

Asset Depreciation

Last Modified on 03/06/2022 1:47 pm EDT

Parameters Affecting Asset Depreciation

The screenshot shows the RentalPoint Parameter Setup window. The 'Operational Setup' button is highlighted with a red arrow. The 'Select Operational Parameter' dialog box is open, displaying a list of parameters. Parameter 112, 'Depreciation Basis', is highlighted with a red box. The 'Go to Parameter' field contains the number 112.

Parameter ID	Parameter Name
97	Can Change Product Codes
98	Sub hire Uses Vendor Default Value
99	Auto Generate PO Number for Sub hire
100	Sub hire Pricing Method
101	Clear PO Delivery Address on 'We Pickup'
102	Racks Have Components
103	Racks are Mobile storerooms or Boxes
104	Distribute Package Prices to Components
*	
106	Use Custom Colours for Equipment Grid
*	
108	Set Asset Stop date
109	Booking Tab Names and Order
*	
*	
112	Depreciation Basis
113	Depreciation Law
114	Use Show Dates or Warehouse Dates
*	
115	Use Show Dates or Warehouse Dates

Whether to use tax or accounting as the basis for depreciation.

Operational Parameter 112 'Depreciation Basis'

- Accounting - Use the start date of the asset to determine the starting date to depreciate from.
- Tax - Use purchase date of the asset to determine the starting date to depreciate from.

Operational Parameter 113 'Depreciation Law'

Applies to the first years depreciation of the asset and has two settings

- European - The first year is pro-rata calculation. The purchase date and the number of days

into the financial year is used to determine the amount to calculate.

- In this scenario, an asset purchased 11 months into the financial year is subject to depreciation for the 12th month only.
- US - The date of purchase is not used, instead 50% of the usual yearly depreciation is applied.
 - In this scenario, an asset purchased 11 months into the financial year is still subject to 50% depreciation for that financial year.

Note:

- When depreciating a sold item, the 'Depreciate to or end of year date' will be the disposal date if the disposal date is earlier than the end of year date
- End of year date will default to +1 year from the last depreciation run
- Depreciation report now includes report options to select either all the assets for display or only those depreciated in the current run

Manually Depreciate Assets

1. From Inventory Setup, edit the Asset Record-->Financial Details Tab
2. Click the button to show calculated depreciation against the asset.

The screenshot shows the 'Edit Asset Record' window with the 'Financial Details' tab selected. The window contains the following fields and options:

Purchase Price	1000.00	Purchase Date	01-01-01
Est. Resale Value	800.00	Depreciation Start Date	01-01-01
Disposal Amount	0.00	Disposal Date	__-__-__
Written Down Value	1000.00	Disposal Type	<input checked="" type="radio"/> Active (still available for rental) <input type="radio"/> Sold <input type="radio"/> Lost/Missing <input type="radio"/> Stolen <input type="radio"/> Written Off
Insured Value	55.00		
Insurer			
Revaluation Amount to Date	0.00		

Depreciation section:

Accumulated Depreciation	0.00	Residual Value	1000.00
Depreciation method	<input checked="" type="radio"/> Diminishing <input type="radio"/> Straightline	Depreciation Last Year	0.00
Depreciation %	15.00	Depreciation Year to Date	0.00
		Depreciated To	__-__-__

Buttons: **Calculate Depreciation**, **OK**, **Cancel**

3. Use these values to manually update the asset record

- a - Use this value to update 'Depreciated to' date
- b - Use this value to update 'Depreciated Year to date' and 'Accumulated Depreciation' figures
- c - Use this value to update the 'Residual Value' of the asset

The image shows a software interface for asset depreciation. At the top, an 'Information' dialog box displays the following data:

Depreciation Figures
Cost : £1000.00
Less Depreciation to Date : 21/01/01 = £961.26
New Diminished Value : £38.74

Red annotations '3a', '3b', and '3c' are placed next to the values 961.26, 38.74, and 21-01-01 respectively. An 'OK' button is at the bottom of the dialog. A large red arrow points from the dialog to the main 'Depreciation' form below.

The 'Depreciation' form contains the following fields:

Accumulated Depreciation	961.26	3b	Residual Value	38.74	3c	
Depreciation method	<input checked="" type="radio"/> Diminishing <input type="radio"/> Straightline		Depreciation Last Year	0.00		
Depreciation %	15.00		Depreciation Year to Date	961.26		3b
			Depreciated To	21-01-01		3a

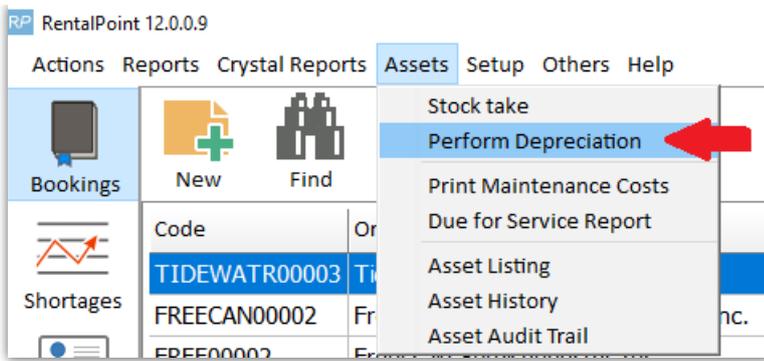
A 'Calculate Depreciation' button is located at the bottom right of the form.

Depreciation Forecast / Depreciate Assets in Bulk

Please take a backup of your database before using this option since [Bulk asset depreciation is NOT reversible](#). It is also advisable to execute a Test Run which will show a depreciation forecast without updating the database.

Report options do NOT affect depreciation; they are simply used to select what assets you would like to see on your report. See next section for breakdown of report options.

From the main menu click Assets-->Perform Depreciation



'Yes - It's a test run' - to forecast depreciation with NO database update

'update asset register' to depreciate assets (*ensure you have a backup of the database as this option is not reversible*)

RP Depreciate Assets X

Financial End of Year Date (date to depreciate to inclusive) 21-01-01

Is this a test run?

Yes - It's a Test Run
 No - Update Asset Register

Print Depreciation Schedule To

Don't Print
 Printer
 Screen
 Word Processor
 CSV File

Monthly or Yearly

Monthly
 Yearly

Depreciation Basis : Accounting

To show decimal places - please select the CSV option.

This feature will depreciate all assets (not already fully depreciated), up to the end of the financial year. Once complete, the depreciation schedule will print.

Assets that have a zero value will not be listed, assets that have been fully depreciated in previous financial years will not be listed

Warning - Please check all calculations and make an SQL backup. This procedure is not reversible.

RP Report Display

Page : 1 of 1

Printed : 21/03/11 Page : 1

DEPRECIATION SCHEDULE

For financial year ending 21/01/01

Depreciation basis is accounting.

Product Code	Stock No.	Description	Start Date	Amount	less prev Accum	Residual Depr Value	Depr \$	Depr Amount	New Residual	Disposal Date	Amount	Write Off/adj value
MSR100	96	8" Powered Speaker - Yamaha MSR100	01/01/01	1,000	0	1,000	15.00	961	39			
Totals				1,000		1,000		961	39			0

RentalPoint v11 Asset Depreciation