


Slide 1

Slide notes: In this tutorial we will perform an instance of Asset Capitalization. Whether the Asset is acquired through Purchasing or by other means makes no difference to the process, because we always Capitalize from a GL Account. Therefore, an Asset acquired through Purchasing will have its cost allocated in the 1st instance to some Costing or Transit or Suspense Account, and if acquired in any other way, the Cost will end up in an appropriate Account by Journal. Usually, in the costing Account, the remaining Amount will already be net of Tax, as it is usual to Capitalize an Asset net of Tax. Of course, there are some exceptions to this rule.

Capitalization of Asset: -

Debit	Credit
9,500.00	9,500.00
(Asset Register)	(GL Cost Center)



Slide 2

Slide notes: Therefore, when we perform the Capitalization Journal, then the Asset Register will be debited with the Purchase Price, net of Tax, and the GL Cost Account will be credited.



Slide 3

Slide notes: From the Asset menu, we choose Capitalize.

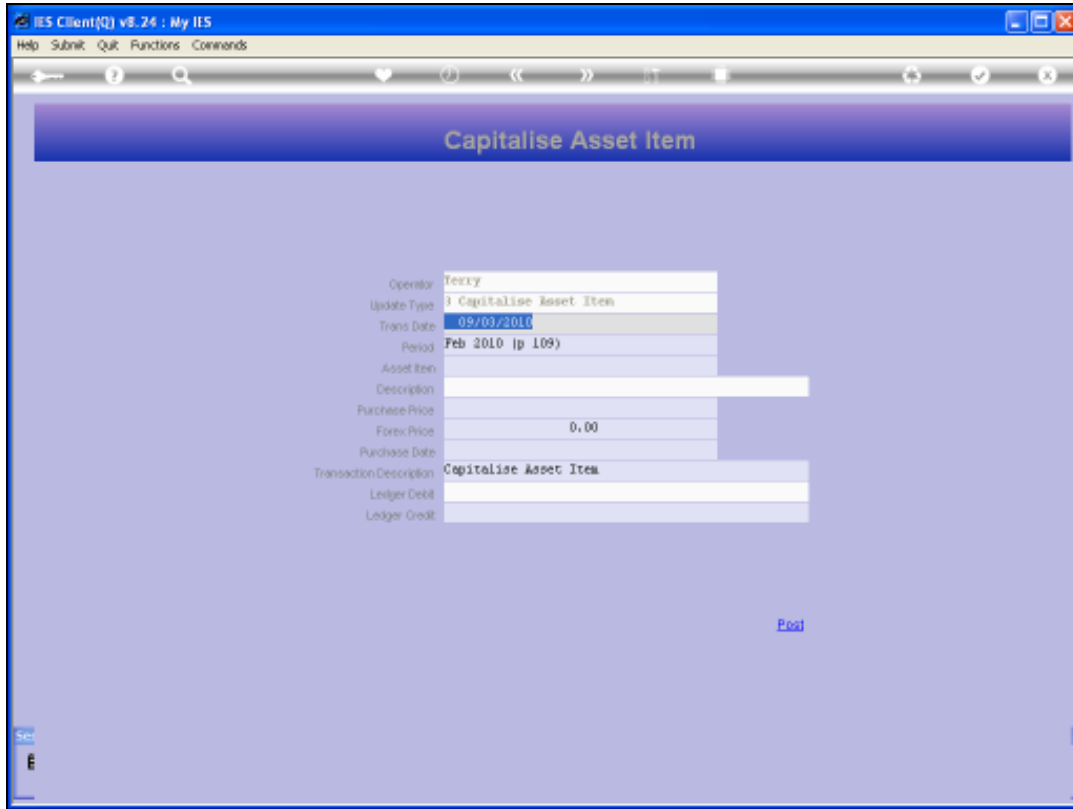


Slide 4

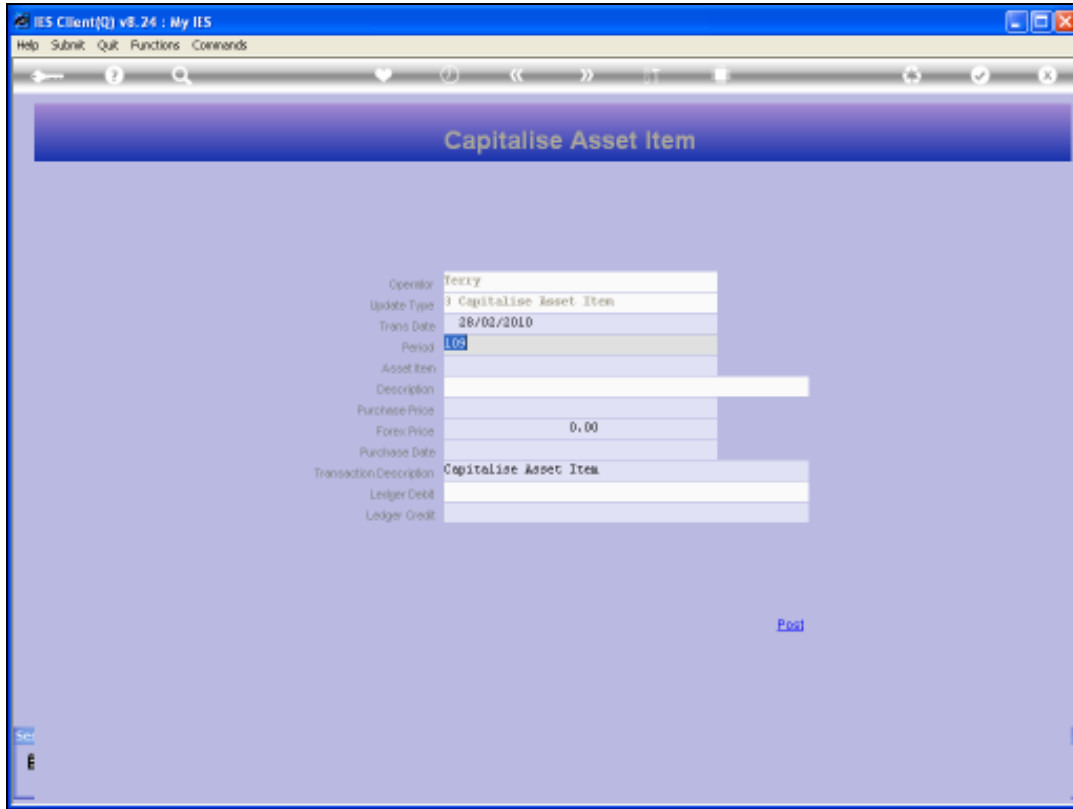
Slide notes:



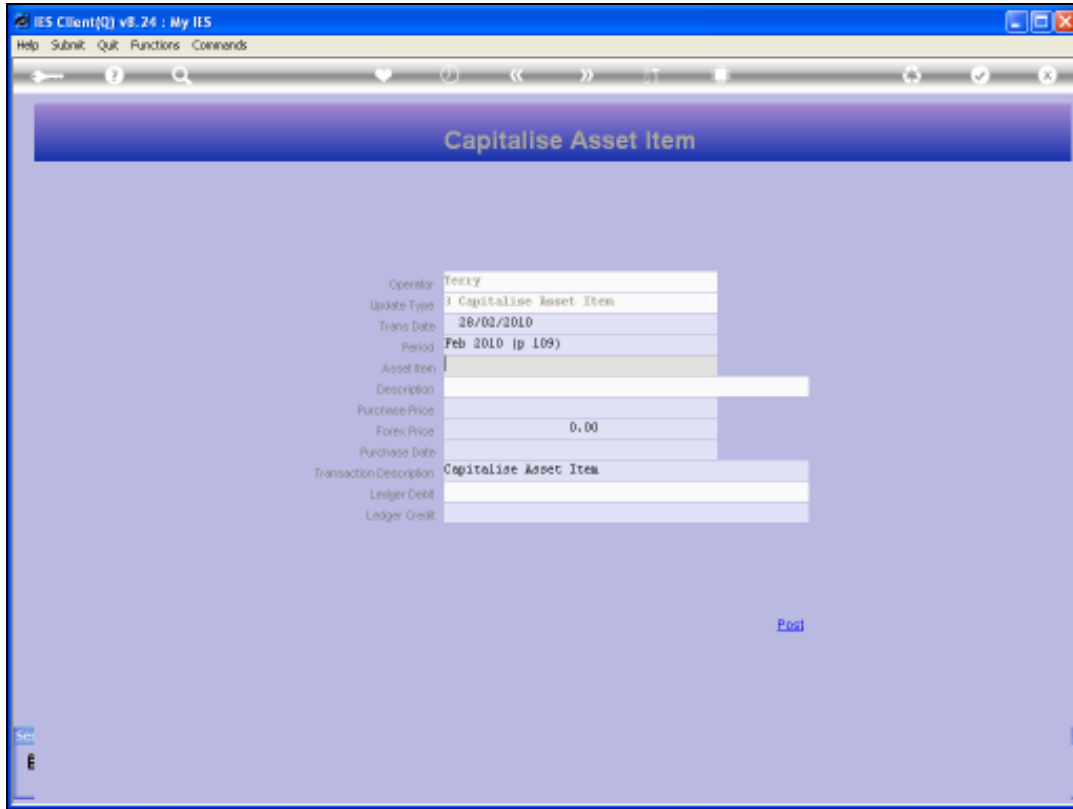
Slide 5
Slide notes:



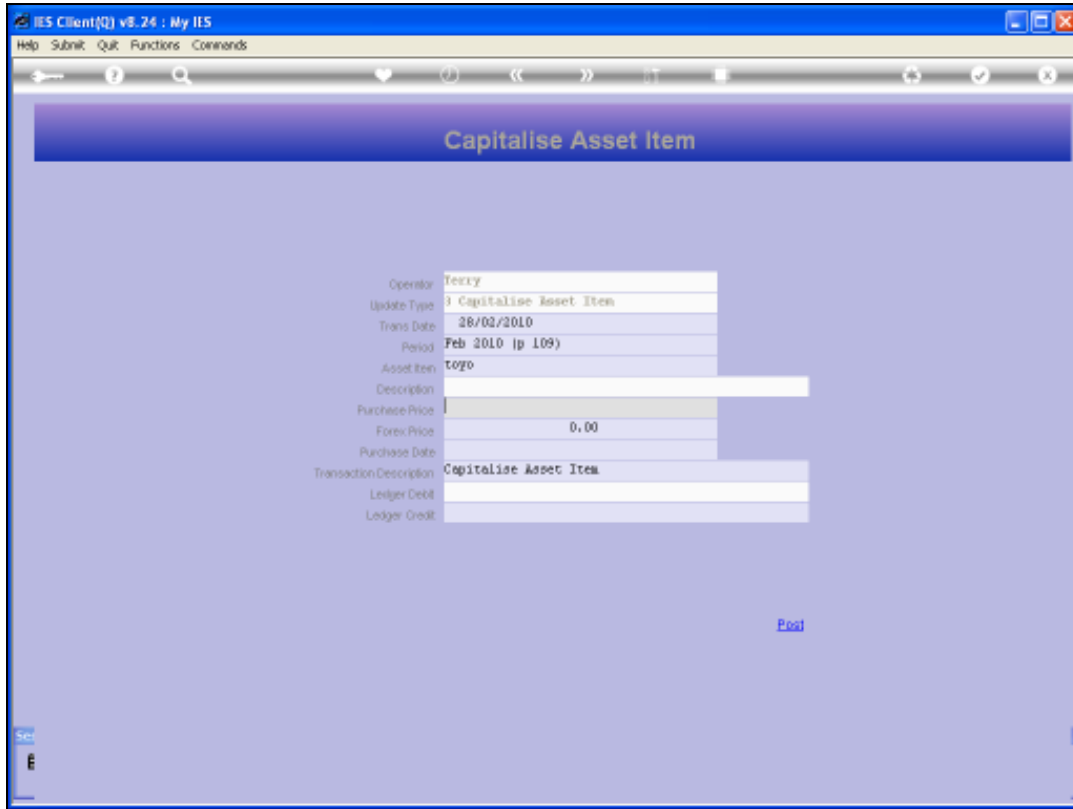
Slide 6
Slide notes:



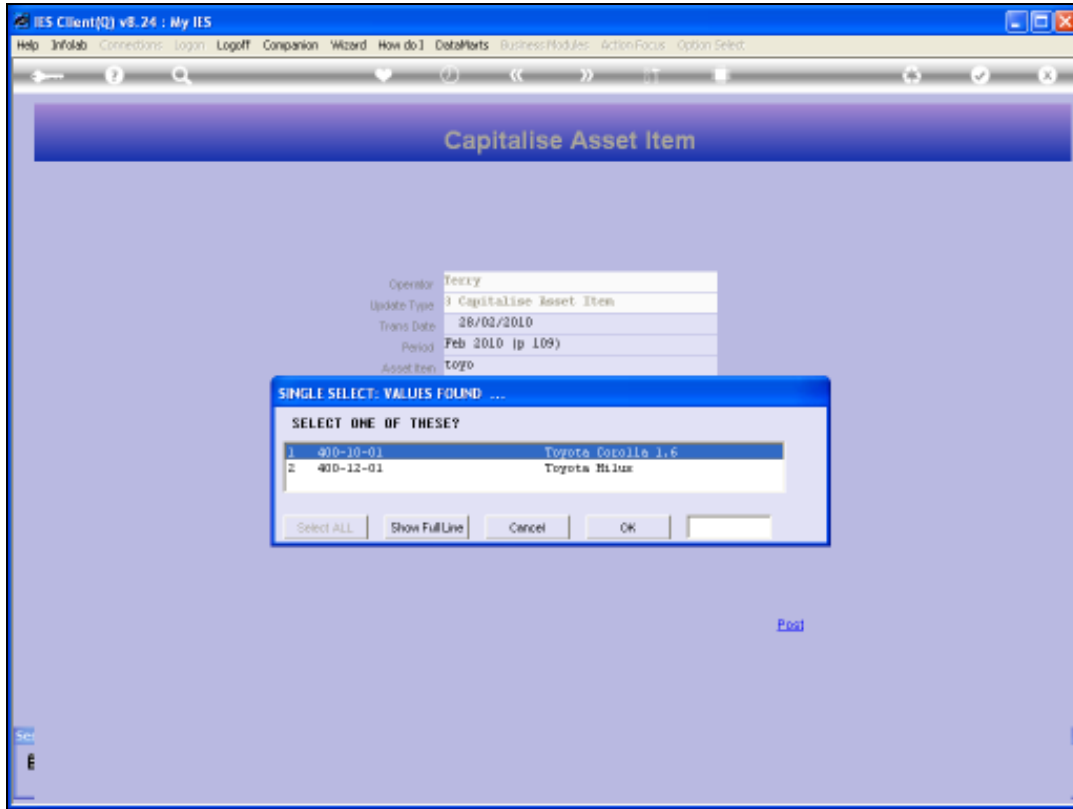
Slide 7
Slide notes:



Slide 8
Slide notes:

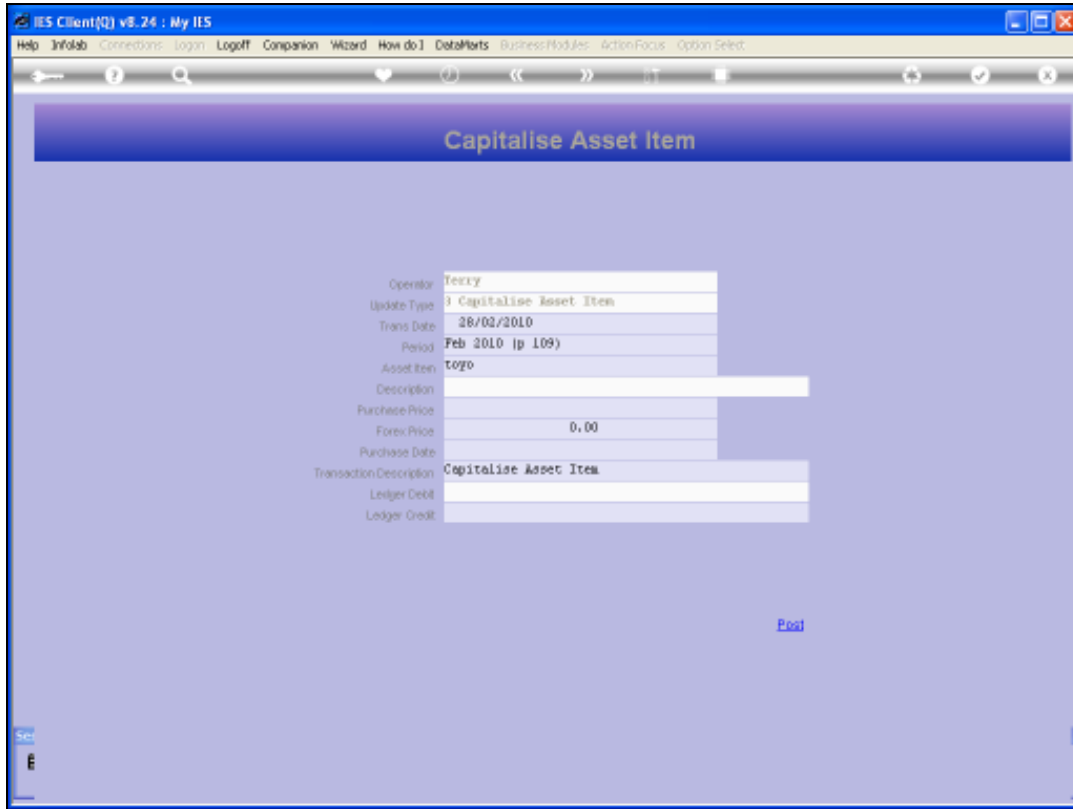


Slide 9
Slide notes:



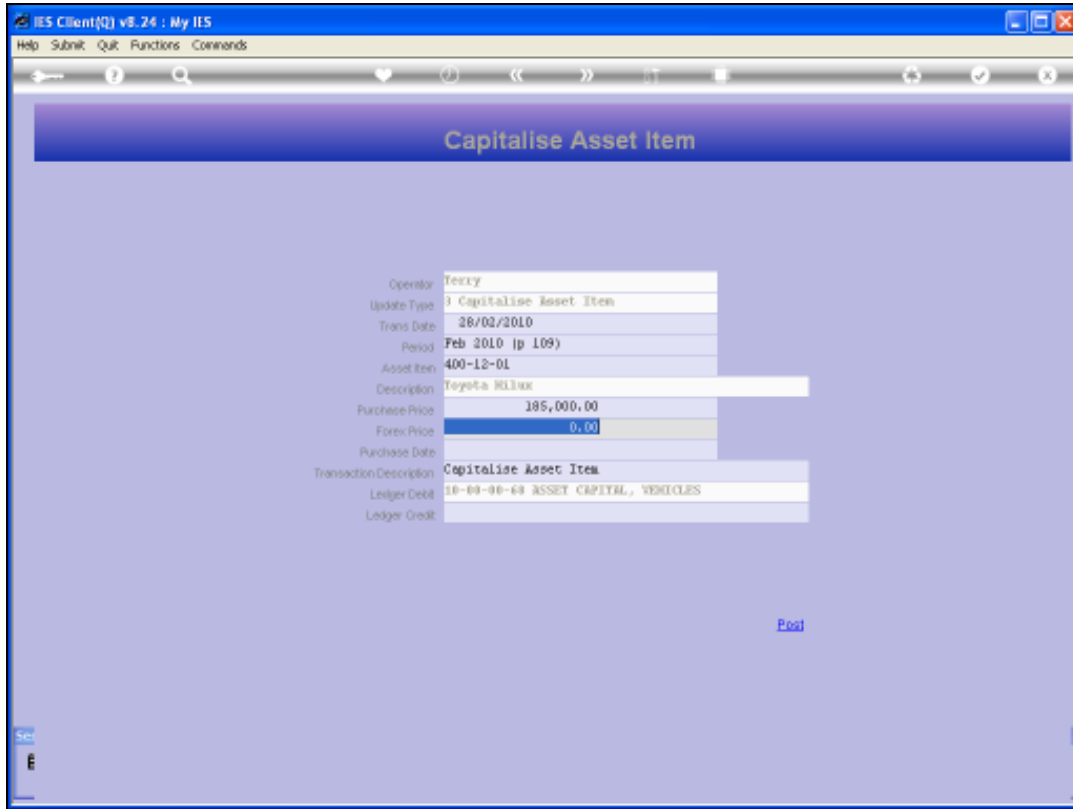
Slide 10

Slide notes:



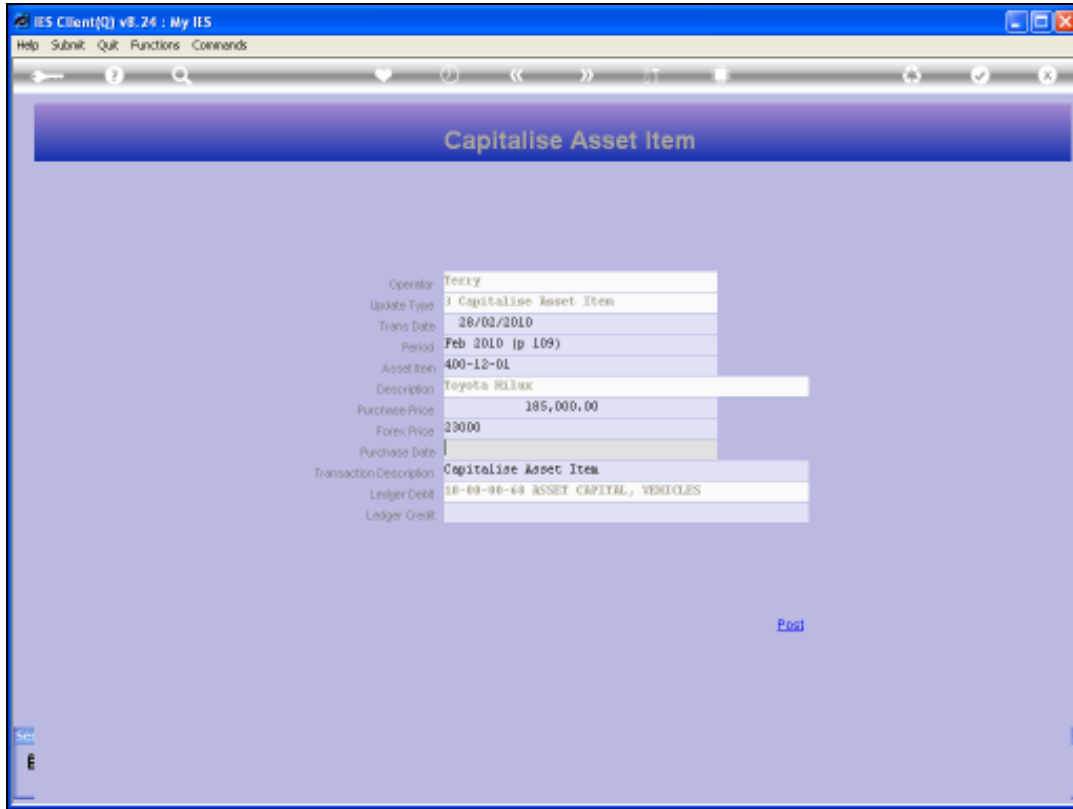
Slide 11

Slide notes:



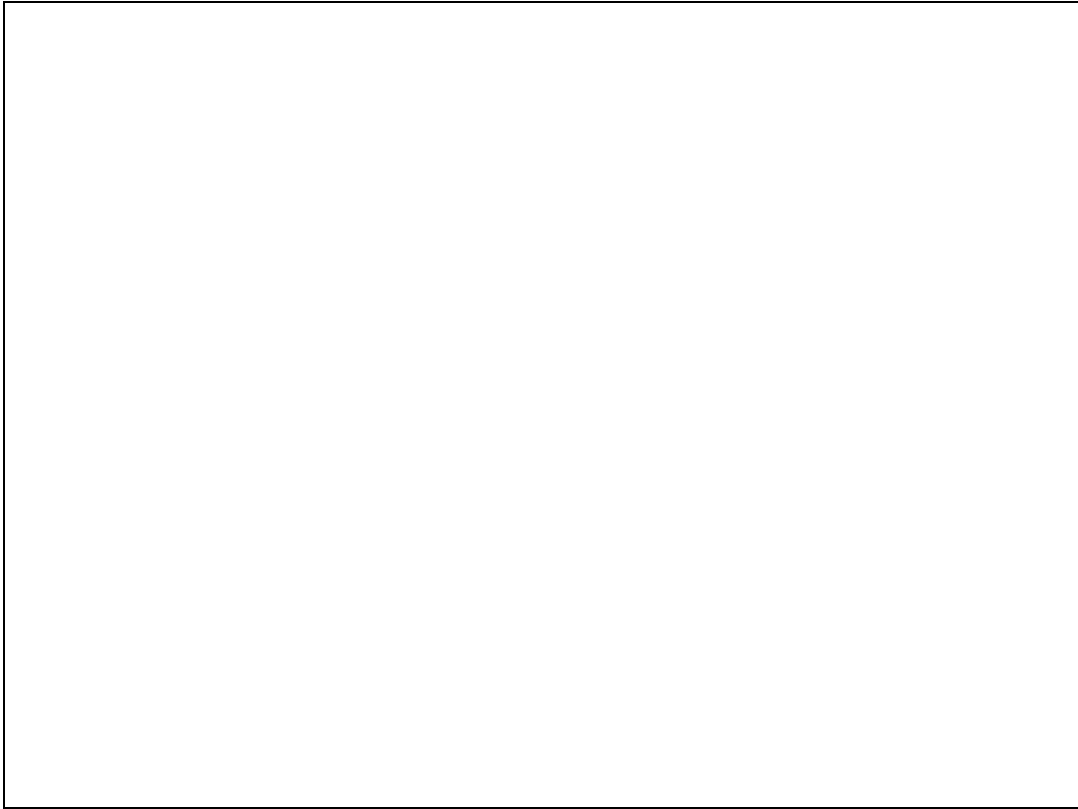
Slide 12

Slide notes:



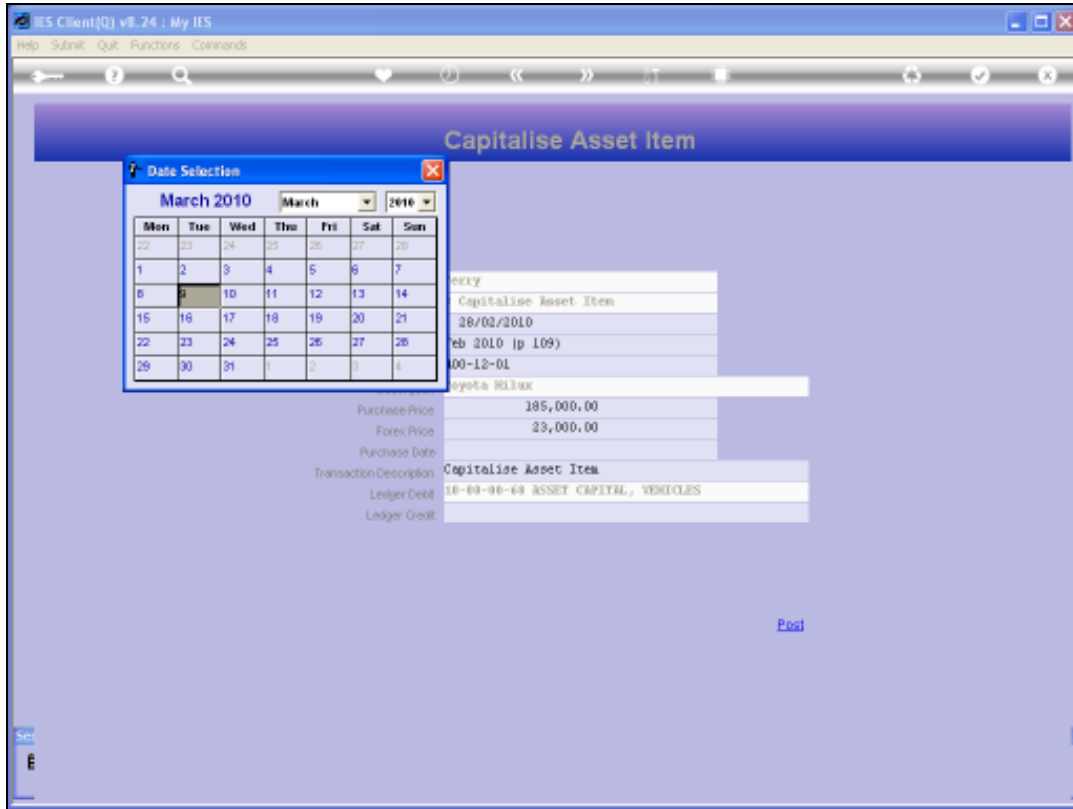
Slide 13

Slide notes:



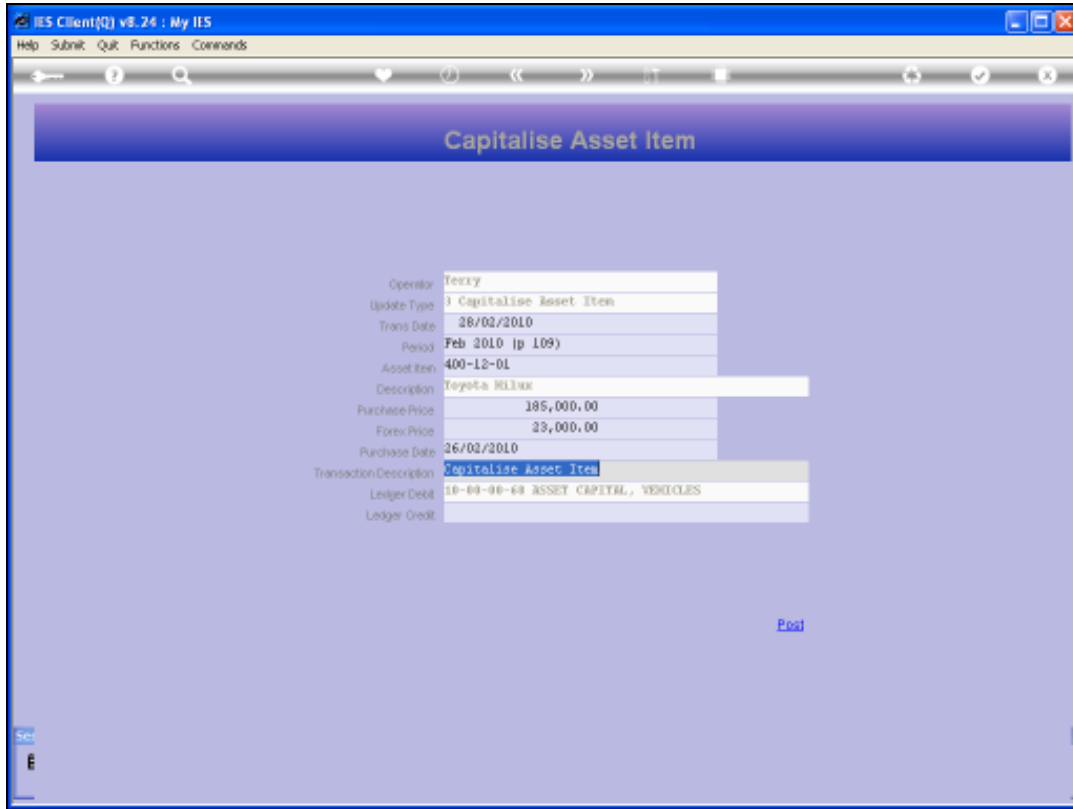
Slide 14

Slide notes:



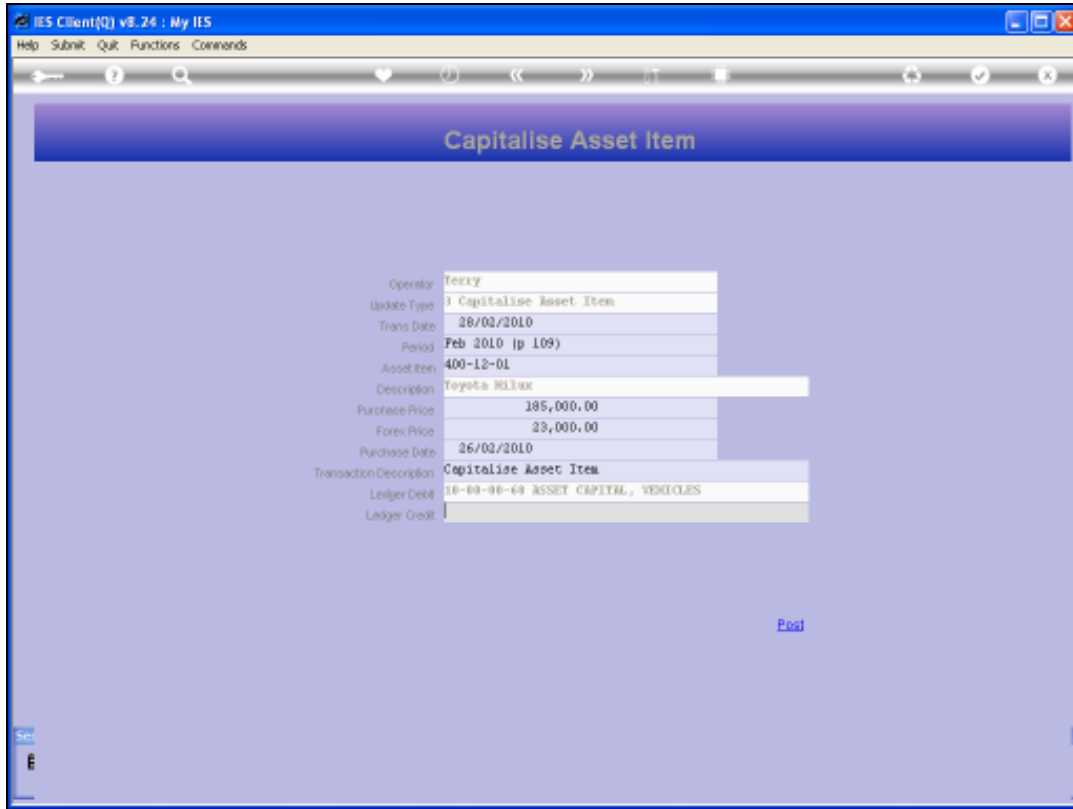
Slide 15

Slide notes:



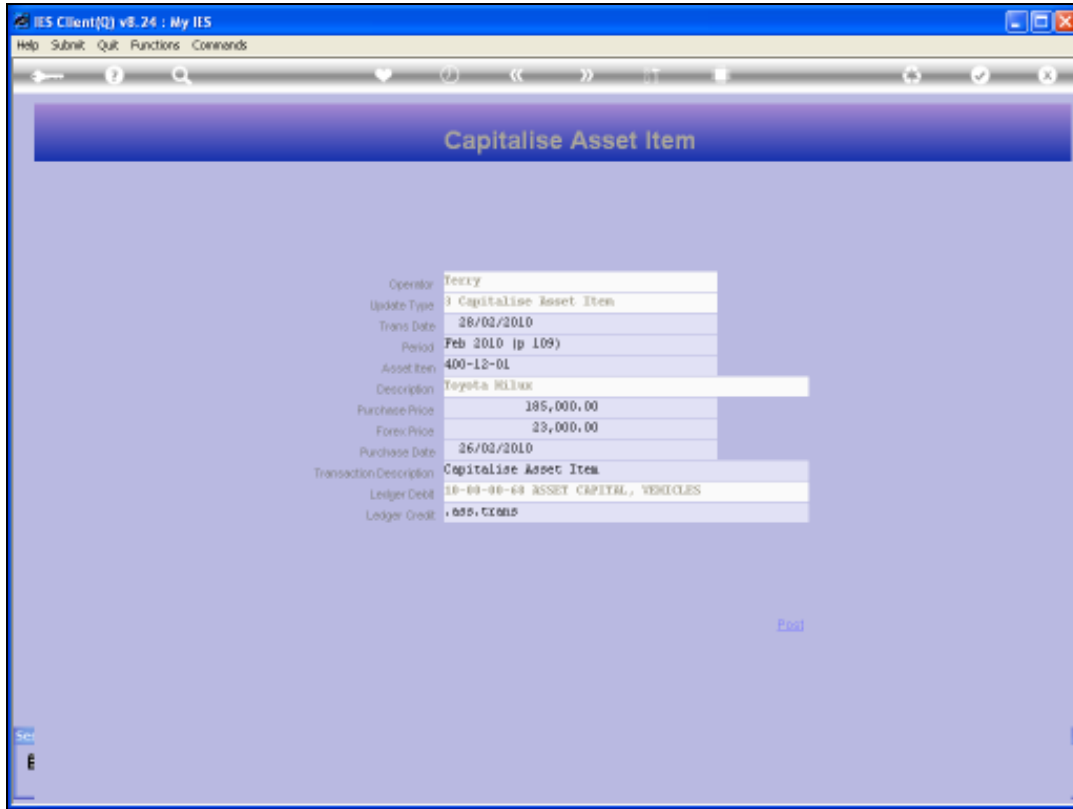
Slide 16

Slide notes: The description may be changed if it is not suitable.



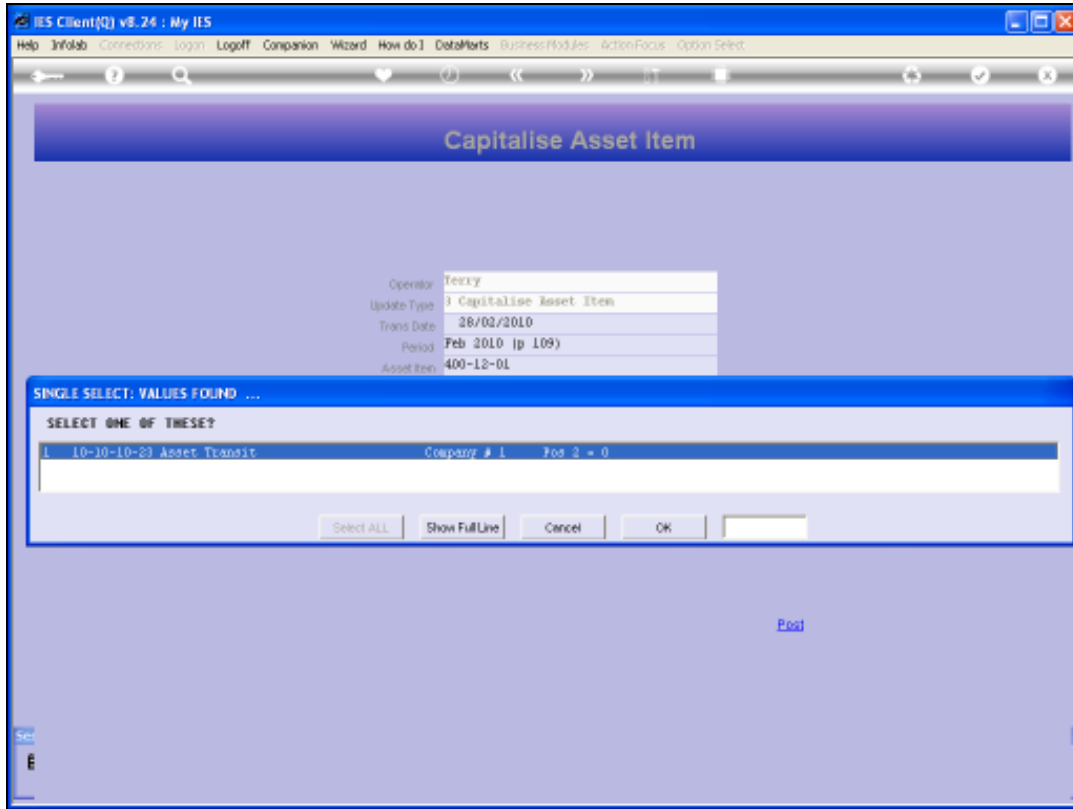
Slide 17

Slide notes:



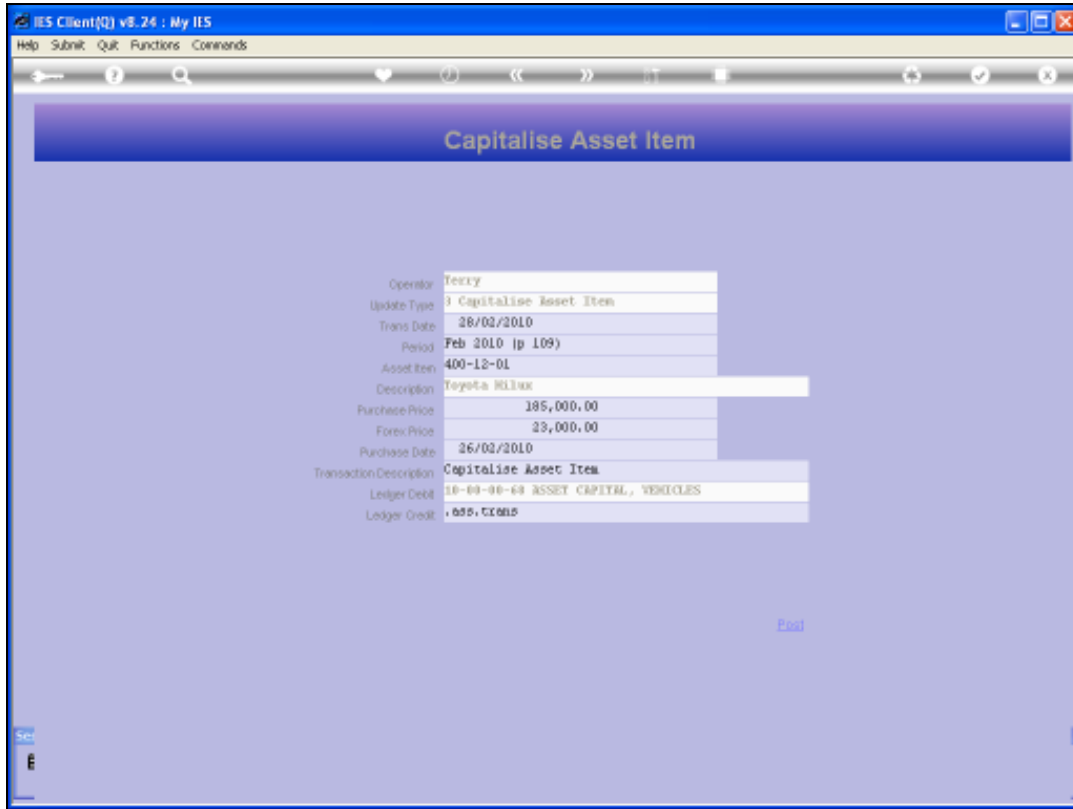
Slide 18

Slide notes:



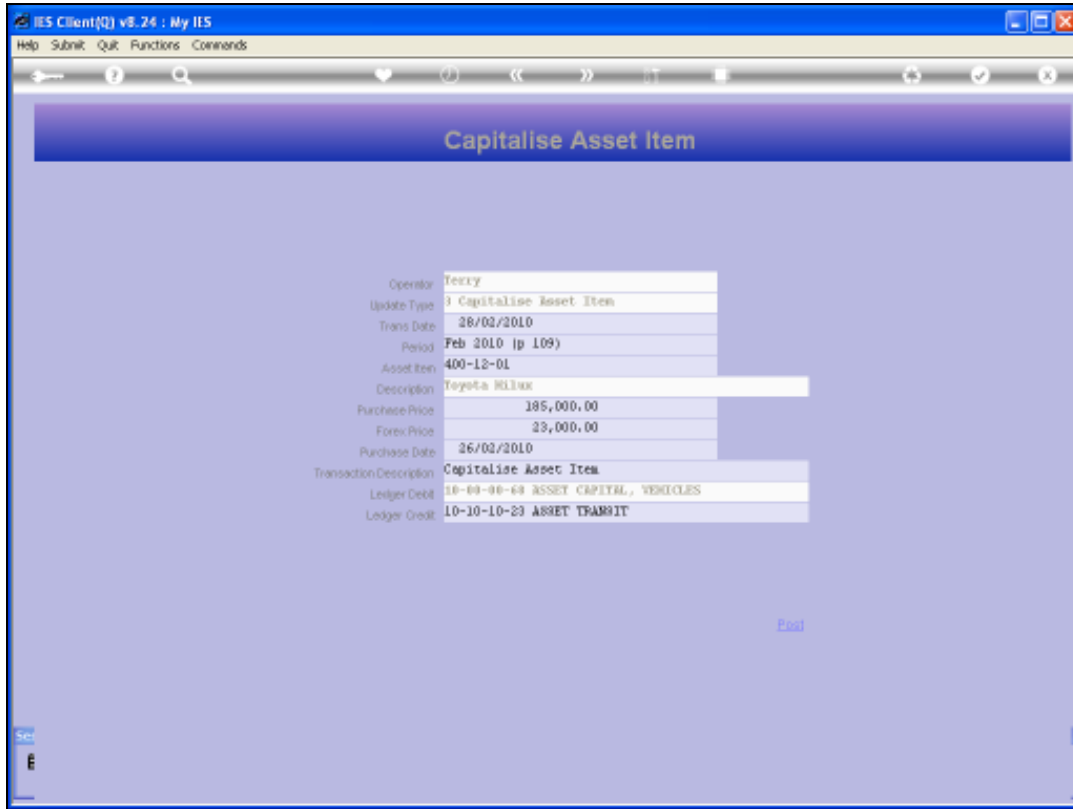
Slide 19

Slide notes: The Ledger Credit Account will be the Cost Account where the Cost of the Asset is currently found.



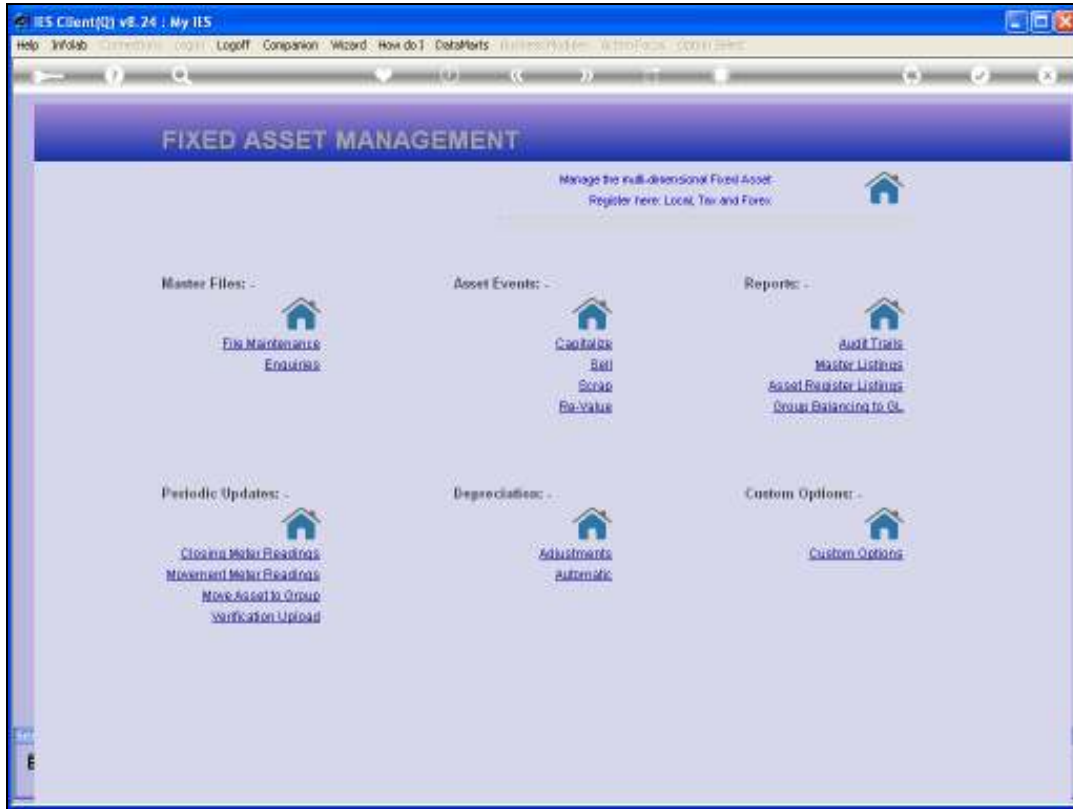
Slide 20

Slide notes:



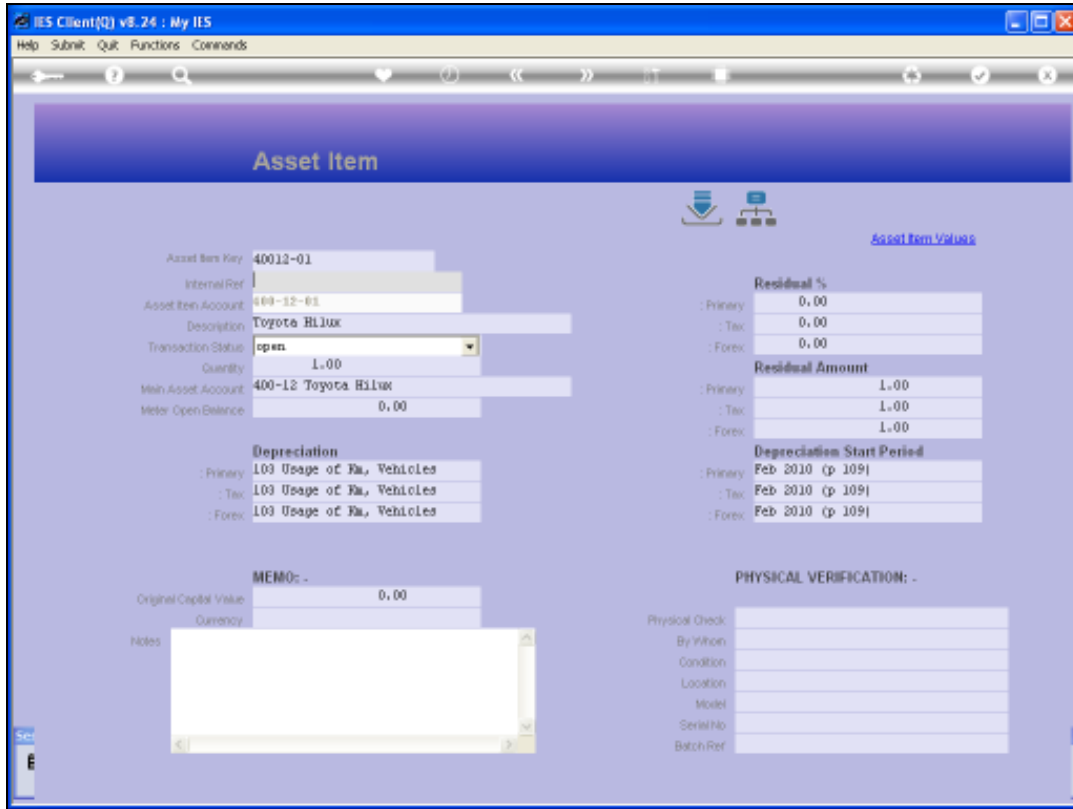
Slide 21

Slide notes:



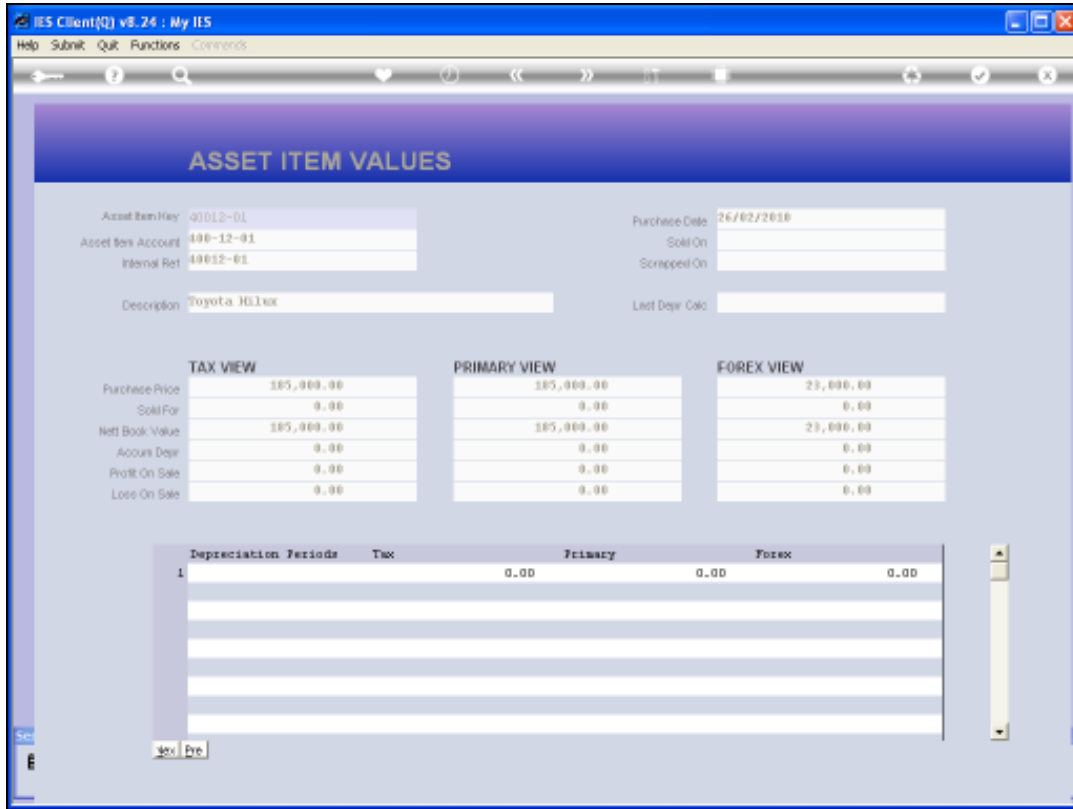
Slide 22

Slide notes: When we choose POST, the Asset is capitalized.



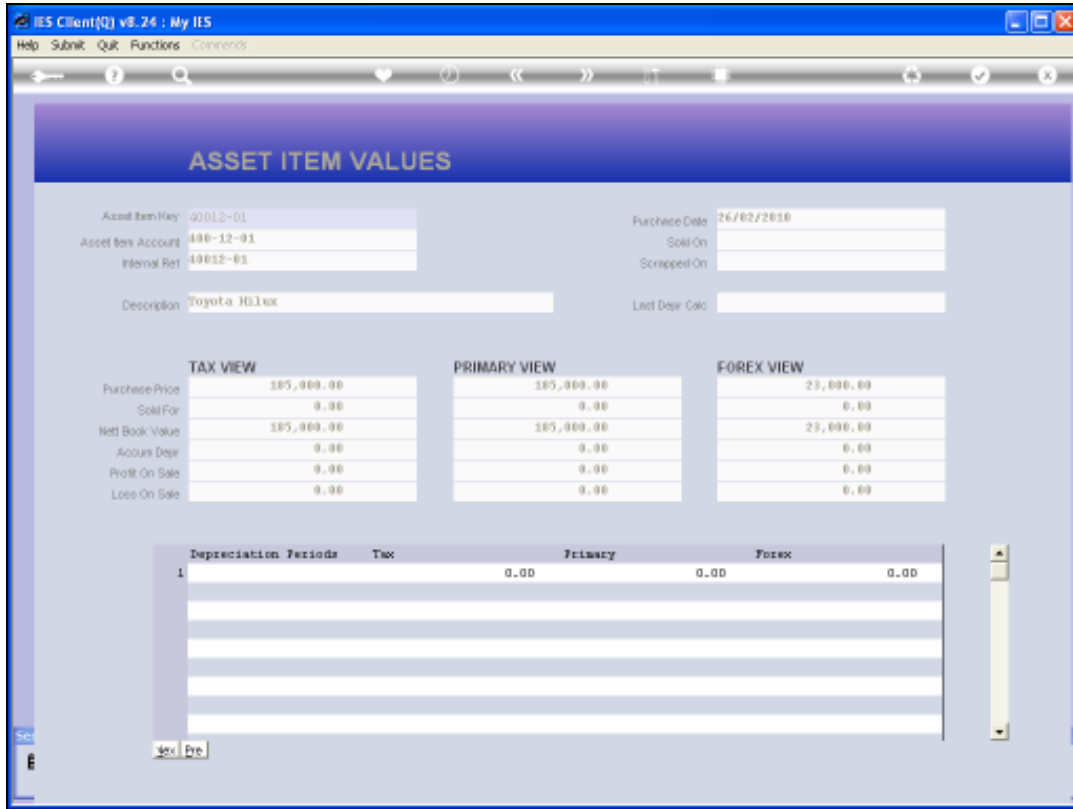
Slide 23

Slide notes: When we enquire on that Asset now, we will be able to see the effect of Capitalization.



Slide 24

Slide notes: On the Asset Item Values drill, we can see the Net Book Value, currently the same as the Purchase Price, since no Depreciation has been performed so far.



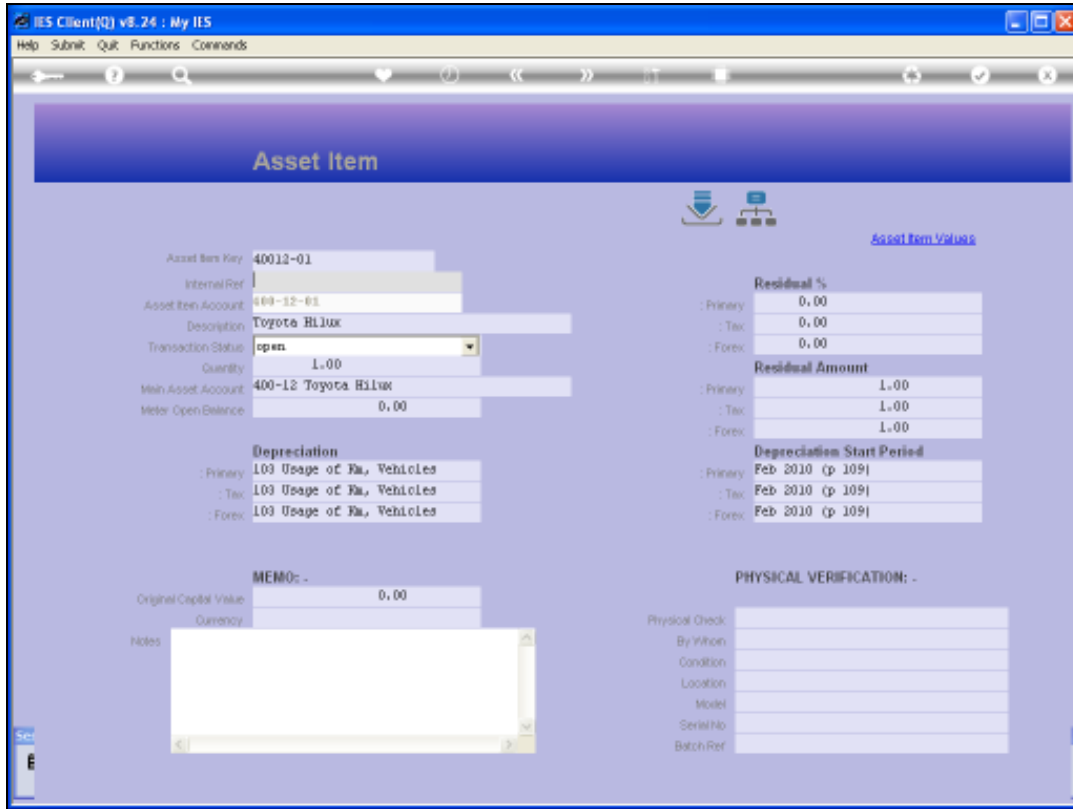
Slide 25
Slide notes:

The screenshot shows the 'Asset Item' form in the IES Client v8.24 application. The form is divided into several sections:

- Asset Item Header:** Title 'Asset Item' in a blue bar.
- Asset Details:** Fields for Asset Item Key (40012-01), Internal Ref, Asset Item Account (400-12-01), Description (Toyota Hilux), Transaction Status (open), Quantity (1.00), Main Asset Account (400-12 Toyota Hilux), and Meter Open Balance (0.00).
- Depreciation:** Fields for Primary, Tax, and Forex, all set to '103 Usage of Fla, Vehicles'.
- Residual %:** Fields for Primary, Tax, and Forex, all set to '0.00'.
- Residual Amount:** Fields for Primary, Tax, and Forex, all set to '1.00'.
- Depreciation Start Period:** Fields for Primary, Tax, and Forex, all set to 'Feb 2010 (p 109)'.
- MEMO:** A section for Original Capital Value (0.00) and Currency.
- Notes:** A large text area for additional information.
- PHYSICAL VERIFICATION:** A section for Physical Check, By, When, Condition, Location, Model, Serial No, and Batch Ref.

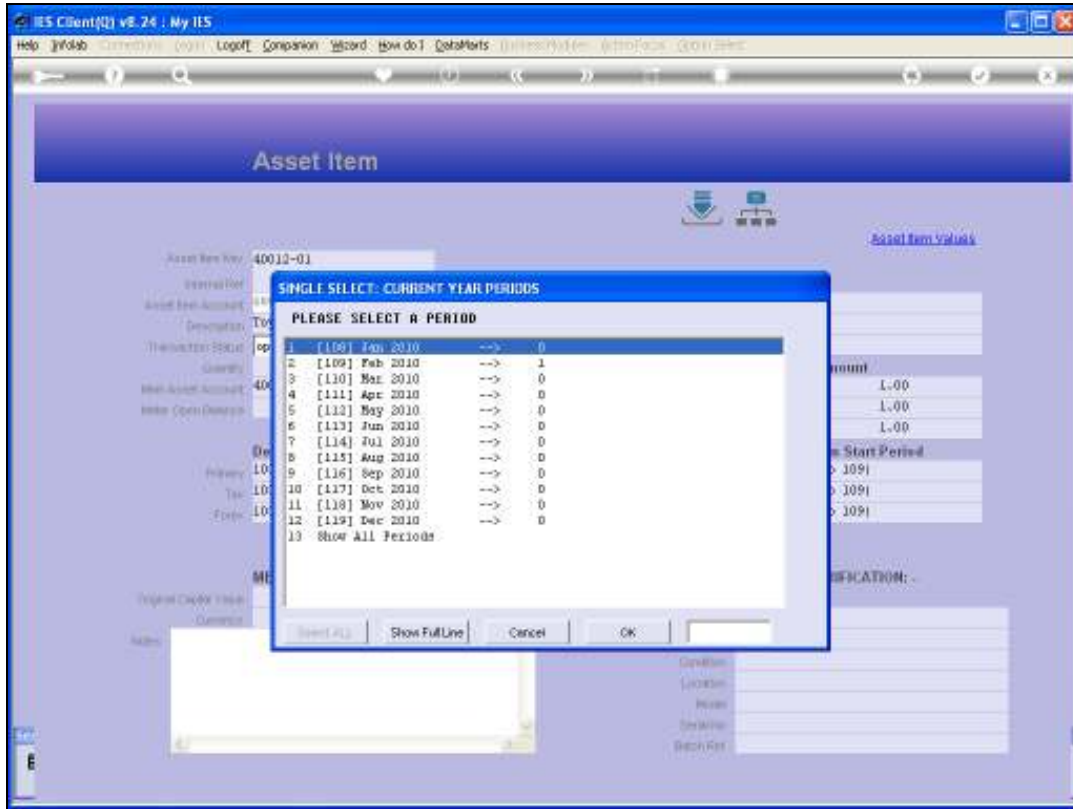
Slide 26

Slide notes:



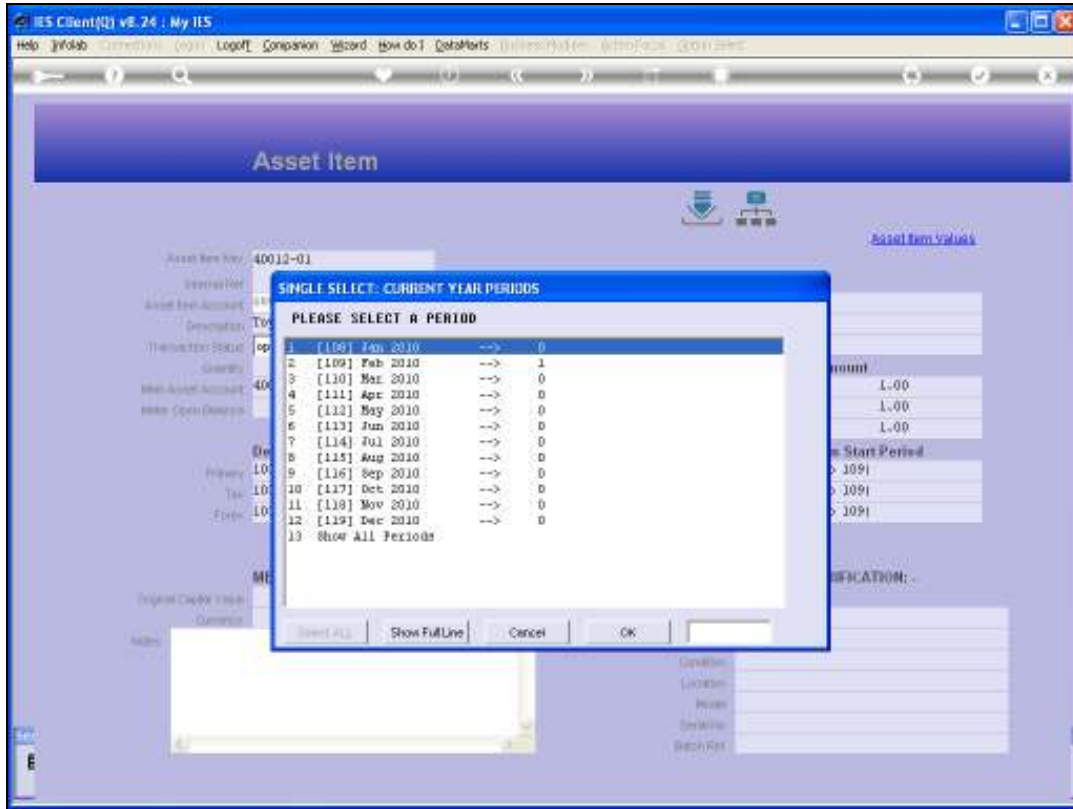
Slide 27

Slide notes: We can also drill the Transaction Journal that was generated by the system at the time of performing of the Capitalization.



Slide 28

Slide notes:



Slide 29
Slide notes:

The screenshot shows the 'ACCOUNT DRILL' window in the IES Client v8.24. The window title is 'My IES' and it has a menu bar with 'Help', 'Submit', 'Quit', 'Functions', and 'Comments'. Below the menu bar is a toolbar with various navigation icons. The main content area is titled 'ACCOUNT DRILL' and contains a form with the following fields:

- Type: 51 asset item
- Account Code: 490-12-01
- Description: Toyota Hilux
- Period: Feb 2010 @ 199

There is a small bar chart icon to the right of the form. Below the form are three summary tables, each with a 'Sec' and 'Dr' button to its left.

BALANCES SUMMARY

	Ordered	Committed	Actual
1 b/f financial	0.00	0.00	0.00
2 movement	0.00	0.00	185,000.00
3 c/f financial	0.00	0.00	185,000.00
4 b/f physical	0.00	0.00	0.00
5 movement	0.00	0.00	0.00
6 c/f physical	0.00	0.00	0.00

MOVEMENT SUMMARY

	Ordered	Committed	Actual
1 debit movement financial	0.00	0.00	185,000.00
2 credit movement financial	0.00	0.00	0.00
3 debit movement physical	0.00	0.00	0.00
4 credit movement physical	0.00	0.00	0.00

BUDGET SUMMARY

	Actual	Budget Applied	Budget
1	0.00	0.00	0.00

Slide 30

Slide notes:

IES Client v8.24 : My IES

Help Submit Quit Functions Commands

1 Main 2 Transactions

ACCOUNT DRILL

Type: 51 asset item
Account Code: 488-12-81
Description: Toyota Hilux
Period: Feb 2010 @ 195

BALANCES SUMMARY

	Ordered	Committed	Actual
1 b/f financial	0.00	0.00	0.00
2 movement	0.00	0.00	185,000.00
3 c/f financial	0.00	0.00	185,000.00
4 b/f physical	0.00	0.00	0.00
5 movement	0.00	0.00	0.00
6 c/f physical	0.00	0.00	0.00

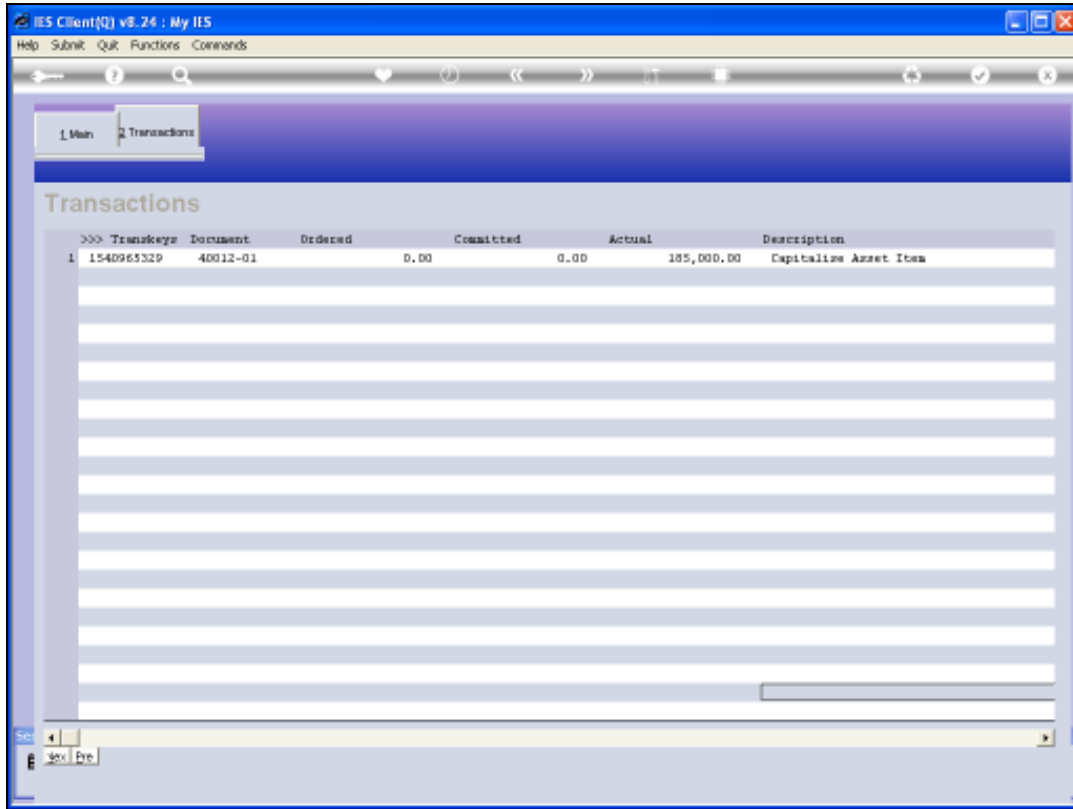
MOVEMENT SUMMARY

	Ordered	Committed	Actual
1 debit movement financial	0.00	0.00	185,000.00
2 credit movement financial	0.00	0.00	0.00
3 debit movement physical	0.00	0.00	0.00
4 credit movement physical	0.00	0.00	0.00

BUDGET SUMMARY

	Actual	Budget Applied	Budget
1	0.00	0.00	0.00

Slide 31
Slide notes:



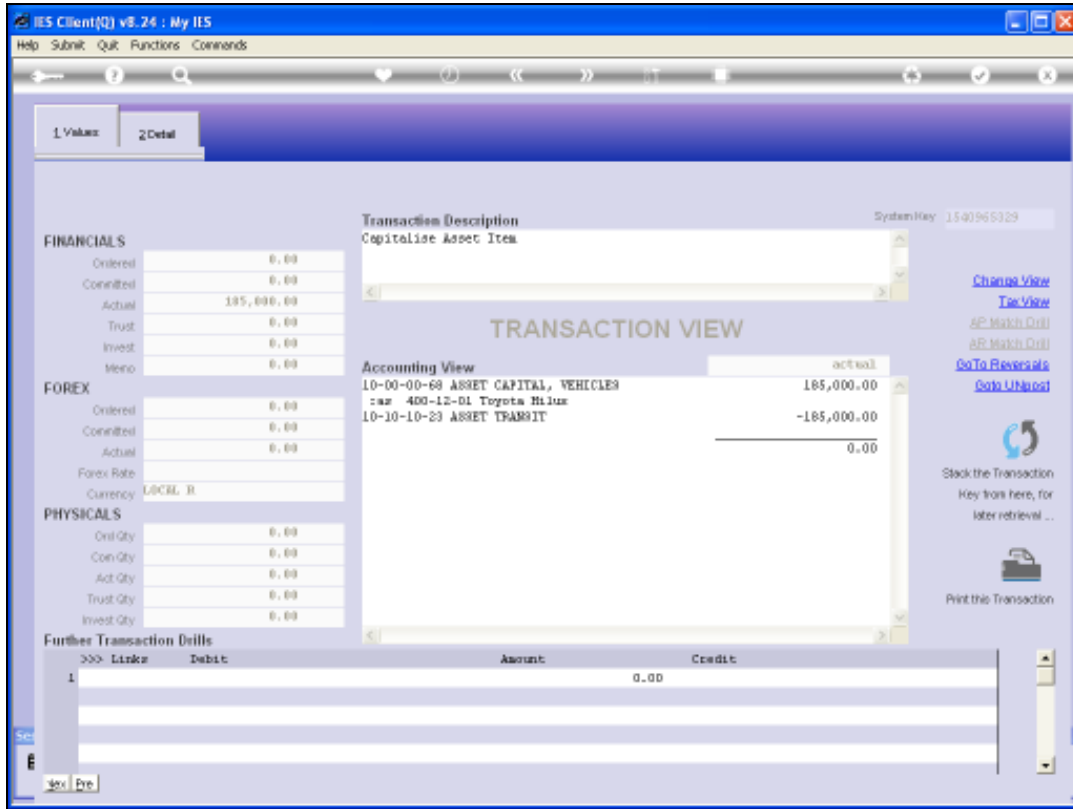
The screenshot shows a software window titled "IES Client(0) v8.24 : My IES". The window has a menu bar with "Help", "Submit", "Quit", "Functions", and "Commands". Below the menu bar is a toolbar with various icons. The main area has a tabbed interface with "1 Main" and "2 Transactions" tabs. The "Transactions" tab is active, displaying a table with the following data:

>>>	Transkeys	Document	Ordered	Committed	Actual	Description
1	1540965329	40012-01	0.00	0.00	185,000.00	Capitalize Asset Item

At the bottom of the window, there is a status bar with "Sec" and "Pre" indicators.

Slide 32

Slide notes:



Slide 33

Slide notes: And here we can see the effect in the Accounts.

The screenshot shows the IES Client v8.24: My IES interface. The window title is "IES Client(0) v8.24 : My IES". The menu bar includes "Help", "Submit", "Quit", "Functions", and "Commands". The interface has a navigation bar with "1 Values" and "2 Detail" tabs. The main content area is titled "TRANSACTION VIEW" and displays the following information:

- Transaction Description:** Capitalise Asset Item
- System Key:** 1540965329
- Accounting View:**

	actual
10-00-00-68 ASSET CAPITAL, VEHICLES	185,000.00
:ax 400-12-01 Toyota Hilux	
10-10-10-23 ASSET TRANSIT	-185,000.00
	<hr/>
	0.00
- FINANCIALS:**

Ordered	0.00
Committed	0.00
Actual	185,000.00
Trust	0.00
Invest	0.00
Memo	0.00
- FOREX:**

Ordered	0.00
Committed	0.00
Actual	0.00
Forex Rate	
Currency	LOCAL B.
- PHYSICALS:**

Ord Qty	0.00
Com Qty	0.00
Act Qty	0.00
Trust Qty	0.00
Invest Qty	0.00
- Further Transaction Drills:**

>>> Link#	Debit	Amount	Credit
1			0.00

On the right side, there are several utility buttons: "Change View", "Tab View", "AP Match Drill", "AR Match Drill", "Go To Previous", "Go To Unpost", "Stack the Transaction" (with a refresh icon), "Key from here, for later retrieval...", and "Print this Transaction" (with a printer icon).

Slide 34
Slide notes:

The screenshot shows the IES Client v8.24: My IES interface. The window title is "IES Client(0) v8.24 : My IES". The menu bar includes "Help", "Submit", "Quit", "Functions", and "Commands". The interface has a navigation bar with "1 Values" and "2 Detail" tabs. The main content area is titled "TRANSACTION VIEW" and displays the following information:

- Transaction Description:** Capitalise Asset Item
- System Key:** 1540965329
- Accounting View:**

	actual
10-00-00-68 ASSET CAPITAL, VEHICLES	185,000.00
:ax 400-12-01 Toyota Hilux	
10-10-10-23 ASSET TRANSIT	-185,000.00
	<hr/>
	0.00
- FINANCIALS:**

Ordered	0.00
Committed	0.00
Actual	185,000.00
Trust	0.00
Invest	0.00
Memo	0.00
- FOREX:**

Ordered	0.00
Committed	0.00
Actual	0.00
Forex Rate	
Currency	LOCAL B.
- PHYSICALS:**

Ord Qty	0.00
Com Qty	0.00
Act Qty	0.00
Trust Qty	0.00
Invest Qty	0.00

On the right side, there are several utility buttons: "Change View", "Tab View", "AP Match Drill", "AR Match Drill", "Go To Previous", "Go To Unpost", "Stack the Transaction" (with a circular arrow icon), "Key from here, for later retrieval ..." (with a key icon), and "Print this Transaction" (with a printer icon).

At the bottom, there is a "Further Transaction Drills" table:

>>> Link#	Debit	Amount	Credit
1			0.00

Slide 35
Slide notes: