COST depreciation book card for additional postings.

When you run the **Calculate Depreciation** batch job for the COST depreciation book, be aware that the batch job creates entries in the FA G/L journal because depreciation postings were integrated to the general ledger automatically. The program requires a balancing account for this. On the **Options** FastTab of the **Calculate Depreciation** batch job, you can select the **Insert Bal. Account** check box to have the program insert the expense account from the FA posting group COST automatically.

Cost accounting is not bound by any law. Therefore, you can change the depreciable base of assets that have a COST depreciation book. You can do this by using indexation.

### Demonstration: Cost Accounting on the Fixed Asset Card

On the fixed asset card, for each asset in the FA depreciation books for which the program will calculate cost accounting depreciation, you must set up a new line with the cost-accounting depreciation book and the relevant FA posting group.

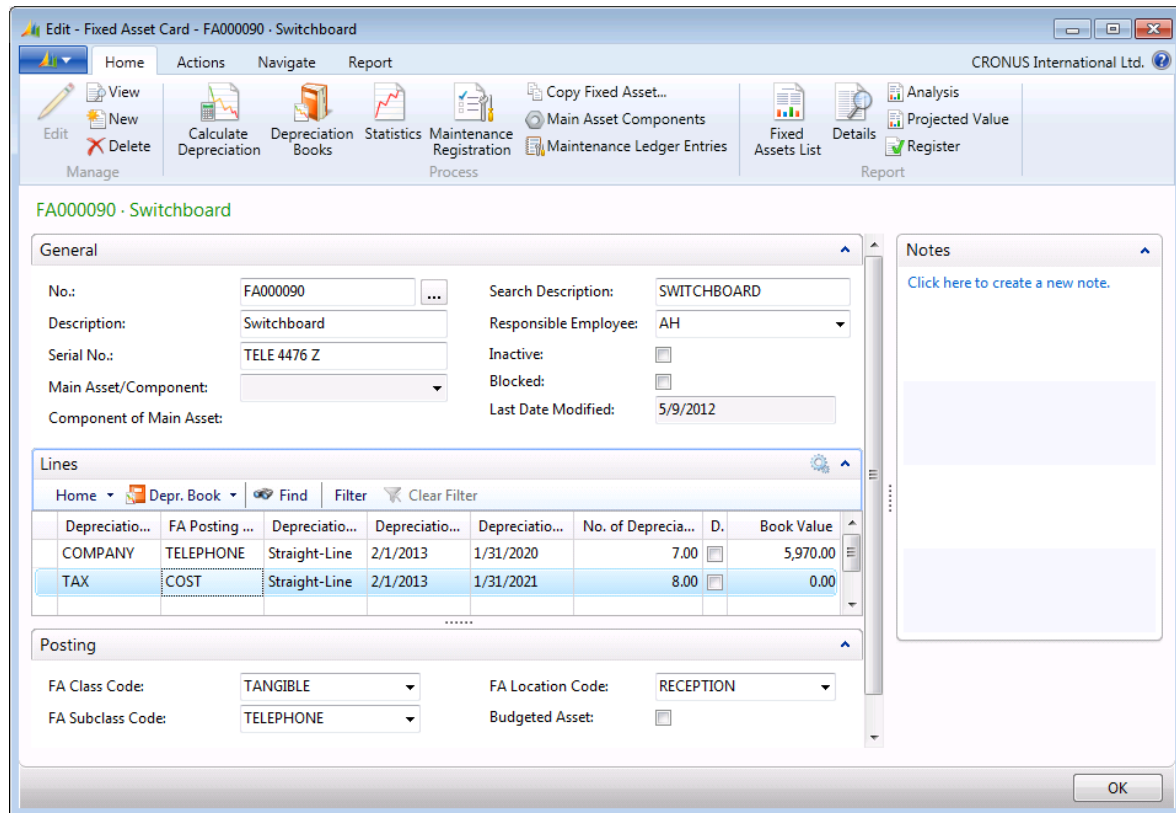
#### Demonstration Steps

To set up the cost-accounting depreciation book and the relevant FA posting group for fixed asset FA000090, follow the steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets** and open the fixed asset card for fixed asset FA000090.
2. On the **Lines** FastTab, create a new line and fill in the fields as shown in the following table.

| Field                             | Value         |
|-----------------------------------|---------------|
| <b>Depreciation Book Code</b>     | TAX           |
| <b>FA Posting Group</b>           | COST          |
| <b>Depreciation Method</b>        | Straight-Line |
| <b>Depreciation Starting Date</b> | 2/1/2013      |
| <b>Depreciation Ending Date</b>   | 1/31/2021     |

## Fixed Assets in Microsoft Dynamics® NAV 2013



**FIGURE 2.67: FIXED ASSET CARD**

Make sure that you select the new cost-accounting FA posting group so that the program posts to the correct accounts. When you have set up all the FA depreciation books for the relevant assets, you can start to create the acquisition costs for them all.

If the depreciation books are identical to the acquisition costs of other FA depreciation books, use the **Copy Depreciation Book** batch job to copy the existing amounts from the standard depreciation book.

In order to complete this demonstration, you should perform a **FA Journal Setup** for the COST depreciation book:

3. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**.
4. On the **View-Depreciation Book List** window, select the line for the COST depreciation book and on the **Navigate** FastTab, select **FA Journal Setup**.

## Module 2: Fixed Asset Transactions

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5. Create a new line and fill in the fields as shown in the following table.

| Field                               | Value     |
|-------------------------------------|-----------|
| <b>FA Jnl. Template Name</b>        | ASSETS    |
| <b>FA Jnl. Batch Name</b>           | DEFAULT   |
| <b>Gen. Jnl. Template Name</b>      | ASSETS    |
| <b>Gen. Jnl. Batch Name</b>         | DEFAULT   |
| <b>Insurance Jnl. Template Name</b> | INSURANCE |
| <b>Insurance Jnl. Batch Name</b>    | DEFAULT   |

6. Click **OK** to close the window.

Copy the COMPANY depreciation book to the new depreciation book COST:

7. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Depreciation Books**.
8. Select the line with the COMPANY depreciation book and on the **Home** FastTab in the **Manage** group, click **Edit**.
9. On the Depreciation Book Card for the COMPANY depreciation book, on the **Actions** FastTab, select **Copy Depreciation Book**.
10. On the **Options** FastTab, in the **Copy from Book** field, select **COMPANY**.
11. On the **Options** FastTab, in the **Copy to Book** field, select **COST**.
12. In the **Starting Date** field, type **1/24/2013**.
13. On the **Fixed Asset** FastTab, set the filter to fixed asset **FA000090**.
14. Click **OK** to run the batch job.
15. Click **OK** to close the **Edit – Depreciation Book Card – COMPANY Company Book** window.

Post the copied lines in the FA journal. The program is set up so that the acquisition costs of these assets are never posted to the general ledger. This is why you must post FA journals.

1. In the Navigation pane click **Departments > Financial Management > Fixed Assets > FA Journal**.
2. Select the FA Journal line for the FA000090 fixed asset.
3. On the **Home** FastTab, click **Post** to post the journal line.
4. When you receive the message "Do you want to post the journal lines?", click **Yes**.
5. When you receive the message "The journal lines were successfully posted.", click **OK**.

When you calculate the depreciation, the program uses the acquisition cost as a baseline.

## Indexation

When you receive a maintenance invoice, you can record it in one of the following ways:


- If you have activated G/L integration for the depreciation book to which you are posting, use a purchase invoice or an FA G/L journal.
- If you have not activated G/L integration for the depreciation book to which you are posting, you can use only an FA journal.

In Microsoft Dynamics NAV 2013, you can index fixed assets to adjust values for general price-level changes by using the **Index Fixed Assets** batch job.

### Index Fixed Assets Batch Job

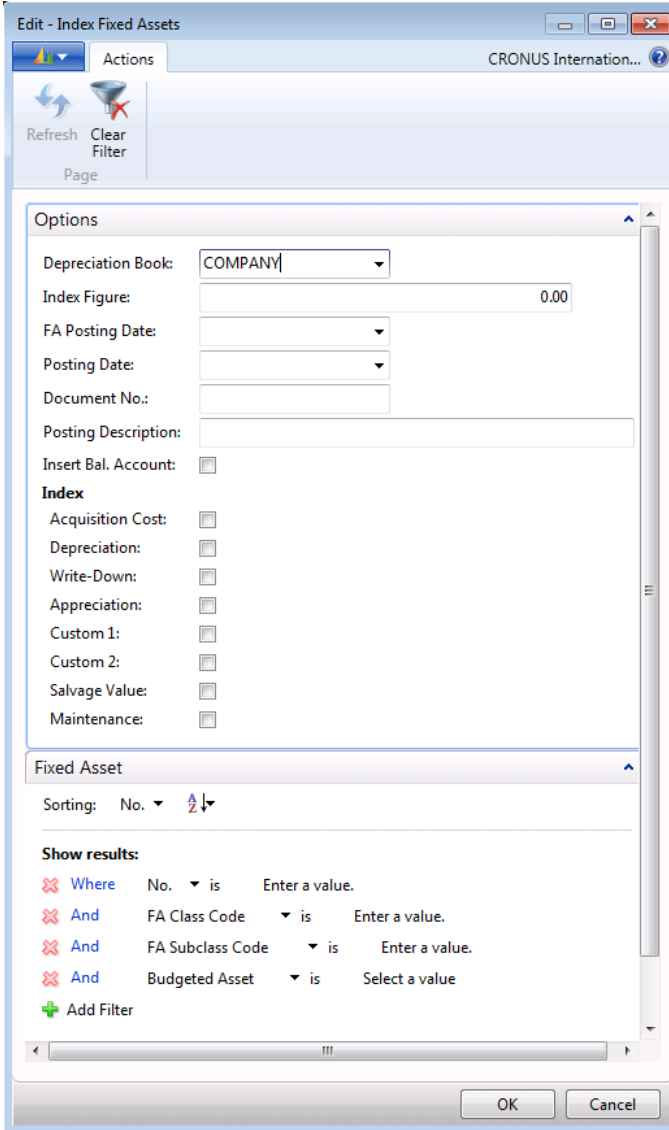
You can use the **Index Fixed Assets** batch job to index various types of fixed asset transactions, such as acquisition cost, depreciation, appreciation, and maintenance. With the help of this batch job, you can index fixed assets that are linked to a depreciation book. When you run the batch job, the program creates journal lines based on conditions that you select. Then, you can review and post the journal lines.

To use the **Index Fixed Assets** batch job, you must select all the **Allow Indexation** check boxes on the depreciation book.

 **Note:** In the "Index Fixed Assets" demonstration in this lesson, you will use the COST depreciation book because this book is prepared for indexing fixed assets. You can use the indexation with the COST depreciation book but not the default depreciation book (in this case, the COMPANY book). This is because the COMPANY depreciation book is used for the balance sheet and the financial statement. You must not change the depreciation base of this COMPANY book by indexation.

To open the **Index Fixed Assets** batch job request window, follow these steps:

1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Index Fixed Assets**.



**FIGURE 2.68: INDEX FIXED ASSETS BATCH JOB REQUEST PAGE**

2. On the **Options** FastTab, you can select options as described in the following table.

| Field                    | Description  |
|--------------------------|--|
| <b>Depreciation Book</b> | Select the field to select the depreciation book for which you want to index fixed assets.   |
| <b>Index Figure</b>      | Type an index figure. The batch job uses this figure to calculate the index amounts entered in the journal. For example, to index by 4%, type "104" in this field. To index by -2%, type "98" in this field.   |
| <b>FA Posting Date</b>   | Enter the FA posting date to display in the <b>FA Posting Date</b> field in the resulting journal lines. The batch job includes ledger entries up to the date specified in this field. If the <b>Use Same FA Posting Dates</b> field for the depreciation book is selected, this date must be the same as the posting date entered in the <b>Posting Date</b> field.                                     |
| <b>Posting Date</b>      | Enter a posting date so that it appears in the <b>Posting Date</b> field in the resulting FA G/L journal lines for assets that are integrated with the general ledger. If the <b>Use Same FA+G/L Posting Dates</b> check box is selected in the depreciation book that is used by the batch job, this date must be the same as the fixed asset posting date entered in the <b>FA Posting Date</b> field. |
| <b>Document No.</b>      | Leave this field blank when you set up a numbering series for the fixed asset journal batch in the <b>No. Series</b> table. The fixed asset journal batch currently has no journal lines entered in it. The batch job automatically assigns the next available number in the series to the journal lines that are copied to the fixed asset journal batch.   |



| Field                      | Description  |
|----------------------------|--|
| <b>Posting Description</b> | Enter a posting description to appear on the resulting journal lines.  |
| <b>Insert Bal. Account</b> | Select this check box if you want the batch job to insert balancing account(s) in the resulting journal. The batch job uses the accounts that you set up in the <b>FA Posting Groups</b> window. |
| <b>Index</b>               | Under the <b>Index</b> field group, you can select the fixed asset transaction types to be indexed for the fixed assets included in the batch job.   |

- On the **Fixed Asset** FastTab, you can set filters to select the fixed assets to index.

### Demonstration: Index Fixed Assets

In this demonstration, you index fixed assets that are associated with the COST depreciation book by 2 percent.



**Note:** Before you complete this procedure, make sure that you have copied acquisition cost entries from the COMPANY to the COST depreciation books. To copy the entries, use the **Copy Depreciation Book** batch job.

### Demonstration Steps

To index fixed assets, follow these steps:

- In the navigation pane, click **Departments > Financial Management > Fixed Assets > Index Fixed Assets**.
- On the **Options** FastTab, in the **Depreciation Book** field, click the field and select **COST**.
- In the **Index Figure** field, type "102.00".
- In the **FA Posting Date** field, type "1/31/2013".
- Select the **Insert Bal. Account** check box.

## Fixed Assets in Microsoft Dynamics® NAV 2013

6. Under the **Index** field group, select the **Acquisition Cost** check box.
7. On the **Fixed Asset** FastTab, set the filter to fixed asset FA000090.

The screenshot shows the 'Edit - Index Fixed Assets' dialog box. The 'Options' section includes fields for 'Depreciation Book' (COST), 'Index Figure' (102.00), 'FA Posting Date' (1/31/2013), 'Posting Date', and 'Document No.'. The 'Index' section has 'Acquisition Cost' checked. The 'Fixed Asset' section shows 'Sorting: No.' with a value of '2'. The 'Show results:' section lists filters: 'Where No. is Enter a value.', 'And FA Class Code is Enter a value.', 'And FA Subclass Code is Enter a value.', and 'And Budgeted Asset is Select a value'. There is an 'Add Filter' button at the bottom.

**FIGURE 2.69: INDEX FIXED ASSETS EXAMPLE**

8. Click **OK** to create the indexation entries. The FA journal line is now automatically created in the journal.
9. Check the entry that you created, and post it to the ledger.

If the index figures are for simulation purposes only, you can create a special depreciation book in which to store them. These entries do not affect any of the other depreciation books. You can also index manually by entering a journal line. Click the **Index Entry** field to mark the entries. This makes the index entries identifiable.

### Reverse Indexation

You can correct an indexing error by using the **Cancel FA Ledger Entries** batch job and then running the **Index Fixed Assets** batch job again. For detailed information about how to correct FA entries, refer to the "Fixed Assets Reclassifications" module in this course.

## Minor Assets

Minor assets are assets that are fully depreciated in the same fiscal year as they are purchased. Whether an asset is classified as a minor asset depends on local legislation.

The FA depreciation book for minor assets has two significant settings:

- The depreciation method is usually Straight-line.
- The depreciation starting date and the depreciating ending date are the same. The effect of this is that the program always calculates 100 percent depreciation, even when other acquisitions and depreciation have already been posted to this asset.

### Set Up a Minor Asset

For this example, you create a fixed asset card called **Minor Asset 2000** filling in the fields as shown in the following table.

| Field                             | Value     |
|-----------------------------------|-----------|
| <b>Depreciation Book Code</b>     | COMPANY   |
| <b>FA Posting Group</b>           | MACHINERY |
| <b>Depreciation Starting Date</b> | 01/01/13  |
| <b>Depreciation Ending Date</b>   | 01/01/13  |


Typically, you set up a separate G/L account and FA posting group for minor asset depreciation. However, for this example, you can use the existing MACHINERY posting group.

## Fixed Assets in Microsoft Dynamics® NAV 2013

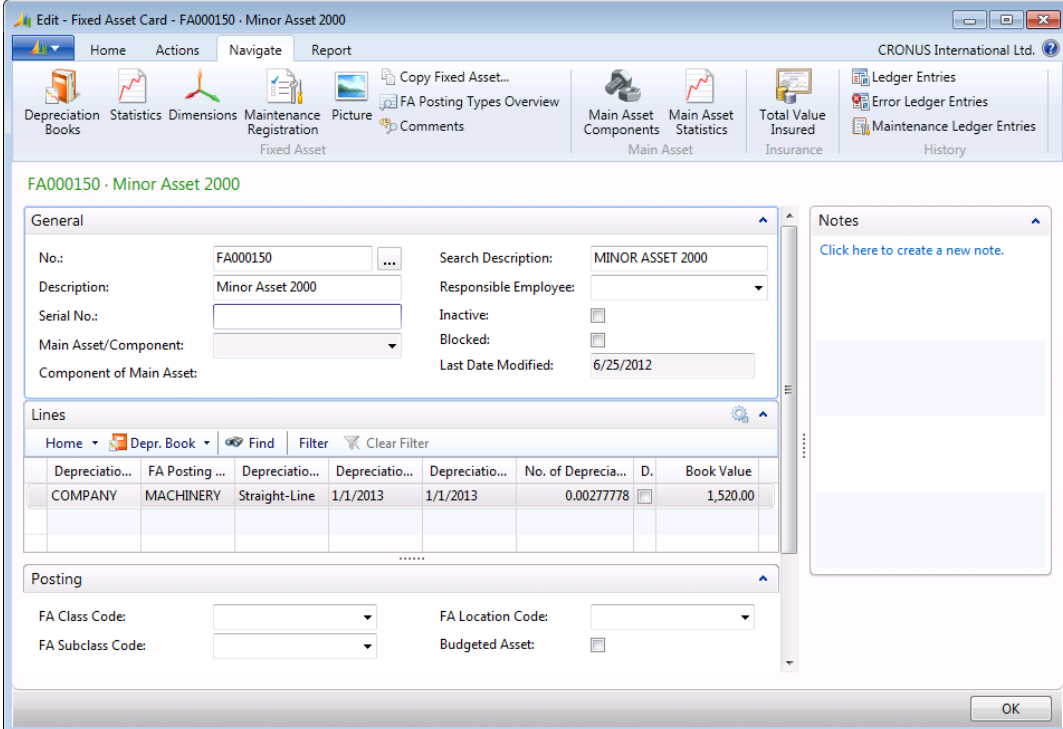
Using the FA G/L journal, add acquisition costs as shown in the following table.

| Date     | Acquisition |
|----------|-------------|
| 01/07/13 | 600         |
| 01/09/13 | 800         |
| 01/12/13 | 500         |

Use G/L account 2910 as the balancing account number for each acquisition.

 **Note:** According to the default setup in the FA journal templates, the program should fill in the document number for each line automatically. If an error message appears that indicates that the document line already exists, post each journal line one by one.

After you post the journal, the fixed asset card for Minor Asset 2000 should appear as shown in the Fixed Asset Card – Minor Asset 2000 figure.



| Depreciatio... | FA Posting ... | Depreciatio... | Depreciatio... | Depreciatio... | No. of Deprecia... | D.                       | Book Value |
|----------------|----------------|----------------|----------------|----------------|--------------------|--------------------------|------------|
| COMPANY        | MACHINERY      | Straight-Line  | 1/1/2013       | 1/1/2013       | 0.00277778         | <input type="checkbox"/> | 1,520.00   |

**FIGURE 2.70: FIXED ASSET CARD - MINOR ASSET 2000**

Most companies set up one minor asset fixed asset card each year because legislation for minor assets sometimes changes from one fiscal year to the next.

## Calculate Depreciation on a Minor Asset

Every time that you purchase an asset that is classified as a minor asset, post the acquisition cost and depreciation to the same minor asset card. The program collects acquisition costs of all minor assets and then depreciates them by 100 percent when you calculate the next periodic depreciation.

To calculate depreciation on a minor asset, follow these steps:

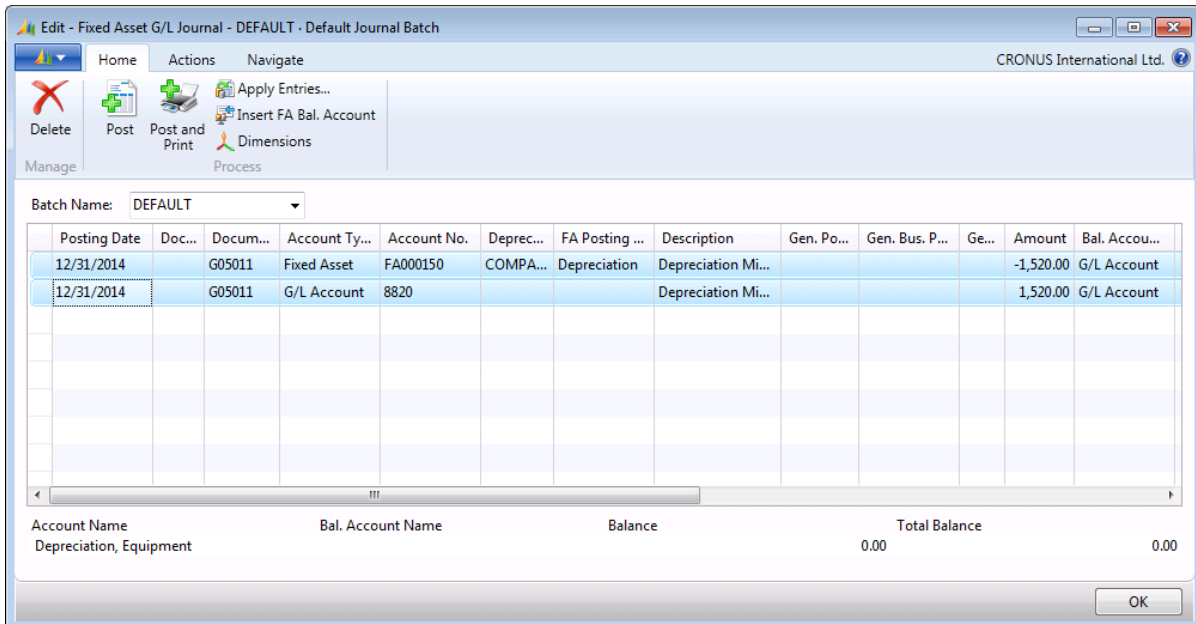
1. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**, and then open the fixed asset card for Minor Asset 2000.
2. On the **Actions** FastTab, click **Calculate Depreciation**.
3. On the **Options** FastTab, enter information as shown in the following table.

| Field                      | Value                               |
|----------------------------|-------------------------------------|
| <b>Depreciation Book</b>   | COMPANY                             |
| <b>FA Posting Date</b>     | 12/31/14                            |
| <b>Posting Date</b>        | 12/31/14                            |
| <b>Posting Description</b> | Depreciation Minor Assets Year 2014 |

4. Select the **Insert Bal. Account** check box.
5. Click **OK** to run the batch job.
6. Close the **Fixed Asset Card** window.
7. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals** to review the journal lines created by the batch job.

## Fixed Assets in Microsoft Dynamics® NAV 2013

If the program did not insert a balancing account automatically, click **Insert FA Bal. Account**.

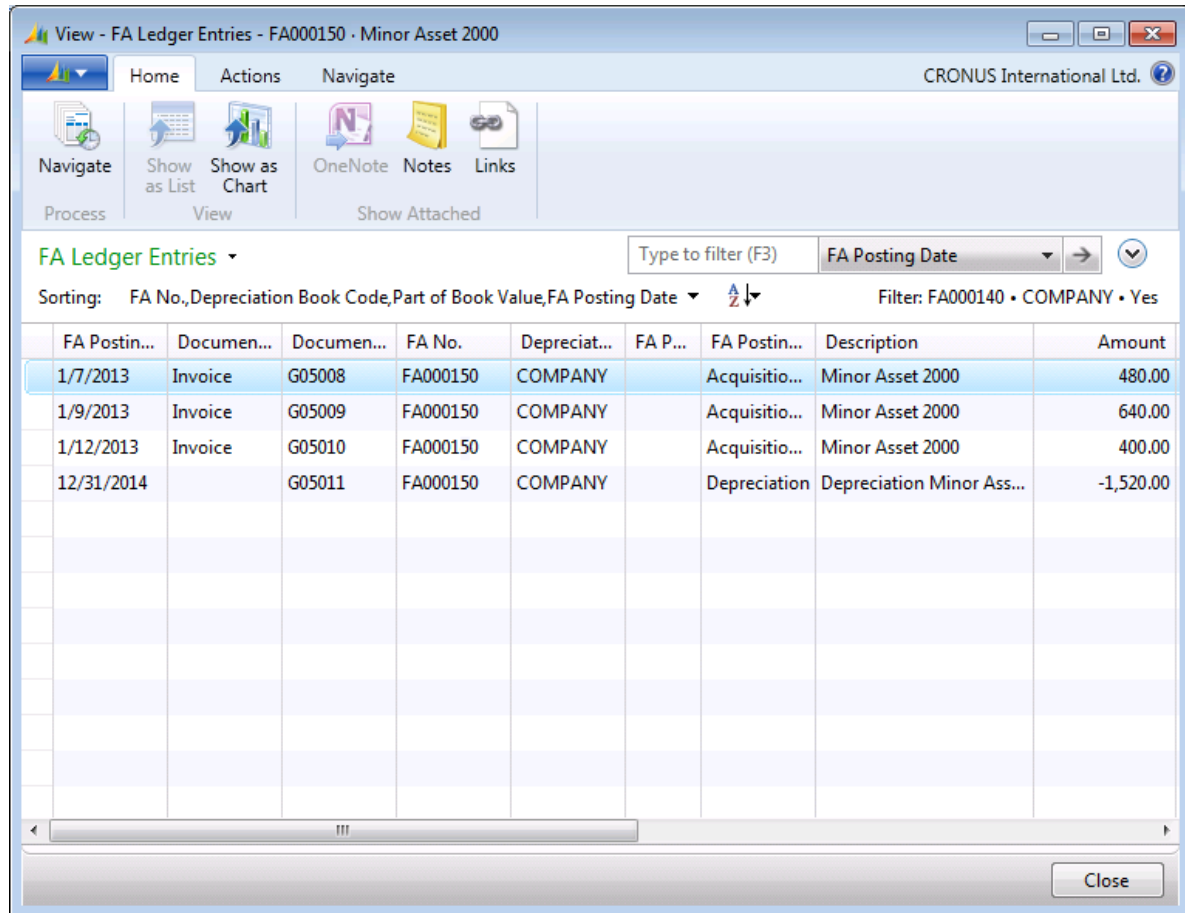


**FIGURE 2.71: FIXED ASSET G/L JOURNAL – DEFAULT JOURNAL BATCH**

8. Click **Post** to post the journal.
9. When you receive the message "Do you want to post the journal lines?", click **Yes**.
10. When you receive the message "The journal lines were successfully posted.", click **OK**.
11. Open the fixed asset card for Minor Asset 2000.  
On the Lines FastTab, in the Book Value field, the book value for the minor asset is 0.
12. Click the link in the **Book Value** field to display the journal entries.

## Module 2: Fixed Asset Transactions

The ledger entries for the minor asset should look as shown in the FA Ledger Entries for Minor Asset 2000 figure.



| FA Postin... | Documen... | Documen... | FA No.   | Depreciat... | FA P... | FA Postin...  | Description               | Amount    |
|--------------|------------|------------|----------|--------------|---------|---------------|---------------------------|-----------|
| 1/7/2013     | Invoice    | G05008     | FA000150 | COMPANY      |         | Acquisitio... | Minor Asset 2000          | 480.00    |
| 1/9/2013     | Invoice    | G05009     | FA000150 | COMPANY      |         | Acquisitio... | Minor Asset 2000          | 640.00    |
| 1/12/2013    | Invoice    | G05010     | FA000150 | COMPANY      |         | Acquisitio... | Minor Asset 2000          | 400.00    |
| 12/31/2014   |            | G05011     | FA000150 | COMPANY      |         | Depreciation  | Depreciation Minor Ass... | -1,520.00 |

**FIGURE 2.72: FA LEDGER ENTRIES FOR MINOR ASSET 2000**

## Lab 2.9: Manage a Minor Asset

### Scenario

The company acquired stationery products for the staff—pens and notebooks—in the course of the year. Cassie, the accountant, has to register the stationery assets in the program. Because these assets have a short life span, Cassie registers them as a minor asset. Then, she posts the acquisition cost, and when the asset life span is over, she posts the full depreciation for the minor asset.

### Objectives

- Register an asset, classified as minor asset.
- Post the acquisition cost.
- Post depreciation.

### Manage a Minor Asset

#### *Exercise Scenario*

To register assets classified as minor assets, Cassie creates a fixed asset card with the same starting and ending depreciation dates. Then, she posts the acquisition cost in the FA G/L journal. At the end of the year, she posts the full depreciation for all minor assets that were posted to the minor asset card.



**Note:** Typically, one fixed asset card is used for all minor assets. Even though a fixed asset card was already created for minor assets, in this lab you create a new card for demonstration purposes.

---

### Task 1: Manage a Minor Asset

#### *High Level Steps*

1. Create a fixed asset card with the same starting and ending depreciation dates.
2. Use the FA G/L journal to post acquisition cost.
3. Use the **Calculate Depreciation** batch job and FA G/L journal to post depreciation.



### **Detailed Steps**

1. Create a fixed asset card with the same starting and ending depreciation dates.

To create a fixed asset card for a minor asset, follow these steps:

- a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**.
- b. Click **New**.
- c. Press ENTER to have the program assign a number to the fixed asset.
- d. In the **Description** field, type "Minor Asset".
- e. On the **Lines** FastTab, in the **Depreciation Book Code** field, click the field and select **COMPANY**.
- f. In the **FA Posting Group** field, click the field and select **MACHINERY**.
- g. In the **Depreciation Method** field, click the field and select **Straight-line**.
- h. In the **Depreciation Starting Date** field, type "1/1/2014".
- i. In the **Depreciation Ending Date** field, type "1/1/2014".

The screenshot displays the 'New - Fixed Asset Card' window for a minor asset. The 'General' section includes the following fields:

- No.: FA000160
- Description: Minor Asset
- Search Description: MINOR ASSET
- Responsible Employee: (empty)
- Serial No.: (empty)
- Main Asset/Component: (empty)
- Component of Main Asset: (empty)
- Inactive:
- Blocked:
- Last Date Modified: 6/28/2012

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

| Depreciation Book Code | FA Posting Group | Depreciation Method | Depreciation Starting Date | Depreciation Ending Date | No. of Lines | D. | Book Value |
|------------------------|------------------|---------------------|----------------------------|--------------------------|--------------|----|------------|
| COMPANY                | MACHINERY        | Straight-Line       | 1/1/2014                   | 1/1/2014                 | 0.00277778   |    | 0.00       |

At the bottom, the 'Posting' field is set to 'No' and the 'Maintenance' field is set to 'No'.

**FIGURE 2.73: FIXED ASSET CARD FOR MINOR ASSETS**

j. Click **OK**.

2. Use the FA G/L journal to post acquisition cost.

To post the acquisition cost for the new minor asset, follow these steps:

- a. In the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals**.
- b. In the **Fixed Asset G/L Journal** window, in the **Posting Date** field, create two acquisition lines by using information in the following tables.

Line 1.

| Field                  | Value            |
|------------------------|------------------|
| <b>Posting Date</b>    | 01/15/2014       |
| <b>FA Posting Type</b> | Acquisition Cost |
| <b>Description</b>     | Minor Asset Pens |
| <b>Amount</b>          | 100              |

Line 2.

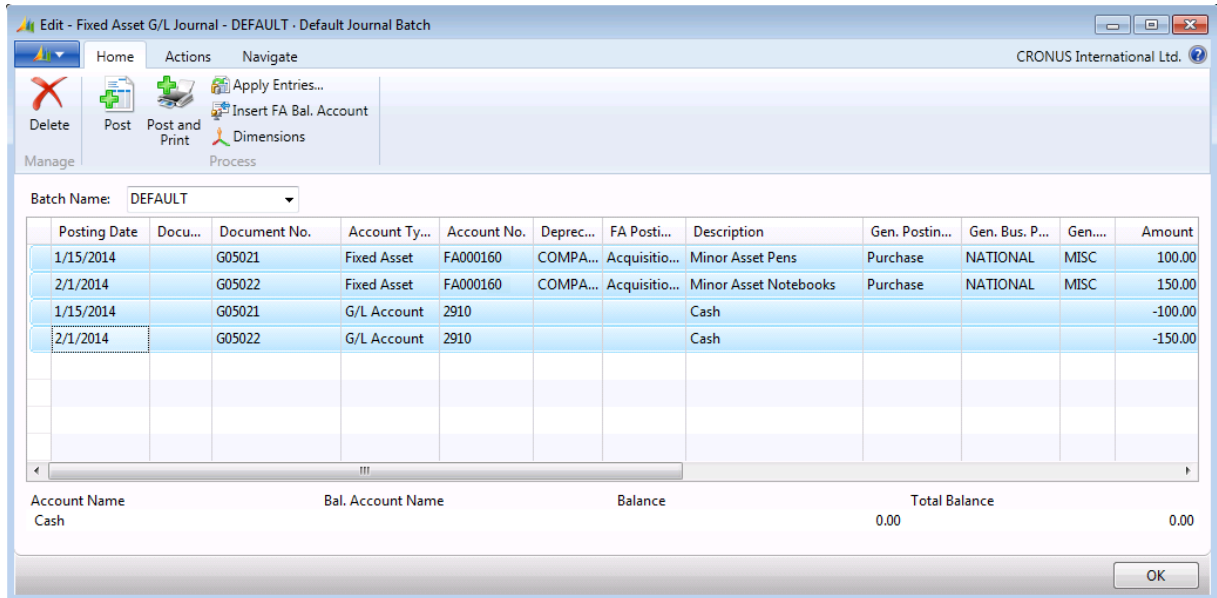
| Field                  | Value                 |
|------------------------|-----------------------|
| <b>Posting Date</b>    | 02/01/2014            |
| <b>FA Posting Type</b> | Acquisition Cost      |
| <b>Description</b>     | Minor Asset Notebooks |
| <b>Amount</b>          | 150                   |

- c. Add two balancing lines with G/L account 2910 as a balancing account.
- d. Select the next line and enter the date **1/15/2014**. In the **Account No.** field select **2910**. In the Amount field enter **-100**.
- e. Select the next line and enter the date **2/1/2014**. In the **Account No.** field select **2910**. In the Amount field enter **-150**.



**Note:** The **Document No.** field values should be different for each FA G/L Journal line. However, the balancing lines should have the **Document No.** field values corresponding to that of the FA G/L Journal lines they balance.

---



**FIGURE 2.74: FA G/L JOURNAL WITH ACQUISITION COST**

- f. Click **Post** to post the journal.
- g. When you receive the message “Do you want to post the journal lines?”, click **Yes**.
- h. When you receive the message “The journal lines were successfully posted.”, click **OK**.
- i. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**, and open the fixed asset card for minor assets.

On the **Lines** FastTab, you can see the changed book value in the **Book Value** field. To see the posted acquisition cost entries, click the link in the field.

3. Use the **Calculate Depreciation** batch job and FA G/L journal to post depreciation.

To fully depreciate the minor assets, follow these steps:

- a. On the fixed asset card for minor assets, on the **Home** FastTab, click **Calculate Depreciation**.
- b. On the **Options** FastTab, enter information as shown in the following table.

| Field                      | Value                               |
|----------------------------|-------------------------------------|
| <b>Depreciation Book</b>   | COMPANY                             |
| <b>FA Posting Date</b>     | 12/31/14                            |
| <b>Posting Date</b>        | 12/31/14                            |
| <b>Posting Description</b> | Depreciation Minor Assets Year 2014 |

## Fixed Assets in Microsoft Dynamics® NAV 2013

- c. Select the **Insert Bal. Account** check box.
- d. Click **OK** to run the batch job.
- e. Close the **Fixed Asset Card** window.
- f. On the navigation pane, click **Departments > Financial Management > Fixed Assets > FA G/L Journals** to review the journal lines created by the batch job.

| Posting Date | Docu... | Document No. | Account Ty... | Account No. | Deprec... | FA Posti...   | Description                 | Gen. Postin... | Gen. Bus. P... | Gen... | Amount  |
|--------------|---------|--------------|---------------|-------------|-----------|---------------|-----------------------------|----------------|----------------|--------|---------|
| 12/31/2014   |         | G05023       | Fixed Asset   | FA000160    | COMPA...  | Depreciati... | Depreciation Minor Asset... |                |                |        | -200.00 |
| 12/31/2014   |         | G05023       | G/L Account   | 8820        |           |               | Depreciation Minor Asset... |                |                |        | 200.00  |

Account Name: Depreciation, Equipment      Bal. Account Name:      Balance:      Total Balance: 0.00

**FIGURE 2.75: FA G/L JOURNAL WITH DEPRECIATION FOR MINOR ASSETS**

- g. Click **Post** to post the journal.
- h. When you receive the message "Do you want to post the journal lines?", click **Yes**.
- i. When you receive the message "The journal lines were successfully posted.", click **OK**.
- j. In the navigation pane, click **Departments > Financial Management > Fixed Assets > Fixed Assets**, and open the fixed asset card for minor assets.

On the **Lines** FastTab, in the **Book Value** field, the book value is 0 which indicates that the minor assets were fully depreciated.

## Module Review

### ***Module Review and Takeaways***

Primary transactions that you can perform with fixed assets in Microsoft Dynamics NAV 2013 include but are not limited to acquisitions, depreciations, write-downs, appreciations, and disposals. You can handle all these transactions in the Fixed Assets application area of Microsoft Dynamics NAV 2013.

Four types of journals are available for posting transactions with fixed assets:

- FA G/L journal
- FA journal
- FA Reclassification journal
- Insurance journal

The primary difference between the FA G/L journal and the FA journal is that you use the FA G/L journal for fixed assets that are integrated to the general ledger. If you do not want your transactions to be reflected in the general ledger, use the FA journal.

Additionally, you can calculate budgets, cost-accounting, and indexation for fixed assets.

Microsoft Dynamics NAV 2013 provides two ways to correct entries: by reversing entries, or by canceling entries through the **Cancel FA Entries** batch job or through the **Cancel FA Ledger Entries** batch job. Reversing entries automatically posts the same entry with a negative amount and can be used only with entries posted from a journal. The **Cancel FA Entries/Cancel FA Ledger Entries** batch jobs are designed specifically for FA ledger entries. This method removes the incorrectly posted ledger entry from the ledger entries and moves it to the error ledger entries. To have the program calculate depreciation correctly, we recommend that you cancel FA entries instead of reversing them.

The extensive list of reports designed for fixed assets enables you to track and analyze ledger entries, review net change for each G/L account for fixed assets posting groups, review detailed information about fixed asset transactions and the book value for each asset, and collect other important information for reporting purposes.

In Microsoft Dynamics NAV 2013, you can also handle minor assets that are typically depreciated in a year. To set up correct depreciation for minor assets, you enter the same starting and ending depreciation dates.

