

Exercises



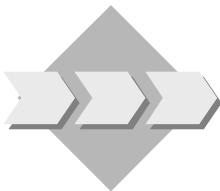
Unit: Additional Financial Topics

Topic: Fixed Assets



At the conclusion of this exercise, you will be able to:

- Define a fixed assets master data.
- Activate the fixed asset using an *A/P Invoice*
- Execute a *Depreciation Run*
- Retire the fixed asset using an *A/R Invoice*



OEC Computers purchased a new **truck** at the beginning of the fiscal year. The company accountant defines the truck as an *Asset Master Data* record.

1-1 Define a fixed assets master data record.

Create a fixed asset master data record for the truck. Enter the Item Number and Description. Assign the **Motor Vehicles** asset class to the truck asset master record and ensure that all related definitions are applied to this asset.

Add the new *Asset Master Data* record

1-2 Activate the fixed asset.

Purchase the truck using an *A/P Invoice*. In the *Posting Date* field Enter the **1st of January** this year. Verify that a *Capitalization* document was automatically generated and that the *Asset Master Data* is activated.

Tip: in the asset master record, under the *Overview* sub-tab check the *Status* Field.

1-3 Execute the Depreciation Run

Execute the depreciation run for the GAAP area. Include all periods from the beginning of the fiscal period and until today. Then, review the journal entry created by the depreciation run.

Review the depreciation information of the truck in the *Asset Maser Data* window.

Note that the data is presented according to the selected *Depreciation Area* and the selected *Fiscal year*.

1-4 Retire the fixed asset.

OEC Computers sells the truck. Define the truck *Assets Master Data* record as a *Sales Item*. Issue an *A/R Invoice*. Review the journal entry created by the *A/R Invoice*. Then, review the *Retirement* document that was automatically generated by the *A/R Invoice*.

Check the *Net Book Value* of the Asset Master Data _____

And check the asset status _____