Oracle Fusion Cloud Financials

Using Assets

26C

Oracle Fusion Cloud Financials
Using Assets

26C

G56261-01

Author: Barbara Kostelec

Contents

Get Help

There are a number of ways to learn more about your product and interact with Oracle and other users.

Get Help in the Applications

Some application pages have help icons to give you access to contextual help. If you don't see any help icons on your page, click your user image or name in the global header and select Show Help Icons. If the page has contextual help, help icons will appear.

Get Training

Increase your knowledge of Oracle Cloud by taking courses at *Oracle University*.

Join Our Community

Use *Cloud Customer Connect* to get information from industry experts at Oracle and in the partner community. You can join forums to connect with other customers, post questions, suggest *ideas* for product enhancements, and watch events.

Share Your Feedback

We welcome your feedback about Oracle Applications user assistance. If you need clarification, find an error, or just want to tell us what you found helpful, we'd like to hear from you.

You can email your feedback to *oracle_fusion_applications_help_ww_grp@oracle.com*.

Thanks for helping us improve our user assistance!

1 Asset Lifecycle Management

Overview of Asset Lifecycle Management

Oracle Assets automates asset management and simplifies fixed asset accounting tasks.

The application:

- Uses a unified source of asset data (with data from your Oracle Fusion applications as well as external feeder systems).
- Provides you with visibility into your assets worldwide.
- Provides data security and function access.

You can streamline standard asset management tasks with automated business flows for these transactions:

- Asset additions
- Asset transfers
- Disposals
- Reclassifications
- Financial adjustments
- Legacy data conversions

You can also use standard accounting, operational, and registry reports for ease of reconciliation and analysis.

Assets directly integrates with the following applications:

- Oracle Payables
- Oracle Project Costing
- Oracle Subledger Accounting

Integrate with Payables

To create assets from invoice information in Payables, use the following flow:

- Use the Create Mass Additions for Assets process to send valid invoice line distributions and associated discounts from Payables to the Mass Additions interface table in Assets.
- Review the mass addition lines in Assets and determine whether to create assets from the lines.
- Create the assets in Assets.

Integrate with Maintenance and Receiving

To create assets from receipts from Oracle Receiving, use the following flow:

- Create the purchase order in Oracle Procurement.
- Receive the items into the inventory organization defined in the purchase order.
- Create the assets in Assets.

Integrate with Maintenance Management and Installed Base

Associate your fixed asset with the Installed Base and Maintenance asset either manually, or through file-based data import (FBDI) or REST services.

Integrate with Project Costing

To create assets from project lines in Project Costing, use the following flow:

- Collect construction-in-process (CIP) costs for capital assets you're building in Project Costing.
- When you finish building your CIP asset, capitalize the associated costs as asset lines in Project Costing.
- Run the Interface Assets process to send valid capital asset lines to the Mass Additions interface table in Assets.
- Review the mass addition lines in Assets and determine whether to create assets from the lines.
- Create the assets in Assets.

> **Note:** If you use Project Costing to build CIP assets, you don't need to create CIP assets in Assets. For costs that originate in Payables, you should send CIP costs to Project Costing and capitalized costs to Assets.

Integrate with Subledger Accounting

Assets is fully integrated with Subledger Accounting for generating accounting entries, transaction drill down, and reporting. You can:

- Run the Create Accounting for Assets process to create journal entries for transaction events in Assets.
- Transfer and post the journal entries to Oracle General Ledger.
- Use the accounting reports to review accounting information for your assets, and to reconcile to the general ledger.

Related Topics

- How Payables Source Lines Are Imported
- How Project Costing Source Lines Are Imported
- How can I review journal entries in Oracle Subledger Accounting?
- How Oracle Receiving Source Lines Are Imported

Overview of Using the Assets Landing Page

This overview outlines the infotiles on the Assets landing page to manage your daily work.

The Assets landing page contains the following infotiles:

- Additions
- Adjustments
- Transfers

- Retirements
- Depreciation

The number against each status depicts the number of transactions that require action.

Additions

The Additions infotile depicts the number of transactions that require action. Transactions that require action are assigned one of the following three statuses:

- Incomplete
- Exceptions
- Ready to Post

The number against each status depicts the number of transactions that require action.

After you enter any required information, set the status to Post, and fix any exceptions, all of your transactions should be in a status of Ready to Post. You can then post the assets by clicking Post All. You can also use a spreadsheet to update the transactions and then post your assets directly from the spreadsheet.

You can review the posted assets by clicking the Notifications icon, then clicking the most recent link. The link opens the Asset Inquiry page, where you can review your posted assets. You can also review reports and accounting entries on the Asset Inquiry page.

Adjustments

The Adjustments infotile displays adjustments that are in progress. You can compare the old details with the updated details by clicking the Information icon to open the old details. For example, the old details show a life in years of 2 and the updated details show a life in years of 3.

Transfers

The Transfers infotile displays the details of the assets that you're transferring. You can compare the old details with the updated details by clicking the Information icon to open the old details. For example, the old details indicate that the asset isn't assigned to an employee, but in the updated details, the asset is assigned to an employee named Hunter Flores.

Retirements

The Retirements infotile depicts the number of transactions that require action. Retirement transactions that require action are assigned one of the following three statuses:

- Incomplete
- Exceptions
- Ready to Post

After you enter any required information and fix any exceptions, all of your transactions should be in a status of Ready to Post. You can then post the retirements by clicking Post All. You can also use a spreadsheet to update the transactions and then post your assets directly from the spreadsheet.

Depreciation

When you complete the actions on the Additions, Adjustments, Transfers, and Retirements infotiles, you can run the Calculate Depreciation process. Use the infotile to either:

- Run the Calculate Depreciation process
- Run the Calculate Depreciation process and close the period

Related Topics

- Accounting Automation
- How Historical Rates Import Data Is Processed

2 Asset Acquisitions

Add Assets

Considerations for Adding Assets

To add acquired assets to Oracle Assets, record the assets using one of the following methods:

- Manual additions
- Mass additions

Manual Additions

Manually add a single asset by entering all required information and any optional information directly into Assets using:

- The Add Assets page (generally used to enter a single asset)
- A spreadsheet (generally used to enter multiple assets)

Mass Additions

Add multiple assets automatically from an external source. Create assets from:

- One or more invoice distribution lines in Oracle Payables
- Construction-in-process (CIP) asset lines in Oracle Projects
- Asset information from another assets system
- Information from any other feeder system using the interface

You must prepare the mass additions to become assets before you post them to Assets.

Related Topics

- Mass Additions
- How Payables Source Lines Are Imported
- How Project Costing Source Lines Are Imported
- What's a CIP asset?

Review Journal Entries for Addition Transactions

This example illustrates how a company can record a journal entry that can be used for asset additions.

Scenario

Acme Company is growing fast and needs a more powerful server to handle its applications. It's estimated that this new server will satisfy the company demands for the following four years. However, this server has very strict requirements in terms of temperature and humidity to work properly. As a result, Acme decided to build a new room to meet those conditions. Acme Company purchases the new server computer and assigns it to the Information Technology department. The server will eventually be physically located in the new room that the company is building. It's currently in the old server room where those conditions are barely met.

Current Period Addition Transaction Details

The new server computer was purchased and placed in service in year 1, quarter 1. The asset is added into Oracle Assets in the period it was acquired. The recoverable cost is 4,000 and the depreciation method is straight-line. The asset life is four years.

The asset cost increases by 4,000. Debit 4,000 to the Asset Cost account and credit 4,000 to the Asset Clearing account. The contra account is the clearing account that balances with the payables clearing account. The calculated depreciation for the period is 250. Debit the depreciation expense account and credit the Accumulated Depreciation (reserve) account for that amount.

The calculated depreciation for the period is 250. The depreciation expense account is debited and the Accumulated Depreciation (reserve) account is credited for that amount.

Journal Entries for Additions

The following journal entry is created from your payables application:

Account	Debit	Credit
Asset Clearing	4,000 USD	None
Accounts Payable Liability	None	4,000 USD

The following journal entry is created from Assets:

Account	Debit	Credit
Asset Cost	4,000 USD	None
Depreciation Expense	250 USD	None
Asset Clearing	None	4,000 USD
Accumulated Depreciation	None	250 USD

In an alternate scenario, the new server computer was purchased and placed in service in year 1, quarter 1. However, the asset is entered into Assets in year 2, quarter 2.

The following journal entry is created from your payables application:

Account	Debit	Credit
Asset Clearing	4,000 USD	None
Accounts Payable Liability	None	4,000 USD

The following journal entry is created from Assets:

Account	Debit	Credit
Asset Cost	4,000 USD	None
Depreciation Expense	250 USD	None
Depreciation Expense (Adjustment)	1,250 USD	None
Asset Clearing	None	4,000 USD
Accumulated Depreciation	None	1,500 USD

Assets Watchlist

Use watchlists to monitor critical transaction processing progress in real time.

You can view the watchlists by clicking the Watchlist icon on the home page.

Oracle Assets provides four watchlist categories. Two of the categories contain predefined items. You can also create additional items using the saved search for any of the four categories.

The following watchlist categories are available:

- Additions
- Retirements
- Financial Transactions
- Tracking

Additions Watchlist

The Additions category contains the following predefined watchlist items. You can create additional watchlist items for this category.

- Exceptions: Source lines in the Error queue. Selecting this watchlist item takes you to the list of exceptions in the Additions infotile. You can view the details and error for each line and make the necessary corrections before posting the transactions.
- Incomplete: Source lines that aren't yet assigned to any preparer. Selecting this watchlist item takes you to the list of incomplete transactions in the Additions infotile. You can view the details for each line and add the missing information before posting the transactions.
- Ready to post: Source lines in the Post queue. Selecting this watchlist item takes you to the list of transactions that are ready to post in the Additions infotile. You can click Post All to post all of the transactions that are ready to post.

Retirements Watchlist

The Retirements Watchlist category contains the following predefined watchlist item. You can create additional watchlist items for this category.

Incomplete: Retirements that are saved and that aren't yet posted to the asset. Selecting this watchlist item takes you to the list of incomplete transactions in the Retirements infotile. You can view the details for each line and add the missing information before posting the transactions.

Financial Transactions Watchlist

This category contains no predefined watchlist items, but you can create watchlist items for this category.

Tracking Watchlist

This category contains no predefined watchlist items, but you can create watchlist items for this category.

Related Topics

- Disable or Enable Watchlist Categories and Items
- Set Watchlist Preferences
- Save Searches with Multiple Criteria

Add Multiple Assets

Mass Additions

You can create mass additions from Oracle Payables or other payables applications, Oracle Project Costing or other asset applications, and Oracle Receiving.

Create Assets from Payables

To create mass additions from Payables:

- Run the Create Mass Additions process in Payables to create mass additions from invoice information in Payables.
  The Create Mass Additions process places the new mass additions in the FA_MASS_ADDITIONS table, which is separate from the main Assets tables.
- Review and prepare the mass additions using the Assets user interface or a spreadsheet before the assets become asset additions.

Create Assets from Receiving

To create mass additions from Receiving:

- Run the Transfer Receipts to Mass Additions process in Oracle Maintenance.
  Prepare the newly created source lines for your receipt in the corporate book associated with the inventory organization into which you received the goods. The source lines for your receipt are created in the corporate book associated with the inventory organization into which you received the goods.
- Ensure that the invoice is matched to the purchase order or receipt and that the invoice is fully accounted before it's imported into Assets.

Create Asset Additions from Another Payables System

You can easily integrate Oracle Assets with your other payables systems by doing the following:

- Develop your own program to add mass additions to the FA_MASS_ADDITIONS table.
- Use either the Assets user interface or a spreadsheet to review and prepare the mass addition lines before they become assets.

Create Assets from Project Costing

To create assets from Project Costing:

- Collect CIP costs for capital assets you're building in Project Costing.
- When you finish building a CIP asset, capitalize the associated costs as asset lines in Project Costing.
- Run the Transfer Assets to Oracle Assets process to send valid capital asset lines from Project Costing to the Mass Additions interface table in Assets.
- Review these mass addition lines in Assets and determine whether to create assets from them.

Convert Assets from Other Asset Systems

To convert assets from a legacy asset system:

- Use the Mass Additions interface to automate the asset additions from the information in the other feeder systems.
- Use the Mass Additions process to convert your assets from a legacy system.

Note: Plan your conversion carefully and thoroughly, because you can't undo it.

Related Topics

- How Payables Source Lines Are Imported
- How Project Costing Source Lines Are Imported
- How Posted Mass Additions Are Processed
- Merge Mass Additions
- How Oracle Receiving Source Lines Are Imported

How Fixed Asset Mass Additions Import Data Is Processed

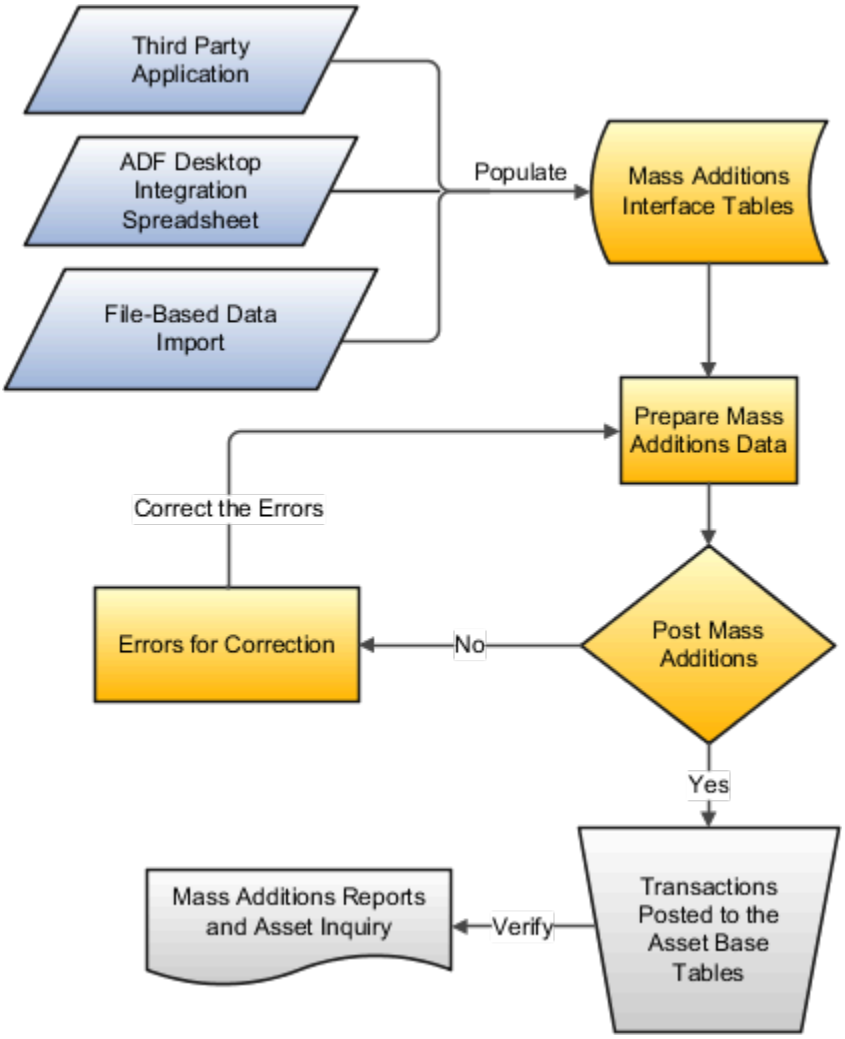
Use the Fixed Asset Mass Additions Import process to upload multiple assets into Oracle Assets.

You can download a mass additions spreadsheet template to use to prepare your asset data. The template contains an instruction sheet to help guide you through the process of entering your asset information.

You can use the import process to create assets from information outside of Assets, including:

- External sources, such as legacy systems.
- Oracle Project Costing.
- Oracle Payables.
- Application Developer Framework (ADF) desktop integration spreadsheet.

The following figure contains the flow of importing assets into Assets and posting them.



To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click **File-Based Data Imports**.
3. Click **Fixed Asset Mass Additions Import**.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- Don't change the order of the columns in the template.
- You can hide or skip the columns you don't use, but don't delete them.

Settings That Affect the Post Mass Additions Process

The Mass Additions import template contains an instructions tab, plus three tabs that represent the tables where the data is loaded:

Spreadsheet Tab	Description
Instructions and CSV Generation	Contains instruction information about preparing and loading data, the format of the template, submitting the Post Mass Additions process, and correcting import errors.
FA_MASS_ADDITIONS	Enter information about the assets that you're adding, such as the cost, number of units, and the asset book the asset will be added to.
FA_MASSADD_DISTRIBUTIONS	Enter information about the asset distributions, such as unit, location, and employee assignments.
FA_MC_MASS_RATES	Enter information about the reporting currency. Leave this tab blank if you don't use a reporting currency. **Note:** Use the Secondary Ledger Tax Book column to enter either the asset cost or the applicable conversion rate for a tax book's currency.

After you add the data to the FA_MASS_ADDITIONS table, you can perform additional preparations on the mass additions. For example:

- Add source, descriptive, and depreciation information.
- Assign mass additions to one or more distributions, or change existing distributions on the Assignments section of the Edit Source Lines page.
- Adjust the cost of a mass addition.
- Merge a mass addition into another mass addition.
- Split a multiple-unit mass addition into several single-unit mass additions.
- Add mass addition lines to existing assets, which creates a cost adjustment.

How Mass Additions Import Data Is Processed

After you successfully load your data, you must submit the Post Mass Additions process to import the data into the application tables and create the assets.

To submit the Post Mass Additions process:

1. On the Assets page, click the **Ready to Post** link on the Additions infotile.
2. Click **Post All**.
3. If the Post Mass Additions process ends in error or warning, review the log file for details about the rows that caused the failure.

To submit the Post Mass Additions process you must select the appropriate corporate book. If your corporate book isn't listed in the list of values, then one of the following errors may have occurred:

Error	Solution
No mass additions lines in a status of Post.	Change the status to Post for the mass additions that are ready to be posted.
The corporate book isn't effective for these mass additions lines.	Check the effective date range of the corporate book on the Edit Book page.

Error	Solution
The Calculate Depreciation process ran with errors.	Fix the errors and resubmit the Calculate Depreciation process. When the Calculate Depreciation process runs successfully, resubmit the Post Mass Additions process.
The Calculate Depreciation process is currently running for the corporate book.	Wait until the Calculate Depreciation process completes successfully, and then resubmit the Post Mass Additions process.

When you run the Post Mass Additions process, mass additions lines are processed according to the mass addition status they're assigned to.

Status Before Posting	Effect of Post Mass Additions Process	Status after Posting
Post	Creates a new asset from the mass addition line.	Posted
Cost Adjustment	Adds the mass addition line to an existing asset.	Posted
Merged	Mass addition line was already merged.	Posted
Split	Mass addition line was already split; posting doesn't affect the mass addition.	Split
New	New mass addition line; posting doesn't affect the mass addition.	New
On Hold	Mass addition line is on hold; posting doesn't affect the mass addition.	On Hold
Delete	Mass addition line awaiting deletion; posting doesn't affect the mass addition.	Delete

To correct import errors:

1. Click the **Exceptions** link on the Additions infotile.
2. In the Search region, select the book and select the **Error in the Queue** field.
3. Click **Search**.
4. Click **Prepare All** to export all rows to a spreadsheet.
5. Review and correct the errors in the spreadsheet and set the queue to Post for the corrected rows.
6. Once you correct all the rows with errors, click **Submit and Post Mass Additions** to resubmit the process.
7. Repeat the submission and error correction steps in this section until all rows are imported successfully and the assets are created.

Related Topics

- Mass Additions
- How Payables Source Lines Are Imported
- How Project Costing Source Lines Are Imported

How Mass Additions Queues Are Set

Mass additions queues indicate the status of mass additions throughout the asset additions process.

Settings That Affect Asset Status

Queues are set by Oracle Assets or you according to the current status of an asset addition.

How Mass Additions Queues Are Set

Use the predefined queues or define your own mass additions queues.

- Each mass addition belongs to a queue that describes its status.
- The queue name changes according to the transactions that you perform on the mass addition.

The following table describes each Assets mass addition queue name and how it's set:

Queue Name	Definition	Set by
New	New mass addition line created but not yet reviewed.	Set by Assets after a line is brought over from an external source.
On Hold or user-defined hold queue	Mass addition line updated or put on hold by you.	Set by you. Also set by Assets when merging another line into this line or when a new single unit line is created when splitting a mass addition.
Split	Mass addition line already split into multiple lines.	Set by Assets when splitting a multiple-unit mass addition line.
Merged	Mass addition line already merged into another line.	Set by Assets when merging a line into another line.
Cost Adjustment	Mass addition line to be added to an existing asset; ready for posting.	Set by Assets after completion of an Add to Asset transaction.
Post	Mass addition line ready to become an asset.	Set by you or the application when the **Default status to Post for Payables invoice lines** option is enabled for the asset book or category within the book.
Posted	Mass addition line already posted.	Set by the Post Mass Additions process.

Queue Name	Definition	Set by
Delete	Mass addition line to be deleted.	Set by you.

Split Mass Additions

You can split a mass additions line into multiple mass addition lines.

When you split mass additions lines, the queue name of the new lines is the same as the status of the original line before the split. The original line remains as an audit trail after the split. After the split, the original line has a queue name of Split and can't be made into an asset.

This example illustrates how to split a single invoice line into multiple mass addition lines.

Scenario

You're asked to split a single mass addition line for invoice #2000 into three new mass addition lines. The original mass addition line has a queue name of New.

Transaction Details

Details for the line are as follows:

Transaction Detail	Value
Invoice	#2000
Line	1
Cost	$3000
Units	3
Queue	New
Description	Personal Computer

After the split, you have three new mass addition lines. The original line now has a queue name of Split and can't be made into an asset. This line no longer appears in the user interface. The three new lines have a queue name of New and can become assets.

The original line remains as an audit trail after the split. The resulting split mass additions appear with one unit each and with the same existing information from the source application.

Transaction Detail Results

Details for the original mass addition line after the split are as follows:

Transaction Detail	Value
Invoice	#2000
Line	1
Cost	$3000
Units	3
Queue	Split
Description	Personal Computer

Details for each of the three resulting new lines are as follows:

Transaction Detail	Value
Invoice	#2000
Line	1
Cost	$1000
Units	1
Queue	New
Description	Personal Computer

Note that the queue name of the new mass additions lines is New, which was the queue name of the original line before it was split.

How You Merge Mass Additions

You can merge separate source lines into a single source line with a single cost.

The source line becomes a single asset when you run the Post Mass Additions to Assets process.

For example, you can:

- Merge tax lines into the main invoice line distribution to maintain proper asset descriptions.
- Merge a discount line with its appropriate mass addition line.
- Combine individual mass additions from different invoices into a single line and amount.

You can also undo the merge to correct any error and redo the merge as many times as you want.

You can view the total cost of a parent and its merged child addition lines in the Merged Cost column in the:

- Assets landing page
- Lines Selected for Merge dialog box (after clicking the **Merge** button on the Assets landing page or the Prepare Source Lines page)
- Prepare Source Lines page

Merge Mass Additions

In this example, you merge separate mass addition lines into a single mass addition line with a single cost.

Scenario

Transaction Details

Prior to the merge, the mass addition lines have a queue name of New. These are details for the two lines:

Line 1:

Line	Invoice	Amount	Units	Queue	Description
1	100	5,000 USD	2	New	Personal Computer

Line 1 contains these assignments:

Units	Expense Account	Location
2	01-110-7360-0000-000	USA-SAN FRANCISCO

Line 2:

Line	Invoice	Amount	Units	Queue	Description
2	220	67 USD	1	New	Tax on PC

Line 2 contains these assignments:

Units	Expense Account	Location
1	01-120-7360-0000-000	USA-SAN FRANCISCO

You can choose whether to sum the units:

Sum Units Checkbox	Description
Checked	Oracle Assets uses both the merged parent and child distributions for the new asset created from the merged mass addition line. **Note:** Ensure that you include the distribution information for both the child line and the parent line when Sum Units is checked while merging the line.
Unchecked	Assets uses the distribution of the merged parent for the new asset created from the merged mass addition line.

After the merge:

- The invoice 100 line is in the On Hold queue and is ready to become as asset.
- The invoice 220 line is in the Merged queue and can't become an asset.

The original cost of the invoice line distribution remains on the line as an audit trail after the merge. The cost of the parent line isn't altered and remains the same. When you post the merged line, the asset cost is the total merged cost.

Transaction Results

Here are the details for the two lines after the merge when **Sum Units** is checked:

Line 1:

Line	Invoice	Amount	Units	Queue	Description	Merged Cost	Merged Units
1	100	5,000 USD	2	On Hold	Personal Computer	5,067 USD	3

Line 1 contains these distributions:

Units	Expense Account	Location
2	01-110-7360-0000-000	USA-SAN FRANCISCO

Line 2:

Line	Invoice	Amount	Units	Queue	Description
2	220	67 USD	1	Merged	Tax on PC

Line 2 contains these distributions:

Units	Expense Account	Location
1	01-120-7360-0000-000	USA-SAN FRANCISCO

Here are the details for the two lines after the merge when **Sum Units** isn't checked:

Line 1:

Line	Invoice	Amount	Units	Queue	Description	Merged Cost	Merged Units
1	100	5,000 USD	2	On Hold	Personal Computer	5,067 USD	2

Line 1 contains these distributions:

Units	Expense Account	Location
2	01-110-7360-0000-000	USA-SAN FRANCISCO

Line 2:

Line	Invoice	Amount	Units	Queue	Description
2	220	67 USD	1	Merged	Tax on PC

Line 2 contains these distributions:

Units	Expense Account	Location
1	01-120-7360-0000-000	USA-SAN FRANCISCO

The asset is created from invoice 100 with this information when **Sum Units** is checked.

Description	Cost	Units
Personal Computer	5067 USD	3

The asset contains these distributions:

Units	Expense Account	Location
2	01-110-7360-0000-000	USA-SAN FRANCISCO
1	01-120-7360-0000-000	USA-SAN FRANCISCO

The asset is created from invoice 100 with this information when **Sum Units** isn't checked.

Description	Cost	Units
Personal Computer	5067 USD	2

The asset contains these distributions:

Units	Expense Account	Location
2	01-110-7360-0000-000	USA-SAN FRANCISCO

How Posted Mass Additions Are Processed

Run the Post Mass Additions process to create assets from mass addition lines. You can run this process as often as necessary during a period.

Settings That Affect the Posting Process

To submit the Post Mass Additions process, select the corporate book for which you want to post your mass additions. If your corporate book isn't listed in the list of values, then one of the following errors may have occurred:

Error	Solution
No mass additions lines in the post queue.	Change the queue to **Post** for the mass additions that are ready to be posted.
The corporate book isn't effective for these mass additions lines.	Check the effective date range of the corporate book on the Edit Book page.

Error	Solution
The Calculate Depreciation process has been run with errors.	Fix the errors and resubmit the Calculate Depreciation process. When the Calculate Depreciation process completes successfully, resubmit the Post Mass Additions process.
The Calculate Depreciation process is currently running for the corporate book.	Wait until The Calculate Depreciation process completes successfully. Then resubmit the Post Mass Additions process.

When you run the Post Mass Additions process, mass additions lines are processed according to the mass addition queue they're assigned to.

Queue Name Before Post	Effect of Post Mass Additions	Queue Name After Post
Post	Creates new asset from mass addition line.	Posted
Cost Adjustment	Adds mass addition line to existing asset.	Posted
Merged	Indicates mass addition line already merged.	Posted
Split	Indicates mass addition line already split; no effect on posting.	Split
New	Indicates new mass addition line; no effect on posting.	New
On Hold or user-defined queue name	Indicates mass addition line on hold; no effect on posting.	On Hold
Delete	Indicates mass addition line awaiting deletion; no effect on posting.	Delete

How Mass Additions Lines Are Posted

The Post Mass Additions program creates assets from mass addition lines in the **Post** queue. The program also adds mass additions in the **Cost Adjustment** queue to existing assets.

How Payables Source Lines Are Imported

Use the Create Mass Additions process to send valid invoice line distributions and associated discounts from Oracle Payables to an interface table in Oracle Assets. You then review the lines in Assets and decide whether to create assets from the lines.

Watch video

Settings That Affect the Import Process

For the Create Mass Additions process to import an invoice line distribution to Assets, the following specific conditions must be met:

- The invoice line must be charged to an asset account or to an expense account if it's an expensed asset.
- The asset account must be set up for an existing asset category as either the asset clearing account or the CIP clearing account.
- The line amount can be either positive or negative. The invoice line description will be the mass addition or source line description.
- Discount line distributions imported to Assets automatically have a description of Discount.
- Track as Asset must be enabled for the invoice line charged to an expense account.
- If you have multiple corporate books in Assets, Payables must be tied to the same ledger as the corporate book in which you want to create mass additions.
- The invoice must be approved.
- The invoice line distribution must be posted to Oracle General Ledger from Payables.
- The general ledger date on the invoice line distribution must be on or before the date you specify for the Create Mass Additions process.
- If you use the multiple organization feature, your Payables business unit must be tied to the same ledger as the corporate book for which you want to create mass additions.

Note: Enabling the Accrue at Receipt option while creating purchase orders is optional.

To default the asset category when creating mass additions:

- Define a default asset category for items in Oracle Purchasing or Oracle Inventory.
- Create purchase orders for those items.
- Receive the items in Purchasing or Inventory.
- Enter invoices in Payables, match them to the outstanding purchase orders, and approve the invoices.
- Post the invoices to General Ledger.
- After you run the Create Mass Additions process, the mass addition line appears with the asset category you specified for the item.
- To transfer an asset purchase to Assets, the natural account in the PO charge account must be set up as an Asset Clearing or CIP Clearing account for the corresponding asset category.

How Invoice Line Distributions Are Imported

The Create Mass Additions process in Payables:

- Sends potential asset invoice line distributions and any associated discount lines to Assets.
- Doesn't import the same line twice. Payables ensures a line is imported only once even if you run the process multiple times during a period.

Note: If you have multiple corporate books:

- Always provide the asset book for all invoices created in Payables to ensure that invoices are interfaced to the correct corporate book.
- Verify that you're creating mass additions for the correct corporate book in Assets, because you can't undo the process and resend them to a different book.

The Accounting Class Usage definitions in Oracle Subledger Accounting identify the line types that should be interfaced to Assets by the Create Mass Additions process.

Payables sends line amounts entered in foreign currencies to Assets in the converted ledger currency. Assets creates journal entries for the ledger currency amount.

Review the Create Mass Additions report to see both foreign and ledger currency amounts:

Conversion Rate: 1 EUR = 1.25 USD

In Payables, the amounts are converted to dollars, the ledger currency, and sent to Assets by the Create Mass Additions process. The conversion rate is: 1 EUR = 1.25 USD

Journal Entry in Entered Currency:

Account	Debit Amount	Credit Amount
Asset Clearing	4,000.00 EUR	None
Accounts Payable Liability	None	4,000.00 EUR

Journal Entry in Accounted Currency:

Account	Debit Amount	Credit Amount
Asset Clearing	5,000.00 USD	None
Accounts Payable Liability	None	5,000.00 USD

Assets creates a journal entry for the asset addition in dollars. The conversion rate is: 1 EUR = 1.25 USD

Account	Debit Amount	Credit Amount
Asset Cost	5,000.00 USD	None
Depreciation Expense	312.50 USD	None
Asset Clearing	None	5,000.00 USD
Accumulated Depreciation	None	312.50 USD

Account	Debit Amount	Credit Amount

In General Ledger, the journal is in the ledger currency:

Account	Debit Amount	Credit Amount
Asset Cost	5,000.00 USD	None
Asset Clearing	None	5,000.00 USD

How to Default Asset Status to Post for Payables Invoice Lines

Asset invoice addition lines can be automatically set to Post when all the required asset creation details, such as asset category, location, and depreciation account are available.

This enhances productivity and streamlines operations by fully automating the Payables to Fixed Assets process, thereby removing the manual intervention required for posting asset addition lines.

To enable the automatic status update to Post, select the **Default status to Post for Payables invoice lines** option on the Invoice Rules tab of the Create or Edit Asset Book pages.

The Prepare Assets Transaction Data process automatically sets asset lines to Post after the asset category, location, and depreciation expense accounts have been defaulted. Since these values are defaulted by the application, ensure that the default values are appropriate for each asset addition line before submitting the Post Mass Additions process.

You can override the setting for a specific category by selecting the **Suppress defaulting status to Post for Payables invoice lines** option in the Accounts tab of the Books section on the Create or Edit Category pages.

Don't enable this feature for an asset book or for a category within an asset book if any of the following apply:

- Approval is required for asset additions, because you need to specify an approval type.
- Required descriptive flexfield segments or global descriptive segments exist for which values must be entered before adding assets.
- Segregation of duties is enabled, where a reviewer must review transactions before posting.

How Assets Added Through Oracle Payables Are Cleared in Secondary Ledgers

When you enter an asset purchase invoice in Oracle Payables, it transfers the asset purchase invoice amount to the secondary ledger.

The secondary ledger currency conversion rate used for Payables invoice accounting is synchronized with the rate used by the asset addition in the secondary ledger asset book, even when the primary and secondary ledger currencies differ.

In the secondary ledger, Oracle Assets uses the same currency conversion rate for the amount transferred by Payables that was used for the asset cost when the asset addition is copied to the tax book.

Using the same conversion rate ensures that the clearing account balances are fully cleared between the Payables and Assets subledgers, because the invoice amount accounted in Payables and the asset cost capitalized in Assets are the same.

Example of Primary and Secondary Clearing Accounts Reconciliation for Oracle Payables Asset Additions

This example shows sample accounting entries for asset additions from Payables invoices.

This example uses the following currencies:

- Primary ledger currency: CAD
- Secondary ledger currency: USD
- Entered currency: EUR

Primary Ledger Journal Entries:

Sample Accounting Entry in Payables for Invoice Accounting in the Primary Ledger

Account	Debit (Entered - EUR)	Credit (Entered - EUR)	Debit (Accounted - CAD	Credit (Accounted - CAD
Cost Clearing	1000.00		1563.45	
Liability		1000.00		1563.45

Sample Accounting Entry in Assets for Asset Additions Accounting in the Corporate Book for the Primary Ledger

Account	Debit (Accounted - CAD)	Credit (Accounted - CAD)
Cost	1563.45	
Cost Clearing		1563.45

Secondary Ledger Journal Entries:

Sample Accounting Entry in Payables for Invoice Accounting in the Secondary Ledger

Account	Debit (Entered - EUR)	Credit (Entered - EUR)	Debit (Accounted - USD)	Credit (Accounted - USD)
Cost Clearing	1000.00		1420.70	
Liability		1000.00		1420.70

Sample Accounting Entry in Assets for Asset Additions Accounting in the Tax Book for the Secondary Ledger After Running the Perform Periodic Mass Copy Process

Account	Debit (Accounted - USD)	Credit (Accounted - USD)
Cost	1420.70	
Cost Clearing		1420.70

How You Initialize Balances for New Reporting Currencies

Automatically convert historical asset transactions to initialize asset balances when adding a new subledger-level reporting currency to the primary ledger. You use either a fixed amount or enter a rate to convert each asset transaction.

For example, let's say your organization needs to add a new reporting currency because it merges or acquires a new business, and you need to have an additional currency representation for your primary ledger transactions.

You can also create a new reporting currency when your organization expands its operations to new countries or when a country where your organization operates introduces a new currency. You initialize the asset balances for your new reporting currency, which you created after the asset transactions were entered in the primary ledger. The existing asset transactions in the primary ledger are then converted to the reporting currency.

Before initializing balances, complete the following prerequisites:

1. Ensure the initialization period for the reporting currency is the period after the latest open period of the primary ledger and asset book.
    - For Example: If the current open period of the asset book is Feb 24, then Feb 24 must be the latest open period and Mar 24 should be the future enterable period in the primary ledger.
2. Initialize the balances for the reporting currency immediately upon opening a new period.
3. Don't enter any new transactions or run the Calculate Depreciation process for the new period.
4. Run the Create Accounting process for the closed period and make sure that there are no transactions that aren't accounted for before initialization.

You must run the following processes to initialize balances in the new reporting currency for your asset book:

1. Translate Asset Transactions to Reporting Currency – Phase 1. When running the process, select your book and reporting ledger, and select 1 for the phase.
2. Load Interface File for Import. Upload the .zip file for the Translate Asset Transactions to Reporting Currency import process.
3. Translate Asset Transactions to Reporting Currency – Phase 2. When running the process, select your book and reporting ledger, and select 2 for the phase.

In the Translate Asset Transactions to Reporting Currency file-based data import template, the conversion rate is provided and the latest asset cost is calculated by multiplying it with the primary ledger asset cost. When the latest asset cost in the reporting currency is given, asset transactions are converted using the ratio of this latest cost to the primary asset book cost.

After initializing your asset balances, you can view the balances in the reporting currencies by navigating to the Asset Inquiry page and selecting the Currency drop-down list.

Guidelines for Initializing Balances

When you initialize balances in the reporting currency, keep these points in mind:

- Accounting entries aren't generated for the reporting currency conversion. You must enter the opening balances for the reporting currency in Oracle General Ledger.
- New transactions created after the initialization of balances are accounted for in the reporting currency and transferred to General Ledger.
- Balances can't be initialized for asset books with leased assets and group assets. Don't set up a new subledger level reporting currency if your asset book already has leased assets or group assets.
- You must provide either a conversion rate or reporting currency cost for all assets that exist in the asset book. If you missed any assets in the Reporting Currency Conversion Rates template, the Translate Asset Transactions to Reporting Currency process ends in error. In this case, you must run the Purge process to purge the imported data and upload the asset data again.
- Run the Purge Interface Tables process with these parameter settings:
    - Purge Process Intent: File-based data import
    - Import Process: Translate Asset Transactions to Reporting Currency
    - Load Request ID: The request ID of the latest upload

Overview of Assets Added Upon Receipt

You can capitalize and place fixed assets with a destination type of Expense in service as soon as they're received.

When you place these types of assets in service, it initiates the process of recognizing depreciation expense at once and eliminates the delays involved in invoice processing.

In addition, you can optionally create a maintenance asset for these receipts and automatically establish a relationship with the corresponding fixed asset without any manual intervention. You create a maintenance asset in Oracle Fusion Cloud Maintenance, which is part of Oracle Cloud Supply Chain Management (SCM). Note that Oracle Maintenance creates multiple assets for serialized items.

After accounting for the receipt of an asset, transfer the estimated costs from the receipt to Oracle Assets using the Transfer Receipts to Mass Additions process. This process:

- Transfers the assets to the corporate book associated with the inventory organization using the receipt date of the goods as the in-service date.
- Populates the category based on the category provided in the Purchase tab in the Create Item page.
- Populates the asset location automatically if your asset location is mapped to your ship-to location.
- Transfers the serial number from the receipt to the fixed asset.

After you enter and account for the invoice matched to either the purchase order or the receipt, the application posts the freight, miscellaneous, tax, invoice price variance, exchange rate variance, and tax invoice price variance from the invoices.

This feature supports Multiple Reporting Currencies and secondary ledgers that have a different currency than the primary ledger. Asset additions in the asset book associated with a secondary ledger or reporting ledger are recorded at the amount at which the receipts were accounted in the secondary ledger in Receiving.

Related Topics

- How You Capitalize Fixed Assets Upon Purchase Receipt to Expense Destination
- How You Capitalize Fixed Assets Upon Purchase Receipt to Inventory Destination
- How You Connect Your Installed Base Assets to Fixed Assets

How Oracle Receiving Source Lines Are Imported

Your Oracle Receiving source lines must meet the following specific conditions to ensure that the Transfer Receipts to Mass Additions process imports receipt information into Oracle Assets.

- When you create an item in Oracle Product Master Data Management, ensure that:
  - Create Fixed Asset is set to At Receipt.
  - Enable Asset Tracking is set to Full Lifecycle or Not Tracked.
  - Accrue At Receipt is selected.
  - The inventory organization is associated with an Assets corporate book.
- Create the purchase order after the cut-off date used to enable this feature using the Opt In page.
- Set the Destination Type to Expense or Inventory in the purchase order.
- Receive the items into the inventory organization defined in Oracle Supply Chain Execution. Make sure this inventory organization is associated with an Assets corporate book.
- Define a default asset category for the item to populate the asset category automatically when creating mass additions. If you don't want to provide the asset category for your item, use the clearing account on the asset category as the PO charge account.

Run the following scheduled jobs to import the receipts to Assets. Ensure that the Cost Accountant role is assigned to your user:

- Transfer Transactions from Receiving to Costing (Oracle Cost Management).
- Transfer Transactions from Inventory to Costing (Cost Management).
- Transfer Costs to Cost Management (Cost Management).
- Create Receipt Accounting Distributions (Cost Management).
- Create Cost Accounting Distributions (Cost Management).
- Create Accounting for Cost Management and Receipt Accounting (Cost Management).
- Review Receipt Accounting Distributions (Oracle Supply Chain Execution in Receipt Accounting. Running this process is optional. Run the process to view the journal entries).
- Review Cost Accounting Distributions (Oracle Supply Chain Execution in Cost Accounting. Running this process is optional. Run the process to view the journal entries).
- Transfer Receipts to Mass Additions (Oracle Maintenance).

You then review and prepare the lines in Assets and determine whether to create assets from the lines.

To create invoices in Payables, create a receipt or a purchase order matched invoice with a ship-to location. The invoice must be fully accounted for before importing it into Assets.

During invoice creation, the amounts in the Freight and Miscellaneous accounts are prorated across all the item lines:

- Freight and miscellaneous amounts are charged to the item based on the prorated allocation in the invoices. They're charged after prorating these amounts to the items in the invoice.
- If the assets are already posted, the application calculates the proportionate freight and miscellaneous amounts accordingly. You add these adjustments to the posted asset by clicking **Add to Asset** on the Assets landing page or the Prepare Source Lines page.

Note: Only nonproject-based purchase receipts are transferred to Assets.

To import these invoice details into Assets, run the following processes:

- Transfer Transactions from Receiving to Costing (Cost Management).
- Transfer Costs to Cost Management (Cost Management).
- Create Receipt Accounting Distributions (Cost Management).
- Create Cost Accounting Distributions (Cost Management).
- Create Accounting for Cost Management and Receipt Accounting (Cost Management).
- Review Receipt Accounting Distributions (Oracle Supply Chain Execution in Receipt Accounting. Running this process is optional. Run the process to view the journal entries).
- Review Cost Accounting Distributions (Oracle Supply Chain Execution in Cost Accounting. Running this process is optional. Run the process to view the journal entries).
- Transfer Receipts to Mass Additions (Oracle Maintenance).

Source lines from Oracle Receiving are posted to Assets based on their queue status:

- Post: Receiving lines can't be merged into lines that are already in a queue status of Post.

  If the lines are already posted, then you add any adjustments to the existing asset by clicking **Add to Asset** on the Assets landing page or the Prepare Source Lines page.
- New or On Hold: The cost adjustments from Receiving are merged into the item line that was transferred to Assets after accounting the receipts and after running the Transfer Receipts to Mass Additions process.

Related Topics

- Derive the Assets Location from the Payables Invoice Ship-to Location

Example of Creating an Expense Asset at Receipt

This example shows you how to create an asset with a destination of Expense when the asset is received.

Normally, these tasks are performed by many different people, but for purposes of this example, we'll assume that one person is performing all tasks.

1. In Oracle Product Management, create an item in the Create Item page.
2. Associate the inventory organization with the item on the Associations tab in the Create Item page.

3. On the Specifications tab in the Create Item page, navigate to **Item Organization** > **Service** and enter these values:

Field	Value
Enable Asset Tracking	Full Lifecycle
Create Fixed Asset	At Receipt
Enable Asset Maintenance	Yes

4. On the Specifications tab in the Create Item page, navigate to **Item Organization** > **Purchasing**.
5. In the Asset Category field, select the asset category.
6. In Oracle Fusion Cloud Procurement, enter a purchase order with two item lines. Each schedule has a single distribution for each item with the PO Charge Account as the Asset Clearing account.

> **Note:** The PO charge account can be the asset clearing account or any other charge account. This account is credited as the asset clearing account when the asset accounting entries are posted.

Item	Quantity	Price	Ordered	Recoverable Taxes	Nonrecoverabl Taxes	Total Tax	Line Total
Item 1	1	1000.00	1000.00	75.00	25.00	100.00	1100.00
Item 2	2	2000.00	4000.00	300.00	100.00	400.00	4400.00
Totals	NA	NA	5000.00	375.00	125.00	500.00	5500.00

7. Receive the items into the inventory organization defined in the purchase order.
8. In Oracle Cost Management, run the Transfer Transactions from Receiving to Costing process.
9. In Oracle Supply Chain Execution, navigate to **Supply Chain Execution** > **Receipt Accounting**.
10. Click **Create Receipt Accounting Distributions** in the task pane.
11. Click **Submit** to run the Create Receipt Accounting Distributions process.
12. Click **Create Accounting** in the task pane.
13. In the Subledger Application parameter, select **Receipt Accounting**.
14. Click **Submit** to run the Create Accounting process.
15. Click **Review Receipt Accounting Distributions** on the task pane.
16. Search for the receipt accounting distributions you created in step 10.
17. Check that the Transaction Status is Final accounted.
18. In the Transaction Details and Distributions section, verify that the journal entries are correct. This table shows how the journal entries appear:

Accounting Line Type	Cost Source	Debit	Credit
Receiving Inspection	Receipt into Inspection	1000.00	
Expense Accrual	Receipt into Inspection		1000.00
Expense	Delivery to Expense	1000.00	

Accounting Line Type	Cost Source	Debit	Credit
Receiving Inspection	Delivery to Expense		1000.00
Expense Accrual	Transaction Taxes		25.00
Receiving Inspection	Transaction Taxes	25.00	
Receiving Inspection	Receipt into Inspection	4000.00	
Expense Accrual	Receipt into Inspection		4000.00
Expense	Delivery to Expense	4000.00	
Receiving Inspection	Delivery to Expense		4000.00
Receiving Inspection	Transaction Taxes	100.00	
Expense Accrual	Transaction Taxes		100.00

19. In Oracle Maintenance, run the Transfer Costs to Cost Management process.
20. In Oracle Payables, create a receipt matched invoice with 10 percent invoice price variance.
21. Approve the invoice and run the Create Accounting process. This table shows how the journal entries appear:

Line Number	Account Details	Debit	Credit
1	Accrual	4000.00	
2	Accrual	1000.00	
3	Miscellaneous	600.00	
4	Tax Recoverable	375.00	
5	Invoice Price Variance	400.00	
6	Freight	300.00	
7	Nonrecoverable Tax	125.00	
8	Invoice Price Variance	100.00	
9	Liability (invoice and invoice price variance)		5500.00
10	Liability (all other lines)		1400.00

Payables accounts for the Invoice Price Variance, Freight, Miscellaneous, Freight, Recoverable and Nonrecoverable Taxes and Tax Invoice Price variance.

22. In Oracle Maintenance, run the Transfer Receipts to Mass Additions process to transfer the invoice information to Oracle Assets. This process transfers information such as nonrecoverable taxes, invoice price variance, freight, and tax invoice price variance to Assets as a cost adjustment.
23. In Oracle Assets, prepare and post the source lines.

24. Run the Create Accounting process.
25. View your journal entries. This table shows how the journal entries appear. Two assets are created for the two items in the purchase order.

> **Note:** Recoverable taxes aren't transferred to Assets.

Line Number	Account Details	Debit	Credit
1	Asset Cost	5220.00	
2	Asset Cost Clearing		5220.00

Line Number	Account Details	Debit	Credit
1	Asset Cost	1305.00	
2	Asset Cost Clearing		1305.00

Example of Creating an Inventory Asset at Receipt

This example shows you how to create an asset with a destination of Inventory when the asset is received.

Normally, these tasks are performed by many different people, but for purposes of this example, we'll assume that one person is performing all tasks.

1. In Oracle Product Management, create an item in the Create Item page.
2. Associate the inventory organization with the item on the Associations tab in the Create Item page.
3. On the Specifications tab in the Create Item page, navigate to **Item Organization** > **Service** and enter these values:

Field	Value
Enable Asset Tracking	Full Lifecycle
Create Fixed Asset	At Receipt
Enable Asset Maintenance	Yes

4. On the Specifications tab in the Create Item page, navigate to **Item Organization** > **Purchasing**.
5. In the Asset Category field, select the asset category.
6. In Oracle Fusion Cloud Procurement, enter a purchase order with this information:

Field	Value
Destination	Inventory
Sub Inventory	MNTALM-MA

Field	Value
PO Charge Account	Asset Clearing Account

Note: The PO charge account can be the asset clearing account or any other charge account. This account is credited as the asset clearing account when the asset accounting entries are posted.

7. Enter these details for the purchase order:

Item	Quantity	Price	Ordered	Recoverable Taxes	Line Total
Item 1	1	250.00	1	6.25	256.25

8. Receive the items into the inventory organization defined in the purchase order.
9. Enter the serial number for the quantity received.
10. In Oracle Cost Management, run these processes:
    - Transfer Transactions from Receiving to Costing
    - Transfer Transactions from Inventory to Costing
    - Transfer Costs to Cost Management
    - Create Cost Accounting Distribution
    - Create Accounting
11. In Oracle Supply Chain Execution, navigate to **Supply Chain Execution** > **Receipt Accounting**.
12. Click **Create Receipt Accounting Distributions** in the task pane.
13. Click **Submit** to run the Create Receipt Accounting Distributions process.
14. Click **Create Accounting** in the task pane.
15. In the Subledger Application parameter, select Receipt Accounting.
16. Click **Submit** to run the Create Accounting process.
17. Click **Review Receipt Accounting Distributions** on the task pane.
18. Search for the receipt accounting distributions you created in step 11.
19. Verify that the transaction status is Final accounted.
20. In the Transaction Details and Distributions section, verify that the journal entries are correct. This table shows how the journal entries appear:

Accounting Line Type	Cost Source	Debit	Credit
Receipt into Inspection	Purchase Order	250.00	
Receipt into Inspection	Purchase Order		250.00
Receiving Inspection	Transaction Taxes	6.25	
Expense Accrual	Transaction Taxes		6.25

21. Verify that your transactions are fully costed and accounted for in the Review Cost Accounting Distributions page in Cost Accounting.
22. Run the Connect Fixed Assets to Operational Asset process from the Scheduled Processes page.

23. On the Fixed Asset tab in the Edit Asset page, you can see the fixed asset associated with your maintenance (installed base) asset.
24. In Oracle Maintenance, run the Transfer Receipts to Mass Additions process.
25. In Oracle Payables, create a receipt matched invoice with Invoice Price Variance.
26. Approve the invoice and run the Create Accounting process. This table shows how the journal entries appear:

Line Number	Account Details	Debit	Debit
1	Accrual	250.00	
2	Miscellaneous	50.00	
3	Tax Recoverable	18.75	
4	Invoice Price Variance	30.00	
5	Freight	100.00	
6	Nonrecoverable Tax	6.25	
7	Liability (invoice and invoice price variance)		280.00
8	Liability (all other lines)		175.00

27. Payables accounts for the Invoice Price Variance, Freight, Miscellaneous, Freight, Recoverable and Nonrecoverable Taxes, and Tax Invoice Price variance.
28. Rerun the processes from steps 9 through 16.
29. In Oracle Maintenance, run the Transfer Receipts to Mass Additions process to transfer the invoice information to Oracle Assets. This process transfers information such as nonrecoverable taxes, invoice price variance, freight, and tax invoice price variance to Assets as a cost adjustment.
30. In Oracle Assets, prepare and post the source lines.
31. Run the Create Accounting process.
32. View your journal entries. This table shows how the journal entries appear.

Note: Recoverable taxes aren't transferred to Assets.

Line Number	Account Details	Debit	Debit
1	Asset Cost	436.25	
2	Asset Cost Clearing	100.00	
3	Asset Cost Clearing		100.00
4	Asset Cost Clearing (Item)		250.00
5	Asset Cost Clearing (Freight)		100.00
6	Asset Cost Clearing (Miscellaneous)		50.00
7	Asset Cost Clearing (Invoice Price Variance)		30.00

Line Number	Account Details	Debit	Debit
8	Asset Cost Clearing (Nonrecoverable Tax)		6.25

How Project Costing Source Lines Are Imported

You can collect construction-in-process (CIP) costs for capital assets you're building in Oracle Project Costing.

When you finish building your CIP asset:

- Capitalize the associated costs as asset lines in Project Costing
- Send the asset lines to Oracle Assets as mass addition lines.

Note: If you use Project Costing to build CIP assets, you don't need to create CIP assets in Assets. For costs that originate in Oracle Payables, you should send CIP costs to Project Costing, and capitalized costs to Assets.

Settings That Affect the Import Process

Asset lines sent from Project Costing to Assets must meet these specific conditions:

- The actual date in service must fall in the current or a prior Assets accounting period.
- The CIP costs for summarized asset lines must be interfaced to Oracle General Ledger.
- The CIP costs for supplier invoice adjustments must be interfaced to Payables.
- A CIP asset must be associated with the asset line.

How Project Lines Are Imported

In Project Costing, run the Transfer Assets to Oracle Fusion Assets process to send asset lines to Assets. This process:

- Creates a mass addition line for each asset line in Project Costing.
- Merges all mass additions for one asset into a single parent mass addition line. The merged children have a status of Merged.

In Assets:

- The parent mass addition is placed in the Post queue if the asset was completely defined in Project Costing and it's ready for posting.
- The parent mass addition is placed in the New queue if the asset definition isn't complete.

  In this case you must enter additional information for the mass addition and then update the queue status to Post.

Note: You don't need to change the queue status for lines with a status of Merged.

Guidelines for Allowing an Expense Type Account as the Asset Clearing Account for GASB 34

You can create expensed transactions as assets by setting up rules to transfer invoices to Oracle Assets.

The expense and asset account values for each major asset category are created to impact:

- Expense account, used in the primary ledger
- Asset account, used in the secondary ledger

The journal entry for invoice accounting in the Standard Accrual subledger accounting method creates a debit to the expense charge account on the invoice distribution. The charge account for the invoice distribution in the GASB secondary ledger is derived based on the chart of accounts mapping, and this account must be reversed when the asset is added to the tax book of the GASB secondary ledger.

There are two methods you can use to balance the asset clearing account or invoice charge account in the GASB secondary ledger as shown in this table:

Method	Description
Define Subledger Accounting Rules	Define accounting rules for the GASB secondary ledger and derive the invoice expense account as the asset clearing account for the mapped asset category. To set up your accounting rules, you must create a mapping set to map the invoice expense accounts to the asset clearing account for the secondary full accrual ledger.
Allow Invoices in Tax Book	Allow Invoices in Tax Book: You can copy the invoices transferred from Payables from the corporate book to the tax book that's set up for the GASB secondary ledger. While copying the invoices, Assets automatically converts asset invoices from the primary ledger into the secondary ledger using the Chart of Accounts mapping in General Ledger. To use the Allow Invoice in Tax Book method: 1. Enter your tax book name as the look up code for the look up type ORA_FA_ALLOW_TAX_SOURCE_LINES. 2. Enable the Allow source lines option in the Edit Tax Book page. **Note:** You can enable this option only for a tax book set up for a new corporate book, before you add any assets to the tax book. You must enable this option for both the corporate and tax books at the same time.

Convert Assets from a Legacy System

This example shows how to convert your existing assets from a previous legacy assets system to Oracle Assets.

ABC Company has 500 assets listed in its old assets system and now needs to convert the assets into Assets.

Load Assets into Assets

You can easily load the assets into Assets using the Create Asset Additions spreadsheet template.

1. From the Assets page, click the **Add Assets in Spreadsheet** panel tab.
2. Select the book and asset type, and click **Go**.
3. Enter your user name and password.
4. Enter the asset information in the spreadsheet.
5. Click **Submit** to save the information.

> **Note:** You can also load asset information into the FA_MASS_ADDITIONS table using SQL*Loader.

Verify That Asset Lines Are Loaded

View or verify the uploaded asset lines and make changes if necessary.

1. On the Assets page, click the **Prepare Source Lines** panel tab.
2. Search for the newly added asset lines.
3. If necessary, select a line and click **Edit** from the **Actions** menu to view or update an asset line.
4. Click **Prepare All** to export all lines to a spreadsheet.
5. Review the assets and enter additional information, if necessary.
6. Click **Submit** to save the information.

Post Assets

After you're satisfied that the asset information you loaded is correct, you can create the assets.

1. Run the Post Mass Additions process to create the assets using one of the following methods:
    - Set the assets to Post in your spreadsheet and click **Submit and Post Mass Additions**.
    - After setting the mass additions lines to Post, click the **Ready to Post** link on the Additions infotile and click **Post All**.
2. Verify the post mass addition results in the Post Mass Additions report.

Verify Your Assets

1. On the Scheduled Processes page, click **Schedule New Process**.
2. On the **Process Name** menu, select Asset Additions Report.
3. Click **OK** to run the Asset Additions report to verify that each asset has the correct depreciation method, life, and date placed in service.
4. Also verify that each asset has the correct cost and accumulated depreciation and that the totals for each asset account are correct.
5. If you find any errors, click the **Adjust Assets** panel tab on the Assets page.
6. Search for the assets with errors to be fixed.
7. Select the asset and click **Change Financial Details**.
8. Make the necessary changes and click **Submit**.

> **Note:** If you need to make adjustments to a large number of assets, you can process the assets by clicking the Mass tab and creating a batch, or by adjusting assets using a spreadsheet.

9. For additional verification, click the **Perform What-if Analysis** panel tab on the Assets page and verify that the expense projections agree with your estimates and that the assets were added properly.

Run Depreciation

1. After you verify that your assets are correct, click the **Depreciation** infotile on the Assets page and run the Calculate Depreciation process for the conversion period.

   After the Calculate Depreciation process completes, run the Journal Entry Reserve Ledger report.
2. Use the Journal Entry Reserve Ledger report to verify that the depreciation amounts calculated by Assets are correct.
3. If you find any errors, click the **Adjust Assets** infotile on the Assets page.
4. Search for the assets with errors to be fixed.
5. Select the asset and click **Change Financial Details**.
6. Make the necessary changes and click **Submit**.

> **Note:** If you need to make adjustments to large numbers of assets, you can process the assets by clicking the Mass tab and creating a batch, or by adjusting assets using a spreadsheet.

Clean Up the Asset Lines

After you successfully create assets, you can remove the asset lines from the FA_MASS_ADDITIONS table.

1. On the Scheduled Processes page, click **Schedule New Process**.
2. On the **Process Name** menu, select Delete Mass Additions.
3. Click **OK** to run the Delete Mass Additions report to view the lines that can be deleted.

Copy Assets to Associated Tax Books

1. Verify that the asset in your corporate book is correct.
2. On the Assets page, select your tax book.
3. Click the **Depreciation** infotile.
4. Click **Copy from Corporate**.
5. Select the Corporate book period.
6. Click **Submit**.

> **Note:** You should set up your tax books so that the first period starts at the same time as the associated corporate book. If your import period is the last period of the previous fiscal year, use **Perform Initial Mass Copy**. If your import is the first period of the current fiscal year, use **Perform Periodic Mass Copy** since there is no historical data in Assets.

7. Reconcile your tax books the same way you did your corporate book.
8. If you find any errors, make adjustments in the Adjust Assets infotile to correct them.

> **Note:** If you need to make adjustments to large numbers of assets, you can process the assets by clicking the Mass tab and creating a batch, or by adjusting assets using a spreadsheet.

Related Topics

- Guidelines for Creating Mass Transactions
- Mass Additions
- How Posted Mass Additions Are Processed
- Guidelines for Running the Perform Initial Mass Copy Process

Prepare Source Lines in an Integrated Workbook

Use the Create Asset Additions integrated workbook to manage or edit many source lines.

You can download source lines to an integrated workbook using either of the following two methods:

- On the Assets page, click **Prepare All** in the **Actions** menu.
- On the Prepare Source Lines page, search for the source lines you want to manage or edit and click **Prepare All**.

Modify the source line information as necessary, and click

- **Submit** to save your changes.
- **Submit and Post Mass Additions** to save the changes and automatically submit the Post Mass Addition process.

Related Topics

- Set Up Desktop Integration for Excel
- Guidelines for Using Desktop Integrated Excel Workbooks
- Troubleshoot Desktop Integration for Excel

Guidelines for Changing an Asset Book During Source Line Preparation

When preparing source lines, you can change the current asset book to another asset book associated with the same primary ledger when the primary ledger has multiple associated corporate books.

Use either the Assets page or the Prepare Source Lines page to change an incorrect asset book for Payables invoice lines transferred through the Create Mass Additions process.

When you change the asset book, the queue name of the asset addition line is automatically changed to **Book Changed**. To post the line, enter all of the required attributes, then change the queue name to Post using one of these methods:

- Change the queue name to Post in the Edit Source Line page.
- Click **Prepare All** on the Assets page and change the queue name to Post in the Create Asset Additions spreadsheet.

You can use the **Change Book** action for these types of transactions:

- Invoices transferred from Payables.
- Asset lines loaded using the Fixed Assets Mass Additions Import template.

You can't use the Change Book action for these types of transactions:

- Asset lines transferred from Projects.
- Asset lines added through the Add Asset page or Create Asset Additions spreadsheet.
- Asset lines that are already split.

- Merged child lines, but when you change the book for a merged parent line, it automatically changes the book for all of its child lines.
- Asset lines added to an existing asset as a cost adjustment.

Change the Asset Book During Source Line Preparation

This topic shows you how to change the asset book while preparing source lines.

To change an asset book during source line preparation, complete these steps:

1. Navigate to the Assets page or the Prepare Source Line page in Oracle Assets.
2. Click **Change Book** in the Assets page.
3. Select the new book on the Book Change dialog box.
4. Click **Submit**.

Manually Add Assets Using an Integrated Workbook

When you are required to manually add many assets at once, use the **Add Assets in Spreadsheet** task to download an integrated workbook.

Enter all required information and any optional information that your company requires for maintenance and reporting. When you are finished, submit your changes. You can also choose to automatically submit the Post Mass Additions process to create assets.

Related Topics

- Set Up Desktop Integration for Excel
- Guidelines for Using Desktop Integrated Excel Workbooks
- Troubleshoot Desktop Integration for Excel

How to Perform Direct Asset Transactions in Secondary Ledger Tax Books with a Different Currency

Use file-based data import templates to perform direct asset transactions, including additions, and adjustments within tax books that are associated with secondary ledgers, even when the secondary ledger operates in a different currency from the primary ledger.

The currency conversions are applied at the transaction level using either the provided fixed asset cost or the conversion rate.

You can directly enter asset costs in a tax book's currency or you can specify the conversion rate to be used between the corporate book and the tax book. This reduces reliance on daily rates and simplifies handling legacy asset conversions where historical rates are needed.

Here are the file-based data import templates that support these multicurrency capabilities.

- **Fixed Asset Mass Additions Import**: In the FA_MC_MASS_RATES sheet, you can enter either the asset cost in the tax book's currency or the applicable conversion rate using the Secondary Ledger Tax Book column.

  For corporate book asset conversions, you can also specify these values for any related reporting currencies and secondary ledger tax books. The mass copy process will use the provided data when copying assets from the corporate book to the tax book.

  For assets added directly to a tax book, enter the cost or conversion rate and the asset addition process will apply it. The template also supports multiple source lines for a transaction with different rates for each, if needed.
- **Fixed Asset Mass Adjustments Import**: The FA_ADJ_RATES_INT_V sheet lets you specify conversion rates for both adjustment and invoice addition transactions. Enter reporting currency rates for corporate books or secondary ledger rates for tax books. Both source line and nonsource line cost adjustments are supported.

  > **Note:** For invoice additions with multiple source lines and rates, use the Fixed Asset Mass Additions Import template.

  For Adjustment transactions, the cost entered in FA_ADJUSTMENTS_T sheet can represent either the adjustment amount or the new total cost, depending on whether a conversion rate or amount is provided in the FA_ADJ_RATES_INT_V sheet.

  - With a conversion rate or amount: The cost represents the adjustment amount by which the current asset cost will be increased or decreased. It doesn't represent the new total cost of the asset after the adjustment.
  - Without a conversion rate or amount: The cost represents the new total cost of the asset after the adjustment.

Here are some additional considerations.

- Asset additions and adjustments performed through the user interface or ADFdi spreadsheets use only daily rates. Similarly, transactions uploaded using file-based templates without a specified conversion rate will also use daily rates.
- Invoice addition transactions can be used only when the source lines are allowed for the secondary ledger tax book.
- When both the cost and exchange rate are entered for a transaction, the cost will be considered.
- It's recommended to not make further edits or updates to assets loaded through file-based import using the Create Asset Additions and Adjust Assets spreadsheets or the Edit Source Lines and Change Financials Details pages. Instead, you should purge the data and re-import it using the file-based data import template.

Related Topics

- How Fixed Asset Mass Additions Import Data Is Processed
- How Fixed Asset Mass Adjustments Import Data Is Processed

Fix Posting Errors

To fix posting errors that occur when you run the Post Mass Additions process:

1. Open the log file of the **Post Mass Additions** process.
2. Check the Post Mass Additions Execution Report section for details about which mass additions succeeded and failed.
3. Note the source line numbers that failed and correct the errors directly in the source line.
4. Resubmit the **Post Mass Additions** process.

Add Leased Assets

Overview of Asset Leases

Many organizations lease assets such as real estate, airplanes, trucks, ships, and construction and manufacturing equipment. Leasing assets allows an organization to gain access to assets, while reducing the organization's exposure to the risks of asset ownership.

Create asset leases to comply with the IFRS 16 Leases and FASB Leases (Topic 842) accounting standards.

Use Oracle Assets to:

- Create asset leases and calculate the lease liability and cost to be capitalized.
- Add leased assets to your asset book.
- Calculate periodic depreciation expense and interest expense on the lease liability for finance lease assets.
- Calculate periodic lease expense for operating lease assets.
- Generate periodic lease payment invoices with the correct distribution account.
- Schedule the transfer of lease payment invoices to Oracle Payables.
- Change the lease term and payment schedules, and capitalize the changes to your lease liability.
- Terminate the lease at the end of the lease term or earlier.
- Report and inquire on leased assets.

Use Payables to:

- Validate, approve, and account lease invoices transferred from Assets.
- Pay lease invoices on the due date.

Lease Classifications

Leases are classified as either finance leases or operating leases. A lease is automatically classified as a finance lease if any one of the following options is enabled:

Field	Value	Description
Exercise Options	Purchase	Lessee plans to buy the leased asset at the end of lease term.
Major lease term checkbox	Enabled	Lease term is 75 percent or more of the remaining economic life of the leased asset.

Field	Value	Description
Substantial present value checkbox	Enabled	Present value of the lease payments is 90 percent or more of the fair value of the leased asset.
Ownership transfer checkbox	Enabled	Ownership of the leased asset is transferred to the lessee at the end of the lease term.
Specialized asset checkbox	Enabled	Leased asset has no alternative use to the lessor at the end of the lease term.

If none of these options are enabled, the lease is an operating lease.

Lease Payment Schedules

Depending on how your leases are set up, lease payment schedules are either lease level or asset level payment schedules.

Payment Schedule Type	Description
Lease-Level Payment Schedule	Many assets are leased through a single lease contract with one lease payment schedule for all assets included in that lease. The lease term, lease payment amount, and interest rate are the same for all assets and there are no asset-specific terms in the contract. For this type of lease, you can either add a single asset or you can add each leased asset as a separate asset in the asset book. Lease payments are either recurring or one time. If your lease includes multiple assets, Assets automatically divides the lease-level schedule that you entered into many asset-level schedules based on the number of assets that you specify. Any changes that you make to the lease-level schedule are automatically propagated to all asset-level schedules. **Note:** You can update an asset-level schedule when the lease payment amount changes for a particular asset. However, any changes you make directly to the asset schedule or any additional asset schedules that were added directly in the Assets tab will make the lease-level schedule inactive, and will hide the Recurring Payments and Onetime Payments tabs.
Asset-Level Payment Schedule	Your lease can have many different assets that are leased through a single lease contract for a specific period, with each asset having its own lease payment schedule. In this case, the lease payment amount and interest rate may be different for each asset. For this type for lease, you can't have any lease-level schedules, and you can enter only a separate payment schedule for each asset in the Assets tab.

Payment schedules include the following:

- Payment Type: The type of payment used depends on the frequency of the lease payments. Lease contracts normally use both recurring and one-time lease payments.

Payment Type Name	Description	Payment Types
Recurring Payments	The amount payable on a specific date at a specific frequency for the entire lease term or part of the lease term. The generated amortization schedule shows all of the recurring payments to be made during the lease term.	The recurring payment types are: o Periodic lease payment o Variable lease payment o Other payments
One-time Payments	The amount payable at a specific date during the lease term.	The one-time payment types are: o Initial direct cost o Advance lease payment o Purchase price o Residual value o Termination penalty

- Payment Date: The date when the payment needs to be made to the lessor.
- Interest Due Date: The date when interest on a lease liability is recognized. For a finance lease, interest on a lease liability is recognized in the period in which the interest due date falls. For operating leases, the operating lease expense is recognized in the period in which the interest due date of the periodic lease payment falls. For example, if the lease payment is made on 1 January of every year and the interest on lease liability is calculated 31 December of every year. You must enter an interest due date if you don't enable the Exclude from Liability option.
- Amount: Amount payable to the lessor.
- Number of Payments: For periodic lease payments, the number of payments is automatically calculated using the lease term, lease payment frequency, and lease payment option.
- Interest Rate: Enter only for the payment type Periodic Lease Payment. Only one interest rate is allowed for all payments. You can't have different rate for each payment type.
- Exclude from Liability: Indicates whether the lease payment is included in the lease liability calculation.
- Exclude from Cost: Indicates whether the lease payment is included in the leased asset cost calculation.

Related Topics

- How Fixed Asset Lease Import Data Is Processed
- Guidelines for Classifying Leases
- Create a Leased Asset

Create a Leased Asset

This example demonstrates how to create a lease from the Create Lease page in Oracle Assets.

Create a Leased Asset

1. On the Assets page, click the **Manage Leases** panel tab.
2. Click the **Create** icon.
3. On the Create Lease page, enter the following values:

Field	Value
Lease Number	GECEOCAR
Lease Description	GE lease for CEO car
Category	VEHICLE-LEASED STANDARD
Payables Business Unit	US1 Business Unit
Lessor	GE Capital
Lessor Site	GE Capital US1
Lease Start Date	1st of current month
Payment Frequency	Monthly
Payment Option	In arrears

4. On the Financial Terms section of the Create Lease page, enter the following values:

Field	Value
Book	US CORP - USD
Noncancelable Term	60

Field	Value
Major lease term checkbox	Enabled
Lease Classification	Finance

5. Scroll down to the Recurring Payments tab and select or enter the following values:

Field	Value
Payment Type	Periodic lease payment
Amount	1,000.00
Interest Rate	5

6. Click the One Time Payments tab and select or enter the following values:

Field	Value
Payment Type	Initial direct cost
Amount	800.00
Exclude from Liability	Enabled

7. Click **Generate Schedules**.
8. On the Manage Leases page, click the Pending Transactions tab.
9. Click the GECEOCAR (lease number) link.
10. On the Review Lease Edits page, click **Amortization Schedule**. Review the details on the amortization schedule to ensure that the lease is ready to create.
11. Click **OK**.
12. Click **Submit**.
13. Click the Leases tab to confirm that your newly added lease appears.
14. Click **Done**.

Prepare a Leased Asset for Posting

1. Click the **GE lease for CEO car** link to complete the required information needed to complete and post the asset.
2. On the Edit Source Line page, select Post in the **Queue** field.

3. In the **Location** field, enter USA-CALIFORNIA-REDWOOD CITY-MANUFACTURING.
4. If you use descriptive flexfields, ensure that you enter the required information.
5. Click **Save and Close**.

Post a Leased Asset to Assets

1. On the Assets page, click the **Additions** infotile.
2. Click **Ready to Post**.
3. Click **Post All**.
4. Click **OK**.

Run Depreciation

1. Click the **Depreciation** infotile.
2. Click **Calculate Depreciation** > **Calculate Lease Expenses**.
3. Click **OK**.

Guidelines for Classifying Leases

Leases are either finance leases or operating leases. Oracle Assets recognizes the lease expense differently, depending on the lease type.

Finance Leases

A lease is classified as a finance lease when the lease meets any of the following criteria at the commencement of the lease:

- The lease transfers ownership of the underlying asset to the lessee (your organization) at the end of the lease term.
- The lease grants the lessee an option to purchase the underlying asset that you as the lessee are reasonably certain to exercise.
- The lease term is for the major part of the remaining economic life of the underlying asset.
- The present value of the sum of the lease payments and any residual value guaranteed by the lessee that is not already reflected in the lease equals or exceeds substantially all of the fair value of the underlying asset.
- The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

If your lease is a finance lease, you must recognize the following types of expenses separately:

- Interest on the lease liability.
- Amortization or depreciation of the right-of-use asset.

When you make a lease payment, you are, in effect, making a capital repayment against the lease obligation, in addition to an interest payment. To show this impact on financial statements, you must recognize the interest expense on the due date and add it to the lease liability balance. The lease liability balance is reduced when you make a lease payment to the lessor.

The amortization schedule calculates and stores the interest amount, principal reduction amount, and interest due date for each lease payment included in the lease liability calculation. Interest expense is recognized in the period in which the interest due date falls.

For leases with payment frequencies that are annual, quarterly, or semiannual, interest expense is recognized once per year, quarter, or half year, respectively. If your lease requires monthly provisioning, create a monthly provisioning recurring journal in your general ledger.

Depreciation for finance lease assets is the same as for owned capitalized assets, using standard depreciation rules, such as the depreciation method, convention, and prorate calendar. When you add your leased asset, the depreciation rules, such as the method and life, are defaulted from the category. You can override the defaulted rules, if necessary.

Interest Expense

Run the Calculate Lease Interest and Expense process for each period to recognize the interest expense on the lease liability in your asset books. You can easily run this process from the Depreciation infotile on the Assets page. Note that you cannot close the period without calculating the lease interest expense for all finance lease assets in the book.

The following table shows an example of an accounting entry for interest expense of 175 USD and the reduction in liability for a lease payment of 1000 USD:

Account	Debit Amount (USD)	Credit Amount (USD)
Lease Interest Expense	175	
Lease Liability		175
Lease Liability	1,000	
Lease Clearing		1,000

For the interest expense account, all segments except for the natural account are populated by default from the depreciation expense account in the asset assignment. The natural account is populated from the category default accounts. The liability account is the active liability account for the asset.

Assets generates lease payment invoices using the lease clearing account as the invoice distribution account, and transfers the lease payment invoices to Oracle Payables. From Payables, run the Import Payables Invoices process using the source Assets to import any lease payment invoices.

The following table shows an example of an accounting entry for an invoice of 10000 USD:

Account	Debit Amount (USD)	Credit Amount (USD)
Lease Clearing	10,000	
Supplier Liability		10,000

The supplier liability of 10,000 becomes zero when you make a payment for the lease invoice shown in the example. At the end of the lease term, the net book value of the leased asset and its lease liability becomes zero.

When you execute an asset inquiry, the results show the lease interest expense balances, including the periodic interest amount, year-to-date interest amount, interest adjustment amount, and lease and liability balance.

Operating Leases

Any lease that doesn't meet the criteria to be a finance lease is called an operating lease. If your lease is an operating lease, you must recognize a single lease expense, which is calculated to amortize the total cost of the lease over the lease term on a straight-line basis.

The operating lease expense for each period is calculated as the amortization of the remaining cost of the lease at the beginning of the period over the remaining lease term on a straight-line basis. The remaining cost of the lease is calculated as the net book value of the asset plus the outstanding interest on the lease liability.

Operating leases do not depreciate. When you add an operating lease asset, Assets automatically deselects the Depreciate checkbox on the Add Asset or Edit Source Line pages. When you run the Calculate Depreciation process, no depreciation is calculated for operating leases.

Interest Expense

Run the Calculate Lease Interest and Expense process to calculate and recognize operating lease expense. Note that you cannot close the period until you calculate operating lease expense for all operating lease assets in the book.

The following table shows an example of accounting entries for operating lease expense and reduction in liability:

Account	Debit Amount (USD)	Credit Amount (USD)	Comments
Operating Lease Expense	1,200		NA
Lease Liability		900	Interest on lease liability
Depreciation Reserve		300	300 = 1,200 - 900
Lease Liability	1,000		Lease payment amount
Lease Clearing		1,000	Lease payment amount

At the end of lease term, the net book value of the leased asset and its lease liability are both zero.

For the operating lease expense account, all segments except the natural account are populated from the depreciation expense account in the asset assignment. The natural account is populated from the category default accounts. The liability account is the active liability account for the asset. The depreciation reserve account is derived using the same logic used for the depreciation accounting for finance lease assets and owned assets.

If any transactions occur after the operating lease expense is recognized for the current period, the recognized lease expense is automatically rolled back. You must rerun the Calculate Lease Interest and Expense process to include the new transactions.

Note: No catch-up operating lease expense is calculated for backdated operating leases. You must manually enter the opening depreciation reserve at the time you add the operating lease right-of-use asset, or later before closing the period in which asset was added.

Guidelines for Calculating Monthly Lease Interest for Nonmonthly Lease Payments

Each lease you create has a specified payment frequency, most commonly monthly, quarterly, semi-annual, or annual. Normally, the Calculate Lease Expenses process accounts for interest on lease liability or operating lease expense on each interest due date on the amortization schedule.

Let's say your lease has a payment frequency of quarterly, meaning the Calculate Lease Expenses process accounts for interest on lease liability every three months. Now suppose you want the accrued interest to be calculated monthly, even though your lease has a payment frequency of quarterly. You can enable the Calculate monthly accrued interest option and the process calculates interest monthly rather than quarterly.

When you enable the Calculate monthly accrued interest option, the Generate Schedules process:

- Calculates the present value based on the lease payment frequency, and then allocates the calculated interest evenly for each month in the quarter, half year, or year. The amortization schedule includes the interest amount and liability for each month.
- Divides the calculated quarterly interest equally among the months in the payment period and accounts for the interest in the respective month.

To clarify, suppose you create a lease with a lease start date of 01-Jan-2019 and a payment frequency of quarterly. The lessee makes lease payments for 2019 on 31 March 2019, 30 June 2019, 30 September 2019, and 31 December 2019. The Generate Schedules process calculates the present value for quarterly frequency and generates either a quarterly or monthly amortization schedule, depending on whether you enabled the Calculate monthly accrued interest option.

- Enabled: The process divides the interest amount for the first quarter by three and accounts for it on 31 January, 28 February, and 31 March.
- Not enabled: The application accounts for interest on finance lease liability for the first quarter on 31 March 2019 and there is no interest expense in the January and February periods.

Convert Existing Leases

You may have many leases with quarterly, semi-annual, or annual frequency that were created before this option was available. What if you want to convert them to use a monthly accrued interest amortization schedule? You can perform a Change Financial Term or Reassessment transaction in the Change Financial Terms page or you can use the Fixed Asset Lease Import file-based data import template to enable this option.

Keep in mind that when you enable the option by performing a reassessment transaction:

- The amortization schedule starts from the current lease quarter. For example, if you perform a reassessment transaction in May 2020, the amortization schedule starts in April and the Calculate Lease Expenses process accounts for catch-up interest expense for April.
- When you run the Calculate Lease Expenses process for the period, the process begins calculating monthly interest from May.

Reporting Currency Conversion for Asset Leases

You can report your leases in any currency other than your ledger currency.

When you use reporting currency conversion for your asset leases, you can:

- Maintain and report lease accounting and balances in more than one currency.
- Convert right-of-use asset balances at historical rates and lease liability balances at the current rate.
- Load your asset lease terminations or reassessments in bulk using the supplied file-based data import templates using the Import Asset Leases process.

You can view the lease amounts and accounting entries for primary and reporting currencies.

To use this feature, you must first create a corporate book with a primary ledger that has reporting currencies. Ensure that the **Allow leased assets** option is enabled for the book.

Related Topics

- Overview of Asset Leases

How Fixed Asset Lease Import Data Is Processed

Use the Fixed Asset Lease Import process to upload your lease data into your corporate book. The template contains an instruction sheet to help guide you through the process of entering your asset information.

To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click **File-Based Data Imports**.
3. Click **Fixed Asset Lease Import**.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- Do not change the order of the columns in the template.
- You can hide or skip the columns you do not use, but do not delete them.

Settings That Affect the Fixed Asset Lease Import Process

The Fixed Asset Lease Import template contains an instructions tab, plus three tabs that represent the tables where the data is loaded:

Spreadsheet Tab	Description
Instructions and CSV Generation	Contains instruction information about preparing and loading data, the format of the template, submitting the Import Asset Leases process, and correcting import errors.
FA_LEASES_INT	Enter information about the leased assets that you are adding, terminating, or reassessing, including the transaction group, transaction type, and lease number.
FA_LEASE_BOOKS_INT	Enter information about the asset books the lease will be assigned to.
FA_LEASE_SCHEDULES_INT	Enter information about the payment schedule information for each leased asset.

How Lease Import Data Is Processed

After you successfully load your data, you must submit the Import Asset Leases process to import the data into the application tables and create the assets. To submit the Import Asset Leases process:

1. Navigate to the Scheduled Processes page.
2. Search for the Import Asset Leases process.
3. Click **OK**.
4. Select the book.
5. Monitor the scheduled process.
6. If the Import Asset Leases process ends in error or warning, review the log file for details about the rows that caused the failure. To correct import errors, open the .csv output file, correct the errors, and resubmit the process.

Generate Lease Payment Invoices

Use the Generate Lease Payment Invoices process to generate your least payment invoices.

To generate invoices, complete these steps:

1. Click **Generate Invoices** in the Manage Leases page.
2. Select the book you want to generate invoices for.
3. Select the period.
4. To generate invoices for a specific date range:
    a. Enter the from invoice date.
    b. Enter the to invoice date. The To Invoice Date field populates the last day of the period by default. To generate invoices for a different day, you need to update the invoice date to today's date.
5. To generate invoices for a specific range of lease numbers, enter the from lease number and to lease number.
6. Enter the lessor if you're generating invoices for a specific lessor.
7. Specify whether you want to transfer invoices.
8. Click **Submit**.

Lease Termination

You can terminate a lease at any time during the lease term.

If you terminate a lease before the expiration of the lease term, you must account for it by removing the right-of-use asset and the lease liability, with profit or loss recognized for the difference. If you terminate a lease at the end of the lease term, the lease liability balance and net book value of the asset are already zero, and no gain or loss needs to be recognized.

You can terminate an entire lease or only specific assets within a lease.

- Terminate an entire lease: enter termination details in the lease-level payment schedule.
- Terminate specific assets within a lease: enter termination details in the asset-level payment schedule.

When you terminate a specific asset within a lease, the lease-level schedule becomes inactive because the lease-level schedule is no longer the sum of all asset-level schedules.

After you post a lease termination transaction, the process automatically creates a draft retirement. You then review and post the retirement transaction.

Restrictions

After terminating a lease, you cannot:

- Roll back the lease termination transaction
- Reinstate the leased asset retirement

Related Topics

- Overview of Asset Leases
- How Lease Liability on Terminated Leases Is Calculated
- Terminate a Lease

Terminate a Lease

This example demonstrates how to terminate a lease from the Manage Leases page.

Terminate a Lease

1. Navigate to the Manage Leases page.
2. Click the Leases tab.
3. From the **Actions** menu, click **Terminate**.
4. On the Terminate Lease page, click the Recurring Payments tab.
5. Enter a Termination Date for all active periodic lease payment rows. The date must fall in the current open period.

6. Select the **Period End Liability** option to indicate that the termination is effective from the start end of the period.
7. On the One Time Payments tab, select **Termination payment** in the Payment Type column.
8. Enter the amount of the termination penalty.
9. Click **Generate Schedules** to calculate the new lease liability.

Verify Lease Termination

1. Navigate to the Manage Leases page.
2. Click the Leases tab.
3. From the **Actions** menu, click **Review Termination**.
4. Verify the following values on the Review Termination page:

Field	Description
Cost	Current cost of the associated leased assets.
Liability	Lease liability at the start of the period.
Net Book Value	Net book value of the leased asset.
New Cost	Cost of the associated leased assets after the termination.
New Liability	Principal reduction portion in the current period lease payments.
Gain or Loss	Difference between the book value of the asset and the change in liability (liability minus the new liability).

5. If all of the values are correct, click **Submit**.

Correct Lease Termination Errors

1. If any of the values are incorrect on the Review Termination page, update the termination transaction with the correct values.
2. Click **Generate Schedules** to regenerate the amortization schedule.
3. Repeat the steps for Verifying a Lease Termination.

Review the Draft Retirement Transaction

1. Navigate to the Assets page.
2. Click the **Retirements** infotile.
3. Click **Transactions**.
4. Review the retirement transaction.
5. If the information for the retirement transaction is correct, click **Submit** to post the retirement transaction.

How Lease Liability on Terminated Leases Is Calculated

When you terminate a lease, the Generate Schedules process automatically updates the lease liability to be retired based on your settings.

Period End Liability Options

The Generate Schedules process calculates the change in lease liability due to termination based on the Period End Liability option.

Period End Liability Option Setting	Description
Yes	Termination is effective at the end of the period.
No	Termination is effective at the start of the period.

Calculation of Lease Liability on Terminated Leases

The lease liability to be retired is calculated as follows:

- Period End Liability is set to Yes:

  Current liability at the start of the period, minus the principal reduction for payments with an interest due date in the current period, minus the increase in the termination penalty.
- Period End Liability is set to No:

  Current liability at the start of the period minus the termination penalty, if any, with the interest due date in the current period.

The gain or loss on termination calculated as follows:

- Cost minus depreciation reserve minus impairment reserve, if any, minus the lease liability to be retired.

Note: The depreciation reserve balance is calculated using the default retirement convention of the asset category.

When you post the termination transaction, a retirement transaction is created for each associated asset. This table shows sample accounting entries for the retirement transaction:

Account	Debit Amount (USD)	Credit Amount (USD)
Depreciation Reserve	800	
Impairment Reserve	200	

Account	Debit Amount (USD)	Credit Amount (USD)
Lease Liability	1,100	
Asset Cost		2,000
Gain on Leased Asset		100

Example:

Your company enters into a six-year lease of equipment with annual lease payments of $59,000, payable at the end of each year. Your company classifies the lease as a finance lease. At the end of Year 5, you have the option to terminate the lease for $5,000. You decide that your company has a significant economic incentive to exercise the termination option.

The rate that the lessor charges your company is the rate implicit in the lease, which is 6.33 percent. You measure the lease liability at the commencement date at $250,000 (the present value of five payments of $59,000 plus the present value of the termination option payment of $5,000).

At the lease commencement date, you recognize lease assets and liabilities as shown in this table:

Accounts	Debit Amount (USD)	Credit Amount (USD)
Right-of-Use Asset	250,000	
Lease Liability		250,000

Finance Lease:

Your company amortizes the right-of-use asset over the lease term of five years. You expect your company to consume the asset's future economic benefits evenly over the five years and you amortize the asset on a straight-line basis.

During the first year of the lease, you recognize interest on the lease liability and amortization of the right-of-use asset as follows:

Accounts	Debit Amount (USD)	Credit Amount (USD)
Interest Expense	15,825 (6.33% x 250,000)	
Lease Liability		15,825
Depreciation Expense	50,000 (250,000 / 5)	
Depreciation Reserve		50,000

At the end of Year 1, the right-of-use asset is $200,000 ($250,000 - $50,000) and the lease liability is $206,825 ($250,000 + $15,825 - $59,000).

At the end of Year 5, the right-of-use asset is amortized to $0 ($250,000 - $50,000 x 5) and has a liability of $60,190 relating to the last lease payment and termination penalty.

You terminate the lease with the Period End Liability option set to Yes and make the final lease payment. Because the termination occurs at the end of the lease term, there is no gain or loss on this transaction.

Year 5:

This table shows the accounting entry for interest on liability:

Accounts	Debit Amount (USD)	Credit Amount (USD)
Lease Interest Expense	3,810 (interest amount)	
Lease Liability		3,810
Lease Liability	64,000 (lease payment)	
Lease Clearing		64,000

This table shows the retirement accounting entry:

Accounts	Debit Amount (USD)	Credit Amount (USD)
Depreciation Reserve	250,000	
Right-of-Use Asset		250,000

This table shows the lease invoice accounting entry:

Accounts	Debit Amount (USD)	Credit Amount (USD)
Lease Clearing	64,000	
Supplier Liability		64,000

This table shows the lease invoice payment accounting entry:

Accounts	Debit Amount (USD)	Credit Amount (USD)
Supplier Liability	64,000	

Accounts	Debit Amount (USD)	Credit Amount (USD)
Bank		64,000

If the termination penalty is $6,000, then the increase or decrease in liability is first calculated and then reflected in the accounting entries.

In year 5, the lease liability to be retired is calculated as the current liability at the start of the period ($60,190), minus the principal reduction for current period payments ($60,190), plus the increase in the termination penalty ($1,000).

In this example, the increase or decrease in liability is 1,000.

This table shows the accounting entry for interest on liability:

Accounts	Debit Amount (USD)	Credit Amount (USD)
Lease Interest Expense	3,810 (interest amount)	
Lease Liability		3,810
Lease Liability	65,000 (lease payment amount + increase or decrease in liability)	
Lease Clearing		65,000

This table shows the retirement accounting entry:

Accounts	Debit Amount (USD)	Credit Amount (USD)
Depreciation Reserve	250,000	
Right-of-Use Asset		250,000
Lease Liability		1,000
Gain or Loss	1,000 (increase or decrease in liability)	

This table shows the lease invoice accounting entry:

Accounts	Debit Amount (USD)	Credit Amount (USD)
Lease Clearing	65,000	
Supplier Liability		65,000

This table shows the lease invoice payment accounting entry:

Accounts	Debit Amount (USD)	Credit Amount (USD)
Supplier Liability	65,000	
Bank		65,000

Group Assets

Group Asset Depreciation

In many countries, local tax regulations require companies to depreciate assets in a composite or aggregate form, rather than individually, for each asset.

You can use the Group Depreciation feature to set up logical groupings of assets based on regulatory requirements and your own business needs. These logical groupings of assets are called group assets.

Group asset depreciation helps you to:

- Reduce data entry requirements because you define depreciation parameters at the group asset level rather than at the individual asset level.
- Handle complex transactions for group assets and their member assets.

For example, let's say you work for a major corporate enterprise and your company wants to pool together collections of similar assets to ease financial reporting. You can add many individual assets to the group that were placed in service in different years, but maintain only one depreciation amount for the group. Usually, the Calculate Depreciation process calculates and stores depreciation amounts at the group level.

Use the Group Depreciation feature to help you to accommodate many global regulatory requirements, including:

- United States Telecommunications (FCC) and Utility (FERC) compliance reporting.
- Canada Capital Cost Allowance (CCA) compliance reporting.
- Indian group asset management and compliance reporting.

Related Topics

- Set Up Group Assets in the Corporate Book
- Enable the Allow Group Asset Lookup for Your Book
- Guidelines for Defining Group Asset Rules in Your Corporate Book

Group Assets

A group asset is a collection of member assets. Member assets are the individual assets that belong to a group asset.

You can transfer member assets in or out of a group asset, and transfer member assets between group assets. The group asset cost is equal to the sum of all the member asset costs.

Use the asset type Group only for group assets. This table shows the assets supported by each asset type:

Asset	Description	Asset Type
Group Asset	An asset containing a collection of member assets.	Group
Member Asset	An asset that's part of a group asset.	Capitalized or CIP
Individual Asset	A standalone asset that doesn't belong to a group asset.	Capitalized, CIP or Expensed.

Related Topics

- Set Up Group Assets in the Corporate Book
- Enable the Allow Group Asset Lookup for Your Book
- Guidelines for Defining Group Asset Rules in Your Corporate Book

Guidelines for Creating Group and Member Assets

Keep the following points in mind when creating group and member assets:

- Capitalized and CIP assets can be members of a group asset if they belong to the same corporate book.
- Carefully evaluate all group asset attributes based on your business requirements before creating group assets. Once you add members to a group, you can't update these attributes.
- When you define depreciation rules for a group asset, the group asset rules supersede those of the associated member assets.
- When you perform transactions to member assets, such as additions, adjustments, and group reclassifications, these transactions are treated as amortized adjustments to the member assets. Note that you can't perform expensed adjustments to group assets.
- When you retire a member asset, it reduces the cost of the group asset and therefore, reduces the accumulated depreciation based on the retirement option you selected.
- The application uses the group asset date placed in service to determine when a group asset starts depreciating. You can't update this date once the group asset begins depreciating.
- You can add member assets with a date placed in service that's different than that of its group asset, but the date placed in service of the member asset can't be older than the date placed in service of the group asset.
- If you add a member asset with a prior period date placed in service, the application treats the member asset addition as an amortized cost adjustment to the group asset from the date placed in service of the member asset.
- When you add a CIP member asset to a group asset, the application doesn't add the CIP member asset cost to the group asset until the CIP member asset is capitalized. This rule doesn't apply when you enable the Allow

CIP depreciation option on the Create Book page. You can add the CIP member asset cost to the group asset by setting the Depreciate By option to Group method on the Edit Category page.

- You can perform unplanned depreciation on member assets only if you specify a Tracking Method on the Create Category or Edit Category page.
- The application stores and tracks the cost at the member asset level and summarizes the cost at the group asset level.
- The application tracks accumulated depreciation for the group asset only.
- After you add a member asset, you run the Create Accounting process with the Post to General Ledger option enabled, and the process posts the member asset cost to General Ledger for the individual member asset. The Group Asset Summary and Group Asset Detail reports display the accumulated depreciation of the member assets at the group level.

Create a Group Asset

This task shows you how to create a group asset in Oracle Assets.

1. Navigate to the Assets landing page.
2. Click the Add Asset panel tab.
3. In the Add Asset dialog box, enter these values:

Field	Value
Book	Your corporate book
Asset Type	Group
Category	The category appropriate for your group asset
Description	A description of the group asset
Cost	This field is disabled for group assets.
Units	Accept the default value of 1 or enter another value, if appropriate.
Expense Account	Your expense account
Location	The location of the group asset

4. Click **Next**.
5. In the Add Asset page, enter the in-service date. For group assets, you can enter a prior period date placed in service only during the period the asset is added. This date is used to identify the group depreciation start date.
6. In the Descriptive Details section, enter any necessary descriptive details. For group assets, these fields are disabled:
    - Parent Asset Number: You can't assign group or member assets as parent or child assets.
    - In physical inventory checkbox: Physical inventory isn't supported for group assets.

7. In the Assignments section, add any necessary assignments, such as the distribution set and employee number.

   Note: For a group asset with multiple distribution lines, you can specify different balancing segment values only if you enabled the Allow intercompany member option in the Edit Book page.

8. In the Financial Details section on the General tab, enter these values:

Field	Value
Salvage Value Type	Calculate the salvage value for a group asset using one of these methods: o Percent: The salvage value is calculated as a percentage of the group asset cost, as shown in this example: Group Asset Salvage Value = Group Asset Cost * Group Asset Salvage Value Percentage o Sum of member asset: The group asset salvage value is the total of all member asset salvage values.
Salvage Value Amount	This field is populated automatically when you choose Sum of member asset as the salvage value type.
Salvage Value Percent	Enter a salvage value percentage for the group asset. **Note:** This field applies only when you select Percent as the salvage value type.
Depreciation Method	If necessary, override the default value and enter the depreciation method and associated information, such as the life in years and months. Units of Production methods aren't allowed for group or member assets. **Note:** If you set the Over Depreciate field in the Group Asset Rules tab to Allow and Depreciate, you can't select straight line, table-based, formula-based, or flat-rate depreciation methods. If you set the Over Depreciate field to Allow, you can't select straight line and table-based depreciation methods.
Depreciate checkbox	Enable this checkbox if you want your group asset to depreciate. If the Depreciate checkbox isn't enabled, depreciation won't be calculated for the group asset.
Prorate Convention	This field displays the defaulted value entered in the Create or Edit Category page. You can change it, if necessary.
Prorate Date	This field displays the depreciation start date of the group asset, which is the same as the date placed in service of the group asset.
YTD Depreciation	Enter the year-to-date depreciation for the group asset. You can only update this field during the period the group asset is added, and if at least one member asset is assigned to the group asset.

9. In the Advance rules tab, optionally enter the Depreciation Limit Type. There are three depreciation limit options for the group asset:
   - None: No depreciation limit is set up for the group asset.
   - Percent: Depreciation limit is calculated as a percentage of the group asset cost. When using this option: Group asset depreciation limit = Group asset cost * depreciation limit percentage

- Sum of member asset: Group asset depreciation limit is the sum of the member asset's depreciation limit.

10. In the Group Asset Rules tab, specify your group asset rules. See the Specify Group Asset Rules topic for details on defining group asset rules.
11. Click **Submit**.

Related Topics

- Specify Group Asset Rules

Specify Group Asset Rules

Specify group asset rules in the Group Asset Rules tab in the Financial Details section of the Add Asset page.

This table lists the group asset rules and descriptions of how you set up these rules:

Name	Description
Recognize Gain or Loss	See the Group Asset Options topic in the Implementing Assets guide for information on this rule.
Recapture excess reserve checkbox	Enable this checkbox to indicate that the accumulated depreciation of a group asset can exceed its recoverable cost without triggering the recognition of a gain. See the Group Asset Options topic in the Implementing Assets guide for more information on this rule.
Limit net proceeds to cost checkbox	You can enable this checkbox only if Recognize Gain and Loss is set to Do not recognize. If you enable this checkbox, the amount of proceeds (net of cost of removal) that can be added to the accumulated depreciation is limited to the recoverable cost of the retiring member asset. See the Group Asset Options topic in the Implementing Assets guide for more information on this rule.
Terminal Gain or Loss	See the Group Asset Options topic in the Implementing Assets guide for information on this rule.
Reduction Rate Percent	Enter the percentage to use as the reduction rate. The application applies the reduction rate is when calculating the depreciable basis for a group asset. The reduction rate is set up as a default rate for the group asset. You can update the default reduction rate for the member asset when you perform a transaction on the member asset. It's used to satisfy the 50 percent rule in Canada and India. The Reduction Rate Percent field is enabled only for group assets and if the depreciation method used has the following depreciable basis rules: • Year End Balance with Positive Reduction Amount • Year End Balance with Half Year Rule
Addition option	Enable this option to apply the reduction rate to member asset addition transactions.
Financial transactions option	Enable this option to apply the reduction rate to member asset adjustment transactions.
Retirement option	Enable this option to apply the reduction rate to member asset retirement transactions.
Over Depreciate	In the Over Depreciate field, specify whether the group asset accumulated depreciation can exceed the group asset cost. Select one of these options: • Allow: The group asset accumulated depreciation can exceed the group asset cost, but depreciation stops for the group asset when the accumulated depreciation is greater than the recoverable cost.

Name	Description
	• Allow and depreciate: The group asset accumulated depreciation can exceed the group asset recoverable cost, and depreciation continues for the group asset until the group asset cost becomes zero. **Note:** This option is allowed only for rate-based depreciation methods. • Do not allow: The group asset accumulated depreciation can't exceed the group asset recoverable cost. The application checks whether the accumulated depreciation is greater than the recoverable cost whenever a transaction occurs that affects the group asset cost or accumulated depreciation, such as additions, adjustments, depreciation, retirements, and group reclassifications. This option is selected by default.
Tracking Method	See the Group Asset Options topic in the Implementing Assets guide for information on this rule.
Depreciate By	This field is available only if you select Calculate member asset amount as the tracking method. Use this field to select how member asset depreciation is calculated. Select one of these methods: • Group method • Member method See the Group Asset Options topic in the Implementing Assets guide for more information on this rule.
Sum member asset depreciation to group checkbox	If you enable this option, group depreciation is calculated as the sum of the calculated depreciation of all member assets.

Related Topics

- Group Asset Options

Add a Member Asset to a Group Asset

This task shows you how to enter a member asset into a group asset in Oracle Assets.

1. Navigate to the Assets landing page.
2. Click the **Add Asset** panel tab.
3. In the Add Asset dialog box, enter these values:

Field	Value
Book	Your corporate book
Asset Type	Capitalized or CIP
Category	The category for your member asset
Description	A description of the member asset
Cost	The cost of the member asset

Field	Value
Units	Accept the default value of 1 or enter another value.
Expense Account	Your expense account
Location	The location of the member asset

4. Click **Next**.
5. In the Add Asset page, enter the in-service date.
6. In the Descriptive Details section, enter any necessary descriptive detail information.
7. In the Assignments section, add any necessary assignments, such as the distribution set and employee number.
8. In the Financial Details section on the General tab, enter these values:

Field	Value
Salvage Value Type	Calculate the salvage value using one of these methods: o Percent o Amount
Salvage Value Amount	Enter the amount of the salvage value if you selected Amount as the salvage value type.
Salvage Value Percent	Enter the salvage value percentage if you selected Percent as the salvage value type.
Depreciation Method	If necessary, override the default value and enter the depreciation method and associated information, such as the life in years and months. Units of production methods aren't allowed for group or member assets. **Note:** If you set the Over Depreciate field in the Group Asset Rules tab to Allow and Depreciate, you can't select straight line, table-based, formula-based, or flat-rate depreciation methods. If you set the Over Depreciate field to Allow, you can't select straight line and table-based depreciation methods.
Life in Years and Life in Months	Enter values for the life of the member asset.
Depreciate checkbox	Enable the **Depreciate** checkbox. In general, enabling the **Depreciate** checkbox for a member asset has no impact on the group asset depreciation calculation. However, if you set up the Member Asset Tracking option to be Calculate Member Asset Amount for the group asset, the application won't calculate member asset depreciation unless the **Depreciate** checkbox is enabled for the member asset.
Prorate Convention	This field displays the defaulted value entered in the Create or Edit Category page.
Prorate Date	This field displays the depreciation start date of the group asset, which is the same as the date placed in service of the group asset.
YTD Depreciation and Depreciation Reserve	Ensure both fields have a value of 0.00.

Field	Value
	Note: If the YTD Depreciation and Depreciation Reserve fields are populated with values other than 0, the Group Asset Number field is disabled, and you can't add the member asset to a group asset.
Group Asset Number	Select the group asset number you want to add the member asset to. **Note:** The **Amortize** checkbox in the Transaction Details section is enabled automatically when you add the asset to a group. The amortization start date defaults to the last day in the current open period. All member additions are amortized transactions for the group asset. The amortization start date can be any date from the date placed in service of the member asset until the current open period.
Reduction Rate Percent	The Reduction Rate Percent field is enabled for the member asset only if it's enabled for the group asset, and it defaults to the reduction rate setup of the group asset. You can override the default reduction rate for each transaction, if necessary.

9. In the Advance rules tab, optionally enter these values:

Field	Value
Depreciation Limit Type	○ None ○ Amount ○ Percent
Depreciation Limit Amount	Enter an amount if you selected Amount as the depreciation limit type.
Depreciation Limit Percent	Enter a percentage if you selected Percent as the depreciation limit type.

10. Click **Submit**.

Add a Standalone Asset to a Group Asset

This task shows you how to add an existing standalone asset to a group asset.

1. Navigate to the Assets landing page.
2. Click the **Adjust Assets** panel tab.
3. Search for the asset you want to add to a group asset.
4. Click **Actions** > **Change Group Asset**.
5. In the Transaction Details section on the Change Group Asset page, the amortization start date defaults to the last day of the current open period. You can change the date if necessary. The amortization start date can be any date from the date placed in service of the member asset through the current open period. All member additions are amortized transactions for the group asset.
6. In the Change Details section on the Change Group Asset page, select the group asset you want to add the standalone asset to in the Group Asset Number field.
7. Click **Submit**.

Guidelines for Copying Group Assets to the Tax Book

When you copy assets to your tax book using the Perform Initial Mass Copy process or the Perform Periodic Mass Copy process, the tax rule settings you specified in the Create Book or Edit Book page reflect how the application copies group assets.

If you allow group assets in your tax book, the mass copy process results in the following:

Group Assets Allowed in Corporate Book	Mass Copy Results
Yes	The process copies group and member assets to the tax book based on the mass copy options you specify in the Tax tabbed region in the Rules section of the Edit Book page.
No	If group assets aren't allowed in the corporate book, you can't allow them in the tax book, so no group assets are copied by the mass copy process.

If you don't allow group assets in the tax book, mass copy results in the following:

Group Assets Allowed in Corporate Book	Mass Copy Results
Yes	Group assets aren't copied to the tax book. The mass copy process copies all member assets to the tax book as standalone assets.
No	If group assets aren't allowed in the corporate book, you can't allow them in the tax book, so no group assets are copied by the mass copy process.

Note: The mass copy process doesn't copy any type of group adjustment, including group reserve transfers, group retirement adjustments, and group unplanned depreciation.

Adjust Retirements for Group Assets

When you retire member assets that are part of a group asset, it may make sense to enter the cost of removal and proceeds of sale against the group, rather than apportioning the amounts to the individual member assets.

In addition, when you retire individual assets, the cost of removal and proceeds of sale aren't always known. In this case, you enter the cost of removal and proceeds of sale directly into the group asset, independent of any retirement transactions.

To enter the cost of removal and proceeds of sale directly into the group asset:

1. Search for the group asset.
2. Under **Actions**, select **Adjust Retirement**.
3. On the Adjust Retirement page, enter the cost of removal and proceeds of sale for the group asset.

4. Click Submit.

The Create Accounting process creates these journal entries:

Account Description	Debit	Credit
Group Asset Accumulated Depreciation	Cost of Removal	
Cost of Removal		Cost of Removal
Proceeds of Sale	Proceeds of Sale	
Group Asset Accumulated Depreciation		Proceeds of Sale

Acquire Assets FAQs

What's a CIP asset?

You create and maintain construction-in-process (CIP) assets as you spend money for raw materials and labor to construct them.

CIP assets don't depreciate. When you finish building a CIP asset, you place it in service and begin calculating depreciation for the asset.

You can track CIP assets in Oracle Assets, or you can track detailed information about your CIP assets in Oracle Projects.

How can I save an addition or retirement transaction in draft mode?

You can store your asset additions or retirements before processing the transactions. Save the transaction as a draft by clicking **Save** instead of **Submit**.

How can I add an expensed asset?

On the Assets page, click the Add Asset panel tab and select the Asset Type Expensed. Make sure the category you select is an expensed category and continue adding the asset as you normally would.

Note: When setting up expensed categories, the **Capitalize** checkbox isn't checked and any assets added to this category aren't depreciated. Before adding an expensed asset, ensure that the expensed category is assigned to the asset book.

How can I enable the Calculate monthly accrued interest option?

Enable the Calculate monthly accrued interest option in the Change Financial Terms page. Remember that you can't modify any other lease attributes while enabling this option. Also, you can enable or disable this option only during the period in which the lease is added.

3 Asset Transactions

Manage Financial Transactions

Adjustments

Perform adjustments to correct or update financial and depreciation information for a single asset or for multiple assets.

Adjustments can be as follows:

Transaction Type	Description
Change financial details	Perform adjustments to change information such as the asset cost, salvage information, and depreciation information.
Transfer source lines	Transfer source lines between capitalized assets, construction-in-process (CIP) assets, capitalized and CIP assets, and CIP and capitalized assets.
Add source lines	Add source lines to assets. Only manual source lines can be added to CIP assets.
Change source lines	Change all information for manual source lines. For source lines from source systems such as Oracle Payables and Oracle Projects, you can't change any information.
Change category	Change the asset category along with its descriptive flexfield information.
Suspend depreciation	Stop calculating depreciation for the specified assets.
Resume depreciation	Resume depreciating assets for which depreciation was previously suspended.
Enter unplanned depreciation	Enter the negative or positive unplanned depreciation for the current open period.
Delete asset	Delete assets added in the current period.
Change group asset	Assign a standalone asset as a member of a group asset, transfer member assets from one group asset to another group asset, or make a member asset a standalone asset.
Transfer reserve	Move reserve from one group asset to another group asset.

A cost adjustment includes any adjustment that affects the recoverable cost, including a change in:

- Cost
- Salvage value

- Depreciation
- Depreciation expense
- Investment tax credit ceilings
- Bonus rules

Perform cost adjustments manually or automatically by adding a mass addition to an existing asset.

If you change financial information after you have run depreciation, you must choose one of the following:

- Expense
- Amortize

Expensed Adjustments

For expensed adjustments, Oracle Assets recalculates depreciation using the new information and expenses the entire adjustment amount in the current period. Expensed adjustments result in a one-time adjusting journal entry.

Amortized Adjustments

You can set up amortized adjustments to have a retroactive start date by changing the default amortization start date (usually the system date) to a date in a previous period. Any adjustment amount missed since the amortization start date is taken in the current period.

If you amortize an adjustment for an asset, you can't expense any future adjustments for that asset in that book.

- Method adjustments
    - For amortized method changes, Assets doesn't recalculate accumulated depreciation, but uses the new information for the remaining time that the asset is in service.
    - For table and calculated methods, Assets depreciates the cost minus the accumulated depreciation over the remaining life of the asset.
    - For diminishing value methods, Assets calculates depreciation based on the recoverable net book value of the asset as of the period that you make the change.
    - If, instead, your depreciation method multiplies the flat-rate by the cost, Assets begins using the new information to calculate depreciation.
    - For life-based or capacity-based methods, Assets spreads the adjustment amount over the remaining life or capacity of the asset.
    - For flat-rate methods, Assets starts depreciating the asset using the new information.

      If, instead, your depreciation method multiplies the flat-rate by the cost, Assets begins using the new information to calculate depreciation.
- Bonus adjustments
    - For assets with a cost-based depreciation basis, the bonus rate is applied to the cost.
    - For assets with a net book value depreciation method basis, the bonus rate is applied to the cost minus the total reserve (accumulated depreciation and bonus reserve).

Guidelines for Changing Financial and Depreciation Information

You can correct errors or update financial and depreciation information for one or more assets. You can also override depreciation information for an asset while adding it.

You can update financial information:

- In the period of addition
- In the period after the period of addition

Change Financial Information in the Period of Addition

You can change all financial information during the period in which an asset was added.

Change Financial Information in the Period After the Period of Addition

In any period after the one in which you added the asset, you can change any of the following:

- Asset cost
- Salvage value
- Prorate convention
- Depreciation method
- Life
- Rate
- Bonus rule
- Depreciation ceiling

When changing financial information, you can:

- Adjust the same fields on fully reserved assets that you can adjust on assets for which you ran depreciation.
- Choose whether to amortize or expense the adjustment.

If the asset is fully retired, you can't change any fields.

Change Financial Details of an Asset

In this example, you change the depreciation method and amortize the remaining cost over the remaining life of the asset.

Let's say your company transferred an asset with the description Crank Shaft Machinery from the light vehicle product line to the heavy vehicle product line. You need to:

- Change the depreciation method of the asset when it's transferred from the VEHICLE-OWNED STANDARD category to the VEHICLE-OWNED HEAVY category.
- Change the useful life to 6 years.

- Change the salvage value amount to 2750.
- Amortize the remaining cost over the remaining life of the asset.

Change Financial Details

1. On the Assets page, click the **Adjust Assets** panel tab.
2. On the Adjust Assets page, search for the Crank Shaft Machinery asset and select it.
3. Click **Change Financial Details**.
4. On the Change Financial Details page, click the **Amortize** checkbox.
5. Enter these values:

Field	Value
Depreciation Method	STL
Life in Years	6
Salvage Value Amount	2750.00

6. Click **Submit**.
7. On the Adjust Assets page, click the linked asset number and verify that the depreciation method, life in years, and salvage value are changed.

Change Categories

Change the category for assets to update information, correct data entry errors, or when consolidating categories.

While changing the category you can also enter descriptive flexfield information for the new category. You can't change the category for fully retired assets.

When changing categories, consider the impact of the following:

- Journal entries
- Depreciation rules

Journal Entries

When you change the category of an asset in a period after the period you entered it, Oracle Assets creates journal entries to transfer the cost and accumulated depreciation to the asset cost and accumulated depreciation accounts of the new asset category. This occurs when you create journal entries for your general ledger.

Depreciation Rules

Changing the category doesn't default the depreciation rules to the default rules from the new category. You need to manually change the depreciation rules in your books. You can also perform mass adjustments to change the category and the depreciation rules for a large number of assets.

Source Lines

Source lines help you track information about where assets came from, including sources such as invoice lines from your accounts payable application and capital assets from Oracle Projects.

Each source line might include the following information:

- Cost
- Invoice number
- Line
- Description
- Purchase order number
- Source batch
- Project number
- Task number

Change Source Line Information

Here are the rules for changing source line information for construction-in-process (CIP) assets and capitalized assets:

- Manually entered: You can change all information.
- Feeder application, such as Projects or Oracle Payables. You can't change any information.

Source Line Transfers

You can transfer individual source lines or use the mass transfers interface table to transfer multiple source lines between assets.

The following table shows the different types of source line transfers you can perform:

Transfer From	Transfer To
Capitalized asset	Capitalized asset
CIP asset	CIP asset
Capitalized asset	CIP asset
CIP asset	Capitalized asset
Expensed asset	Expensed asset

You can't transfer source lines from an expensed asset to a CIP or capitalized asset, and you can't transfer a CIP or capitalized asset to and expensed asset.

You can choose whether to amortize or expense the source line transfer for both source and destination capitalized assets.

When you transfer source lines you adjust the recoverable cost of an asset. Oracle Assets calculates depreciation based on the asset type transferred:

Transfer Type	Processing
Capitalized to CIP assets	Assets removes some of the depreciation from the capitalized asset, because CIP assets don't depreciate.
CIP to capitalized assets	Assets can process catch-up depreciation for the capitalized asset.

Transfer Source Lines from CIP Assets to Capitalized Assets

This example illustrates how to record a source line transfer between a CIP asset and a capitalized asset.

Scenario

Acme Company purchases two heavy machines from Bosch Germany. These machines were imported as different parts and assembled at their factory location. Two construction-in-process (CIP) assets were created to track the cost of these assets during the installation period.

Acme Company installed the assets one by one. The company completed the installation of the first asset in January, 2013 and capitalized it. In February, 2013, the asset accountant found that the freight charge of USD $56,000 for transporting the machinery parts from the port to factory was fully included in the second machinery asset, which is currently being installed.

The asset accountant performs an expensed source line transfer from the CIP asset to the capitalized asset to move the part of the freight changes from the second machine to the first machine.

Transaction Details

Machine 1 contains ten source lines with various amounts. The total of the ten source lines is USD 1,200,000, capitalized.

Machine 2 contains eight source lines forming part of the CIP asset. The total of the eight source lines is USD 985,000. The source line for the freight is USD $56,000.

The freight source line is transferred from machine 2 to machine 1, for an amount of 28,000.

Because the parts imported for both the machines are the same, the freight charges incurred must be allocated equally between the two assets. Machine 1 was capitalized in the last period. Therefore, the depreciation for the freight charge included on the asset cost must be calculated from the last period. To achieve this the source line transfer transaction must be expensed and should not be amortized.

Results of Source Line Transfer

The cost of the capitalized asset after the source line transfer is as follows:

Amount	Machine 1	Machine 2
Current cost	1,200,000	985,000
Source line transferred out	28,000	None
Source line transferred in	None	-28,000
Total	1,228,000	957,000

The following accounting entry is generated for this transfer:

Account	DR	CR
Asset Cost Account	28,000	None
CIP Cost Account	None	28,000

Create a Mass Source Line Transfer

In this example, you transfer multiple source lines in a single transaction.

Enter Mass Source Line Transfer Information

1. On the Assets page, click the **Adjust Assets in Spreadsheet** panel tab.
2. Enter the **Book**, for example: OPS CORP
3. Enter Source Line Transfer in the **Transaction Type** field.
4. Enter New source line transfer in the **Transaction Group** field.
5. Click **Next**.
6. Enter your environment login information and click **Submit**.
7. On the Mass Source Line Transfers spreadsheet, enter a **Batch Name**, for example: New Source Line Batch
8. On the Mass Source Line Transfers spreadsheet, enter these values:

Field	Row 1 Value	Row 2 Value
Interface Line Number	1	2
Posting Status	Post	Post

Field	Row 1 Value	Row 2 Value
Asset Number **Note:** Enter values directly or double click the cell to bring up a search window.	0001	0002
Amortize	Yes	Yes
Amortization Start Date	01/31/2012	01/31/2012
Transfer Amount	$1000	$500
Asset Number (Destination)	0003	0004

9. Verify that all of the source line information is correct.
10. Click **Save and Post Transactions**.

Update Source Lines

You enter source lines manually or import them from a feeder system such as Oracle Payables. You can update both manually entered and feeder system source lines in Oracle Assets.

You can update the descriptive flexfield of a source line for both construction-in-process (CIP) and capitalized assets.

CIP Assets	Capitalized Assets
You can: • Update all the fields of manually entered invoice (source) lines. • Change only the description and line amount of source lines imported from a feeder system.	You can: • Update all the fields of manually entered invoice lines except the line amount. • Change only the description of source lines imported from a feeder system.

Guidelines for Suspending and Resuming Depreciation

You can suspend or resume the depreciation of an asset.

Note: If you suspend depreciation of an asset when the asset is added, Assets expenses the missed depreciation in the period in which the depreciation for the asset is enabled.

Calculation of the missed depreciation varies depending on which of the following types of depreciation methods you use:

Method Type	Explanation
Table and calculated methods	• Assets calculates depreciation expense for the asset based on an asset life that includes the periods not depreciated. • If depreciation was suspended after an asset started depreciating, Assets catches up the missed depreciation expense in the last period of the asset's life.
Flat-rate methods	• Assets continues calculating depreciation expense for the asset based on the flat-rate. • For flat-rate methods that use the net book value, Assets uses the asset net book value at the beginning of the fiscal year in which you resume depreciation. The asset continues depreciating until it becomes fully reserved.

Suspend Depreciation

This task shows you how to suspend depreciation for a specific asset.

1. In the Assets landing page, click the Adjust Assets panel tab.
2. In the Adjust Assets page, search for the asset that you want to suspend depreciation for.
3. Select the asset row.
4. Click **Actions** > **Suspend Depreciation**.
5. In the Suspend Depreciation dialog box, enter details about the depreciation suspension.
6. Click **OK**.

Related Topics

- Guidelines for Suspending and Resuming Depreciation

Resume Depreciation

This task shows you how to resume depreciation for a specific asset.

1. In the Assets landing page, click the Adjust Assets panel tab.
2. In the Adjust Assets page, search for the asset for which depreciation was suspended and that you now want to resume depreciation for.
3. Select the asset row.
4. Click **Actions** > **Resume Depreciation**.

5. In the Resume Depreciation dialog box, enter details about the depreciation resumption.
6. Click **OK**.*Guidelines for Suspending and Resuming Depreciation*

Related Topics

Suspend or Resume Depreciation Using an Integrated Workbook

Use the Manage Mass Suspend or Resume Depreciation integrated workbook to suspend or resume depreciation for multiple assets.

1. Open the integrated workbook by clicking the **Adjust Assets in Spreadsheet** panel tab.
2. Select the transaction type, either **Suspend depreciation** or **Resume depreciation**.
3. Enter a transaction group name.
4. Click **Next** and then click **OK**.
5. Enter your sign in information when prompted.
6. Enter the required information and any optional information, if necessary.
7. When you're finished:
    - Click **Save**.
    - Click **Save and Post Transactions** if you're ready to post the transactions.

Related Topics

- Set Up Desktop Integration for Excel
- Guidelines for Using Desktop Integrated Excel Workbooks
- Troubleshoot Desktop Integration for Excel

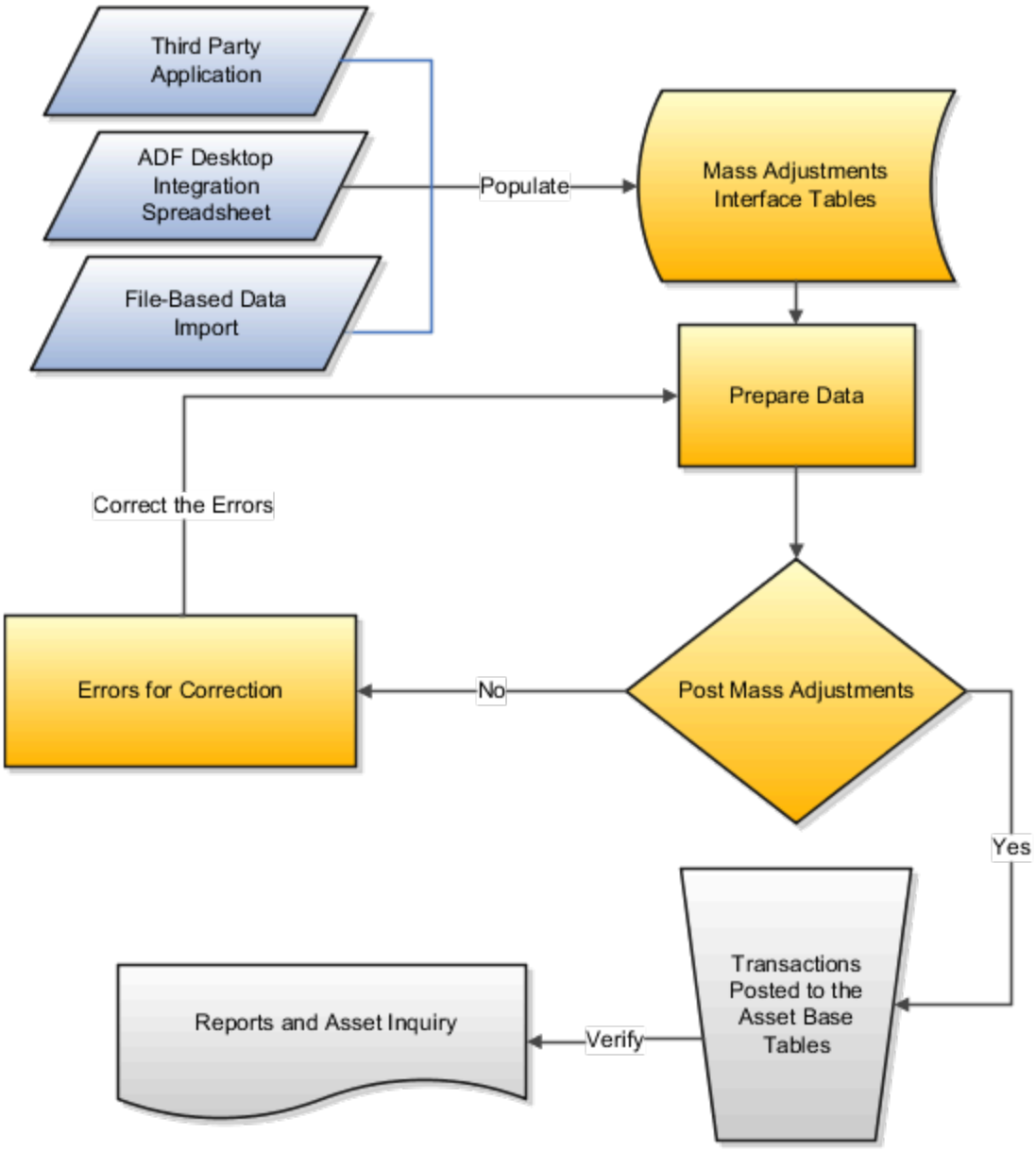
How Fixed Asset Mass Adjustments Import Data Is Processed

Use the Fixed Asset Mass Adjustments Import process to perform the following mass adjustments:

- Adjust financial details
- Change categories
- Change depreciation rules
- Suspend and resume depreciation
- Perform unplanned depreciation
- Transfer source lines
- Delete assets
- Capitalize and reverse capitalize assets
- Transfer reserve
- Change group assets
- Add source lines
- Edit source lines
- Delete source lines

You can download a mass adjustments spreadsheet template to use to prepare your data. The template contains an instruction sheet to help guide you through the process of entering your information.

This figure contains the flow for creating mass adjustment transactions and posting them to Oracle Assets.



To access the template, complete the following steps

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click **File-Based Data Imports**.
3. Click **Fixed Asset Mass Adjustments Import**.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.

- Don't change the order of the columns in the template.
- You can hide or skip the columns you don't use, but don't delete them.

Settings That Affect the Mass Adjustments Import Template

The Mass Adjustments import template contains an instructions tab, plus three tabs that represent the tables where the data is loaded:

Spreadsheet Tab	Description
Instructions and CSV Generation	Contains instruction information about preparing and loading data, the format of the template, submitting the Post Mass Financial Transactions process, and correcting import errors.
FA_ADJUSTMENTS_T	Enter information about the financial information for the assets. Based on the transaction type, the Post Mass Financial Transactions process inserts rows into the base tables for any rows that are in a status of Post.
FA_ADJ_SRC_LINES_T	Enter information about the source line and invoice information, such as the invoice cost and the asset cost clearing account that will be used for source line adjustments.
FA_ADJ_RATES_INT_V	Specify conversion rates for both adjustment and invoice addition transactions. Enter reporting currency rates for corporate books or secondary ledger rates for tax books. Both source line and nonsource line cost adjustments are supported. **Note:** For invoice additions with multiple source lines and rates, use the Fixed Asset Mass Additions Import template.

Note: For Adjustment transactions, the cost entered in the FA_ADJUSTMENTS_T sheet can represent either the adjustment amount or the new total cost, depending on whether a conversion rate or amount is provided:

- With a conversion rate or amount: It represents the adjustment amount by which the current asset cost will be increased or decreased. It doesn't represent the new total cost of the asset after the adjustment.
- Without a conversion rate or amount: It represents the new total cost of the asset after the adjustment, which is the behavior prior to the introduction of the Direct Asset Transactions in Secondary Ledger Tax Books with Different Currency feature, and it continues to apply after this feature as well.

How Mass Adjustments Are Processed

To submit the Post Mass Financial Transactions process:

1. Navigate to the Assets page.
2. Select the **Adjustments** infotile.
3. Select the transactions and click **Post**.
4. If the Post Mass Financial Transactions process ends in error or warning, review the log file for details about the rows that caused the failure.

To correct import errors:

1. Click **Exceptions** on the Adjustments infotile.

2. Click **Prepare** to export all rows to a spreadsheet.
3. Review and correct the errors in the spreadsheet and set the queue to Post for the corrected rows.
4. Once all the rows with errors are corrected, click **Save and Post Transactions**.
5. Repeat the submission and error correction steps in this section until all rows are imported successfully and the assets are adjusted.

The following table shows errors that may occur during the Post Mass Financial Transactions process and their solutions:

Error	Solution
The Calculate Depreciation process ran with errors.	Fix the errors and resubmit the Calculate Depreciation process. When the Calculate Depreciation process runs successfully, resubmit the Post Mass Financial Transactions process.
The Calculate Depreciation process is currently running for the corporate book.	Wait until The Calculate Depreciation process completes successfully, and then resubmit the Post Mass Financial Transactions process.

The following posting statuses are applicable to mass adjustments:

Posting Status	Meaning
New	Indicates that the data is new and may require additional information before adjustments can take place in the Post Mass Financial Transactions process.
On Hold	Indicates that the data should remain unprocessed by the Post Mass Financial Transactions process until it's set to a posting status of Post.
Post	Indicates that the data is ready for final posting to take place in the Post Mass Financial Transactions process.
Error	Indicates that the data was invalid and won't be submitted for processing in the Post Mass Financial Transactions process. You can set the records with errors to Delete if they must be removed from the database.
Delete	Indicates that the data won't be submitted for posting in the Post Mass Financial Transactions process.

Related Topics

- Guidelines for Creating Mass Transactions
- Enter Mass Depreciation Rules

Unplanned Depreciation

Unplanned depreciation is primarily used to comply with special depreciation accounting rules in Germany and the Netherlands.

You also can use unplanned depreciation to handle unusual accounting situations in which you need to adjust the net book value and accumulated depreciation amounts for an asset without affecting its cost.

Enter unplanned depreciation amounts by asset in either the corporate or tax book for any current period during the useful life of an asset. When you enter unplanned depreciation, Oracle Assets immediately updates:

- The year-to-date and life-to-date depreciation
- The net book value of the asset

You can change the depreciation method after entering unplanned depreciation.

Unplanned Depreciation Expense

When entering unplanned depreciation expense:

- The unplanned depreciation expense you enter must not exceed the current net book value of the asset.

  You can enter multiple unplanned depreciation amounts, both positive and negative, in a single period, as long as the net amount doesn't exceed the current net book value of the asset. Thus, it's possible to enter unplanned amounts to back out depreciation taken in prior periods, including previously entered unplanned depreciation amounts.
- Assets uses the unplanned depreciation amount, in addition to regular depreciation, to calculate depreciation for the period in which you entered the unplanned depreciation.

  When you create journal entries for the general ledger, Assets posts the expense due to unplanned depreciation to the selected account.

Assets uses the unplanned depreciation amount, in addition to regular depreciation, to calculate depreciation for the period in which you entered the unplanned depreciation. When you create journal entries for the general ledger, Assets posts the expense due to unplanned depreciation to the account you selected when you entered the unplanned depreciation for the asset.

Restrictions

When entering unplanned depreciation, keep in mind the following restrictions:

- Expensed adjustments: You can't perform expensed adjustments to assets for which you have previously entered unplanned depreciation and have since amortized the amount. You can, however, perform expensed adjustments to the asset until you choose to amortize the unplanned depreciation amount.
- Assets shared between balancing segments: You can't enter unplanned depreciation for assets shared between balancing segments. In other words, you can't allocate unplanned depreciation amounts to specific distributions of an asset. Assets posts the unplanned depreciation expense only to the depreciation expense account you enter.
- Table-based depreciation methods: You can't enter unplanned depreciation for assets that use table-based depreciation methods. If you need to enter unplanned depreciation for an asset that depreciates using a table-based method, you must first change the depreciation method to a method that isn't table-based.
- Prior period retirements: You can't perform prior period retirements to assets with unplanned depreciation amounts.
- Mass changes: You can't perform a mass change to assets with unplanned depreciation amounts.

Enter Unplanned Depreciation

This example illustrates how to enter unplanned depreciation without amortizing the unplanned depreciation amount.

Scenario

To expand its production level, Acme Company buys a new production stamping press machine: press B. During year 2, quarter 4, the old stamping press A has an unexpected failure and stops its production. Stamping press B covers the production gap, producing in a second additional shift for a temporary time.

Estimated Depreciation

The initial expectation is that stamping press B will be productive for 5 years and will reduce the work of stamping press A. However, the additional effort of covering the production gap increases the depreciation of stamping press B by an estimated 10,000 EUR.

Initially, you set up stamping press B with the following values:

Field	Value
Life span	5 years
Cost	120,000 EUR
Depreciation method	Straight line
Salvage value	None
Calendar	Four periods per year

In year 2, quarter 4 you enter an unplanned depreciation amount of 10,000 EUR. You choose to not amortize the unplanned amount this period.

Depreciation Results by Quarter

The following table shows quarterly depreciation amounts for the first seven quarters:

Year of Life	Net Book Value (Start of Period)	Depreciation Expense	Unplanned Depreciation	Accumulated Depreciation
Year 1, Quarter 1	120,000 EUR	6,000 EUR	0 EUR	6,000 EUR
Year 1, Quarter 2	114,000 EUR	6,000 EUR	0 EUR	12,000 EUR
Year 1, Quarter 3	108,000 EUR	6,000 EUR	0 EUR	18,000 EUR

Year of Life	Net Book Value (Start of Period)	Depreciation Expense	Unplanned Depreciation	Accumulated Depreciation
Year 1, Quarter 4	102,000 EUR	6,000 EUR	0 EUR	24,000 EUR
Year 2, Quarter 1	96,000 EUR	6,000 EUR	0 EUR	30,000 EUR
Year 2, Quarter 2	90,000 EUR	6,000 EUR	0 EUR	36,000 EUR
Year 2, Quarter 3	84,000 EUR	6,000 EUR	0 EUR	42,000 EUR

After you enter the unplanned depreciation amount in year 2 quarter 4, the stamping press continues to depreciate at the same rate per period, as shown in the following table. This depreciation rate continues until you choose to amortize the unplanned depreciation or make an amortized adjustment.

Year of Life	Net Book Value (Start of Period)	Depreciation Expense	Unplanned Depreciation	Accumulated Depreciation
Year 2, Quarter 4	78,000 EUR	6,000 EUR	10,000 EUR	58,000 EUR
Year 3, Quarter 1	62,000 EUR	6,000 EUR	0 EUR	64,000 EUR
Year 3, Quarter 2	56,000 EUR	6,000 EUR	0 EUR	70,000 EUR
Year 3, Quarter 3	50,000 EUR	6,000 EUR	0 EUR	76,000 EUR
Year 3, Quarter 4	44,000 EUR	6,000 EUR	0 EUR	82,000 EUR
Year 4, Quarter 1	38,000 EUR	6,000 EUR	0 EUR	88,000 EUR
Year 4, Quarter 2	32,000 EUR	6,000 EUR	0 EUR	94,000 EUR
Year 4, Quarter 3	26,000 EUR	6,000 EUR	0 EUR	100,000 EUR
Year 4, Quarter 4	20,000 EUR	6,000 EUR	0 EUR	106,000 EUR
Year 5, Quarter 1	14,000 EUR	6,000 EUR	0 EUR	112,000 EUR
Year 5, Quarter 2	8,000 EUR	6,000 EUR	0 EUR	118,000 EUR
Year 5, Quarter 3	2,000 EUR	6,000 EUR	0 EUR	120,000 EUR

Enter Unplanned Depreciation Amortized Beginning in the Following Period

This example illustrates how to enter unplanned depreciation and begin amortizing the unplanned depreciation amount in the period after entering the unplanned depreciation.

Scenario

To expand its production level, Acme Company buys a new stamping press machine: press B.

Estimated Depreciation

The initial expectation is that stamping press B will be productive for 5 years and will reduce the work of stamping press A. However, the additional effort of covering the production gap increases the depreciation of stamping press B by an estimated 10,000 EUR.

Initially, you set up stamping press B with the following values:

Field	Value
Life span	5 years
Cost	120,000 EUR
Depreciation method	Straight line
Salvage value	None
Calendar	Four periods per year

In year 2, quarter 4 you enter an unplanned depreciation amount of 10,000. You choose to amortize the unplanned depreciation expense over the remaining life of the asset, starting in the period following the unplanned depreciation.

Depreciation Results by Quarter

The depreciation expense per period equals the net book value divided by the remaining periods in the life of the asset.

The asset is fully reserved at the end of the useful life.

The following table shows the quarterly depreciation amounts:

Year of Life	Net Book Value (Start of Period)	Depreciation Expense	Unplanned Depreciation	Accumulated Depreciation
Year 2, Quarter 1	96,000 EUR	6,000 EUR	0 EUR	30,000 EUR

Year of Life	Net Book Value (Start of Period)	Depreciation Expense	Unplanned Depreciation	Accumulated Depreciation
Year 2, Quarter 2	90,000 EUR	6,000 EUR	0 EUR	36,000 EUR
Year 2, Quarter 3	84,000 EUR	6,000 EUR	0 EUR	42,000 EUR
Year 2, Quarter 4	78,000 EUR	6,000 EUR	10,000 EUR	58,000 EUR
Year 3, Quarter 1	62,000 EUR	5,167 EUR	0 EUR	63,167 EUR
Year 3, Quarter 2	56,833 EUR	5,167 EUR	0 EUR	68,334 EUR
Year 3, Quarter 3	51,666 EUR	5,167 EUR	0 EUR	73,501 EUR
Year 3, Quarter 4	46,499 EUR	5,166 EUR	0 EUR	78,667 EUR
Year 4, Quarter 1	41,333 EUR	5,167 EUR	0 EUR	83,834 EUR
Year 4, Quarter 2	36,166 EUR	5,167 EUR	0 EUR	89,001 EUR
Year 4, Quarter 3	30,999 EUR	5,167 EUR	0 EUR	94,168 EUR
Year 4, Quarter 4	25,832 EUR	5,166 EUR	0 EUR	99,334 EUR
Year 5, Quarter 1	20,666 EUR	5,167 EUR	0 EUR	104,501 EUR
Year 5, Quarter 2	15,499 EUR	5,167 EUR	0 EUR	109,668 EUR
Year 5, Quarter 3	10,332 EUR	5,167 EUR	0 EUR	114,835 EUR
Year 5, Quarter 4	5,165 EUR	5,165 EUR	0 EUR	120,000 EUR

Alternate Scenario

Due to a seasonal shortage in production, stamping press B production was reduced. This change is reflected as a reduction in the depreciation of 5,000 EUR.

Analysis

In year 4, quarter 4, you enter another unplanned depreciation amount of -5,000, which partially reverses the previous unplanned depreciation. Oracle Assets amortizes the unplanned depreciation amount from the current period since you chose to amortize the unplanned depreciation from year 2, quarter 4 for the same asset.

Resulting Depreciation by Quarter

The following table shows quarterly depreciation amounts for years 4 and 5:

Year of Life	Net Book Value (Start of Period)	Depreciation Expense	Unplanned Depreciation	Accumulated Depreciation
Year 4, Quarter 1	41,333 EUR	5,167 EUR	0 EUR	83,834 EUR
Year 4, Quarter 2	36,166 EUR	5,167 EUR	0 EUR	89,001 EUR
Year 4, Quarter 3	30,999 EUR	5,167 EUR	0 EUR	94,168 EUR
Year 4, Quarter 4	25,832 EUR	6,166 EUR	<5,000> EUR	95,334 EUR
Year 5, Quarter 1	24,666 EUR	6,167 EUR	0 EUR	101,501 EUR
Year 5, Quarter 2	18,499 EUR	6,167 EUR	0 EUR	107,668 EUR
Year 5, Quarter 3	12,332 EUR	6,167 EUR	0 EUR	113,835 EUR
Year 5, Quarter 4	6,165 EUR	6,165 EUR	0 EUR	120,000 EUR

Units of Production Depreciation

For some assets, the only logical way to measure depreciation is by the quantity of the resources you expect to extract from the assets.

Examples:

- In a mine, the asset cost is the value of the minerals that are extracted.
- In an oil field, the asset cost is the value of the oil that's extracted.

The depletion of these resources is measured as depreciation.

Units of Production Methods Versus Other Methods

The following table shows how units of production depreciation methods differ from other methods:

Method	Description
Most methods, such as straight-line	Depreciation is divided over the asset life, regardless of use.
Units of production depreciation methods	Disregard the passage of time and depreciation is based only on how much you use the asset.

Basic Depreciation Calculation

For units of production depreciation methods, Oracle Assets uses the following to calculate depreciation:

- Asset cost
- Cost ceiling
- Salvage value
- Capacity
- Production entered for the period

Depreciation is calculated by dividing the production for the period by the capacity and multiplying by the recoverable cost.

Depreciation Expense = (Production for the Period / Capacity) X Recoverable Cost

Change the Depreciation Method

Keep the following in mind when changing depreciation methods:

- You can change the method from a calculated, table, or flat-rate method to a production method only in the period you add the asset.
- You can change the depreciation method from a production method to a calculated, table, or flat-rate method in the corporate book only if the asset doesn't use a production method in any associated tax book.

Because Assets only stores production amounts for an asset in the corporate book, keep in mind the following restrictions when changing depreciation information in the corporate or tax book:

Corporate Book	Tax Book	Allowed?
Production method	Production method	Yes
Production method	All types of methods	Yes
Any non-production method	Production method	No

Other Considerations

You can't use depreciation expense ceilings with the units of production depreciation method. Because depreciation for units of production assets is calculated based on actual production, if you resume depreciation for an asset, reinstate the asset, or perform a prior period transaction, there's no missed depreciation.

Restrictions

When using units of production methods, you can't:

- Use units of production methods for construction-in-process (CIP) assets.
- Enter a production quantity for an asset before its prorate date. If you use a prorate convention, such as actual months, with the prorate date as the first day of the month, you can enter the production quantity for all days in the period you added the asset.

- Enter or upload units of production assets with accumulated depreciation.

  Instead, add the asset with zero accumulated depreciation, and then provide the life-to-date production quantity as the current period production quantity. Assets uses the production amount you enter to calculate the catch-up depreciation.

Related Topics

- How Units of Production Import Data Is Processed

How Units of Production Import Data Is Processed

Use the Import Units of Production import process to upload production information from another system.

You can download a Units of Production spreadsheet template to use to prepare your data. The template contains an instruction sheet to help guide you through the process of entering your information.

To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click **File-Based Data Imports**.
3. Click **Import Units of Production**.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- Do not change the order of the columns in the template.
- You can hide or skip the columns you do not use, but do not delete them.

Settings That Affect the Import Units of Production Process

The units of production import template contains an instructions tab, plus a tab that represents the table where the data is loaded:

Spreadsheet Tab	Description
Instructions and CSV Generation	Contains instruction information about preparing and loading data and the format of the template.
FA_PRODUCTION_INTERFACE	Enter production information, such as the production units, the units of measure, and the periods for the production.

How Units of Production Are Processed

After submitting the production details using the Import Units of Production import template, run the Upload Units of Production process by submitting the asset book as the parameter.

To submit the Upload Units of Production process:

1. Navigate to the Scheduled Processes page.

2. Click the **Schedule New Process** button.
3. Search for the Upload Units of Production process.
4. Click **OK**.
5. Select the book.
6. Click **Submit**.

Related Topics

- Units of Production Depreciation

Overview of the Perform Periodic Mass Copy Process

Run the Perform Periodic Mass Copy process each period to keep your tax book up to date with your corporate book.

Oracle Assets copies new assets and transactions entered in the corporate book during one accounting period in the current fiscal year into the open period of the tax book. You can run the Perform Periodic Mass Copy process as often as necessary. If you run the process daily, tax books can be synchronized daily with the corporate book activity.

If you have a large volume of transactions to be copied to the tax book, you can set up Assets to submit multiple Perform Periodic Mass Copy processes, which will run in parallel. This reduces processing time.

> **Note:** You can run the Perform Periodic Mass Copy process sequentially without skipping periods. When running the Perform Periodic Mass Copy process, only the last period run and the following period are available in the period list of values.

When running the Perform Periodic Mass Copy process, you must consider the impact of:

- Fiscal years
- Period date ranges

Fiscal Years

Associated tax books can have different fiscal years than their corporate books. For example, the corporate book can have a fiscal year from January through December, but the associated tax book can have a fiscal year from April through March.

Retirements and reinstatements are not allowed if a retirement with a transaction date in the current fiscal year in the corporate book falls into a prior year in the fiscal year of the tax book.

For example, consider the following retirement scenarios:

Book	Fiscal Year
Corporate	July to June
Tax	January to December

In these scenarios, the books are synchronized in March 2010.

- Scenario 1: In the corporate book in March 2010, an asset retirement is backdated to December 2009 (fiscal 2010).

  This transaction is possible because both December 2009 and March 2010 are in same fiscal year in the corporate book.
- Scenario 2: In the tax book in March 2010, the retirement from scenario 1 is copied to the tax book by the Perform Periodic Mass Copy process.

  This transaction fails because December 2009 and March 2010 are not in the same fiscal year in the tax book. Therefore, the retirement crosses a fiscal year boundary in the tax book, which is not currently allowed.

  > **Note:** Retire the asset as of January 2010 in the tax book. Because January is the first period of the open fiscal year in the tax book, January is the earliest period to which a retirement can be backdated in the tax book.

Consider the following reinstatement scenario:

Book	Fiscal Year
Corporate	July to June
Tax	January to December

In this scenario, the books are synchronized in December 2009.

Book	Date	Action
Corporate	December 2009	Retire asset.
Tax	December 2009	Copy retirement to the tax book by using the Perform Periodic Mass Copy process.
Corporate	January 2010	Reinstate the retirement.
Tax	January 2010	Copy reinstatement to tax book by using the Perform Periodic Mass Copy process.

The transaction fails because December 2009 and January 2010 are not in the same fiscal year in the tax book. Therefore, the reinstatement crosses a fiscal year boundary in the tax book, which is not allowed.

> **Note:** A reinstatement is not possible in this case. The cost can be manually adjusted to effectively reinstate the cost, but the retirement transaction, including gain or loss and reserve, cannot be reversed.

Period Date Ranges

If the tax book has a different date range than the corporate book for individual periods, the gap between the periods can cause certain transactions to be ignored. Transactions that do not have a transaction date within or prior to the tax period into which they are being copied are rejected. For example, transactions dated in February cannot be mass copied into a tax book in which the open period ends in January. The transactions can be copied into a subsequent month in the tax book. These scenarios can be managed by the sequence and periods for which mass copy is run.

The following is an example of a future transaction in which the corporate period overlaps the tax period:

- Books are synchronized in January 2010.
- Corporate book period range: December 29, 2009 through February 1, 2010
- Tax book period range: January 1, 2010 through January 31, 2010

Book	Date	Action
Corporate	January 2010	Add, adjust, or retire an asset with a transaction date of February 1, 2010. Any transaction subject to mass copy will be affected.
Tax	January 2010	Run the Perform Periodic Mass Copy process for January 2010.

The January period in the tax book ends on January 31, 2010, so transactions dated on February 1, 2010, are not copied. After closing the January 2010 period in the tax book, rerun the Perform Periodic Mass Copy process for the January 2010 period (copy January 2010 from the corporate book into February 2010 in the tax book). The Perform Periodic Mass Copy process picks up the previously rejected transactions dated February 1, 2010, because these transactions now fall into the current open tax period.

Note: The January 2010 rerun of the Perform Periodic Mass Copy process must be completed before running the process again for February 2010. The first time that you run the Perform Periodic Mass Copy process for February 2010, January 2010 will no longer be available in the parameters.

The following is an example of a future transaction in which the tax period overlaps the corporate period:

- Books are synchronized in January 2010.
- Corporate book period range:
  - January: January 1, 2010, through January 31, 2010
  - February: February 1, 2010, through February 28, 2010
- Tax book period range:
  - January: December 30, 2009, through February 1, 2010
  - February: February 2, 2010, through March 1, 2010

Book	Date	Action
Corporate	January 2010	Perform transactions for the month of January.
Tax	January 2010	Run the Perform Periodic Mass Copy process for January 2010. The two previous transactions to which mass copy applies are successfully copied because the transaction dates are through January 31, 2010, which is included in the open tax period.
Corporate	January 2010	Close period. (Leave the period in the tax book open.) At this stage, you would normally close the tax book to keep the periods synchronized. However, the tax period extends through February 1, 2010. To copy the February 1, 2010, transactions into the corporate book, complete the following two actions.
Corporate	February 2010	Enter transactions dated on February 1, 2010.
Tax	January 2010	Because the Perform Periodic Mass Copy process is allowed for the open corporate period, run the Perform Periodic Mass Copy process and copy the February corporate book into the January tax book immediately after the transactions for February 1, 2010, are complete in the corporate book. Transactions with a transaction date of February 1, 2010, are copied to the January tax period.

The following is an example of a transaction sequence in which the corporate period overlaps the tax period:

- Books are synchronized in January 2010.
- Corporate book period range: December 29, 2009, through February 4, 2010
- Tax book period range: January 1, 2010, through January 31, 2010
- An existing asset was added in the prior year to both books.

Book	Date	Action
Corporate	January 2010	Adjust the cost of the asset with a January 31, 2010, transaction date.
Corporate	January 2010	Adjust the cost of the asset with a February 1, 2010, transaction date.
Corporate	January 2010	Retire the asset with a January 31, 2010, transaction date.

Book	Date	Action
Tax	January 2010	Run the Perform Periodic Mass Copy process for January 2010.

The January period in the tax book ends on January 31, 2010, so transactions dated on February 1, 2010, will not copy. Therefore, the transaction on line 2 fails to copy, and the transactions on lines 1 and 3 copy successfully.

Because the cost adjustment on line 2 was not copied, the result is that the retirement on line 3 is applied to a different cost in the tax book than in the corporate book. This distribution occurs because multiple transactions are entered in the overlap period with transaction dates that do not all fall into the same tax period. You can avoid this result by changing the transaction sequence.

> **Note:** If all of the transactions were entered with transaction dates backdated prior to the end date of the open tax period, then all transactions would copy, and there would be no issue with the transaction sequence.

The following is an example of transaction grouping:

Typically each transaction in the corporate book that is subject to mass copy is copied as a separate transaction into the tax book. In the case of addition transactions, the state of the asset in the corporate book as of the close of the period of addition is used to create a single addition transaction in the tax book.

The ability to run the Perform Periodic Mass Copy process before the period is closed means that the addition can be copied before adjustments in the period of addition. Therefore, depending on the timing and the number of times that the Perform Periodic Mass Copy process is run, the tax book may reflect a different number of transactions than the corporate book.

Consider these transaction grouping details:

- Books are synchronized in January 2010
- Corporate book period: January
- Tax Book Period: January

Book	Date	Action
Corporate	January 2010	Add asset.
Tax	January 2010	Run the Perform Periodic Mass Copy process for January 2010.
Corporate	January 2010	Perform cost adjustment 1.
Corporate	January 2010	Perform cost adjustment 2.
Corporate	January 2010	Perform cost adjustment 3.
Tax	January 2010	Run the Perform Periodic Mass Copy process for January 2010.

If the Perform Periodic Mass Copy process is run after each cost adjustment, then the tax book reflects all three of the adjustments. If the Perform Periodic Mass Copy process is run after several adjustments (as in the previous example), then the adjustments are grouped in the tax book into a single adjustment transaction.

Guidelines for Running the Perform Periodic Mass Copy Process

The Perform Periodic Mass Copy process copies addition, adjustment, retirement, and reinstatement transactions to your tax book from the current period in the associated corporate book.

The Perform Periodic Mass Copy process copies all qualifying transactions for an asset one at a time. The process does not combine transactions; the process only copies transactions from an accounting period in the associated corporate book.

Because tax books share the category and assignments with their associated corporate book, you do not need to copy reclassifications or transfers from your corporate book to your tax books. The Perform Periodic Mass Copy process does not copy any transactions on construction-in-process (CIP) assets or expensed items. You can set up Oracle Assets to automatically copy CIP assets and their transactions to a tax book when they are entered in the associated corporate book.

> **Note:** You can use the Perform Periodic Mass Copy process to populate a new tax book if you added all your assets to the corporate book in the period for which you are running the Perform Periodic Mass Copy process.

Settings That Affect the Perform Periodic Mass Copy Process

When setting up your tax books, you can control which of the following are copied from your corporate book to your tax books.

- Additions
- Adjustments
- Retirements
- Changes when the cost is not synchronized
- Amortized additions and adjustments as expensed transactions
- Salvage value
- Group asset additions
- Member asset assignments

When you use the same calendar in both the tax and the corporate book, the Perform Periodic Mass Copy process copies asset transactions into your tax book just as these transactions appear in your corporate book. If two transactions that fall into separate corporate periods fall into the same tax period, the Perform Periodic Mass Copy process may copy the transactions differently.

How the Perform Periodic Mass Copy Process Copies Transactions

Transactions are copied according to the type of transaction.

- Additions: If you add an asset in one period and adjust the asset several times in the following period in your corporate book, and these two periods fall into the same tax book period, Assets modifies the transactions

in your tax book. Assets changes the addition transaction and all the adjustments, except the last one, to transactions of the Addition and void type. The last adjustment transaction in the corporate book becomes the addition transaction in the tax book.

For example, you use the Perform Periodic Mass Copy process to copy an addition to your quarterly tax book. The next month in your corporate book, you would adjust the cost of the asset. When you run the Perform Periodic Mass Copy process, Assets would void the addition and create a new addition transaction that reflects the cost adjustment.

If you use different calendars in the tax and the corporate books, some prior period additions in your corporate book might be current period additions in your tax book. Assets treats an addition in your tax book as prior period only if the date the asset was placed in service is before the first day of the current tax book accounting period.

- Capitalization transactions: The Perform Periodic Mass Copy process treats CIP asset capitalization transactions exactly the same way that it treats addition transactions because the CIP asset is not already in the tax book.
- Adjustments: Assets copies adjustments from your corporate book to your tax book if you enable the **Copy Adjustments** option in your tax book. Assets copies all adjustments, whether the tax book periods are the same as the corporate book periods or longer. Assets copies adjustment transactions in the corporate book to the tax book as Adjustment, Addition, or Addition and void transaction types, depending upon the transactions in the accounting period.

  Assets copies salvage value adjustments if you enabled the **Copy salvage value** option in your corporate book. Assets copies adjustments only if the salvage value before the adjustment in the corporate book and the current salvage value in the tax book are the same.
- Retirements: Assets copies full and partial retirement and reinstatement transactions from the corporate book to the tax books if you enabled the **Copy retirements** option in your tax book.

  Assets does not allow partial unit retirements in tax books, so Assets translates partial unit retirements in the corporate book into partial cost retirements for the tax books.

  For partial cost retirements, if the asset cost is not the same in the two books, Assets retires an amount from the tax book that is proportional to the cost retired in the corporate book, using this formula:

  Tax Cost Retired = (Corporate Cost Retired / Total Corporate Cost) * Total Tax Cost

  Assets copies full retirements, even when the cost is different in the tax book. If you have fully retired an asset in your tax book, Assets does not copy over any more transactions for the asset unless you reinstate the asset.

  Assets copies reinstatement transactions into tax books, unless you already performed the reinstatement in the tax book.

  Assets treats retirements in tax books as prior period only if the asset's retirement date is before the first day of the current tax book accounting period.

Run the Perform Periodic Mass Copy Process

This example illustrates what occurs when you run the Perform Periodic Mass Copy process after adjusting the cost of an asset.

Scenario

You are the asset accountant at your company and are asked to capitalize the installation charge for a machinery asset in the corporate asset book and the associated tax book. The current cost of the asset is 14,000 and the installation charge invoice transferred from Oracle Payables is 1000.

Transaction Details

The current cost of the asset is as follows:

Book	Corporate	Tax
Cost	14,000.00	14,000.00
Net Book Value	13,600.00	13,333.31
Open Period	APR-12	Q2-12

You add the installation charge invoice line transferred from Payables to the corporate book using an addition transaction on 15-APR-12.

Book	Corporate	Tax
Cost	15,000.00	14,000.00
Net Book Value	13,500.00	13,333.31
Open Period	APR-12	Q2-12

Run the Perform Periodic Mass Copy process to copy the cost adjustment to tax book.

The Perform Periodic Mass Copy process ends with a status of Succeeded. To verify that the transaction copied successfully, review the output file of the Perform Periodic Mass Copy process request. In case the transaction is not copied, then the action shows the reason for the failure, and may include the action you must take for resolution.

The output file shows the following:

```
The information represents the asset number, the transaction number, and the action.
-------------- -------------------- ----------------------------------------
BIQA_0007 129769 The asset adjustment has been created.
The number of records processed is 1.
The number of records with warnings is 0.
The number of records that failed is 0.
The Periodic Mass Copy program is complete.
```

Results of Cost Adjustment in the Tax Book

The cost of the asset after the copying the cost adjustment to the tax book is as follows:

Book	Corporate	Tax
Cost	15,000.00	15,000.00
Net Book Value	13,500.00	12,666.66
Open Period	APR-12	Q2-12

Guidelines for Running the Perform Initial Mass Copy Process

Run the Perform Initial Mass Copy process to initially populate your tax book by adding existing assets to a tax book.

The Perform Initial Mass Copy process copies all the assets added to your corporate book before the end of the current tax fiscal year into the open accounting period in your tax book.

Settings That Affect the Perform Initial Mass Copy Process

When running the Perform Initial Mass Copy process for the first time in your tax book, you can run it as many times as necessary for the first period to copy all existing assets. When you rerun the process, the process looks at only those assets that the process did not copy into the tax book during previous attempts so that no data is duplicated.

If you want to run multiple processes at once to reduce processing time, Oracle Assets can be set up to run this process in parallel.

How the Perform Initial Mass Copy Process Works

The current fiscal year in the tax book determines which assets that the Perform Initial Mass Copy process copies into the tax book. If the current fiscal year of the tax book is 2010, the Perform Initial Mass Copy process copies all assets into the tax book as they appeared at the end of 2010 in the corporate book, even if 2011 is the current fiscal year of the corporate book.

The Perform Initial Mass Copy process does not copy assets retired before the end of that year or assets added after the end of that year. You do not need to copy any adjustments or partial retirements that you performed before the end of the fiscal year. When you close this initial period, Assets calculates the net book value of your assets that have zero accumulated depreciation in the tax book and opens the next period.

When the Perform Initial Mass Copy process copies an asset into a tax book, the following basic financial information comes from the corporate book:

- Cost
- Original cost
- Units
- Date placed in service
- Capacity and unit of measure, for units of production assets
- Salvage value, if you choose to copy the salvage value for the tax book

The remaining depreciation information comes from the default category information for the tax book according to the asset category and the date placed in service. You must set up asset categories with default information for the tax book before you run the Perform Initial Mass Copy process.

Because tax books share the category and assignments with their associated corporate book, you do not need to copy reclassifications or transfers from one book to another.

The Perform Initial Mass Copy process does not copy any transactions on construction-in-process (CIP) assets or expensed items.

For subcomponent assets, copy the parent asset first. Then copy the subcomponent asset, defaulting the asset life according to the subcomponent life rule that you defined for the tax category and the parent asset life. You must set up the depreciation method for the subcomponent asset life before you can use the method and life. If your subcomponent asset uses straight-line depreciation, Assets sets up the depreciation method for the calculated life for you. If the depreciation method is not straight-line, and not already set up for the subcomponent life rule default, Assets uses the asset category default life.

Group and member assets are copied like any other asset in Assets. As with any asset in Assets, group assets must exist in a corporate book before these assets are added to the associated tax book. The Perform Initial Mass Copy process copies group assets from a corporate book to the associated tax book only if the same category exists in both books.

How Previous Year Tax Report Import Data Is Processed

Use the Import Previous Year Tax Report Data template to import and store the previous year's tax report data for Japanese Depreciable Assets Tax Reports.

To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click **File-Based Data Imports**.
3. Click **Import Previous Year Tax Report Data**.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- Do not change the order of the columns in the template.
- You can hide or skip the columns you do not use, but do not delete them.

Settings That Affect the Import Previous Year Tax Report Data Process

The Import Previous Year Tax Report Data import template contains an instructions tab, plus a tab that represents the table where the data is loaded:

Spreadsheet Tab	Description
Instructions and CSV Generation	Contains instruction information about preparing and loading data, the format of the template, submitting the Japanese Depreciable Assets Tax Reports process, and correcting import errors.
FA_DEPRNTAXREP_INTERFACE	Enter information about the previous year tax data, such as the fiscal year, cost, evaluated net book value, and the life in years.

Spreadsheet Tab	Description

You can import data using either of the following scenarios:

Scenario	Description
1	Import the cost, evaluated net book value, and theoretical net book value for the prior year. The import process calculates the evaluated net book value based on the net book value of the prior year. After running the Japanese Depreciable Assets Tax reports, the cost, evaluated net book value, and theoretical net book value are stored in the table. The import process checks the imported cost to determine whether it has increased or decreased.
2	Import only the cost for the prior year. The import process calculates the evaluated net book value from the start date using the asset cost. After running the Japanese Depreciable Assets Tax reports, only the cost is stored in the table. The import process checks the imported cost to determine whether it has increased or decreased.

How Previous Year Tax Report Data Is Processed

After you successfully load your data, you must submit the Japanese Depreciable Assets Tax Reports process to import the data into the application.

To submit the Japanese Depreciable Assets Tax Reports process:

1. Navigate to the Scheduled Processes page.
2. Click the **Schedule New Process** button.
3. Search for the Japanese Depreciable Assets Tax Reports process.
4. Click **OK**.
5. Select the book, fiscal year, From tax asset type, and To tax asset type.
6. For the Summary Report, select **Yes** or **No**.
7. For the All Assets Report, select **132 characters**, **180 characters**, or **Not Specified**.
8. For the Asset Additions Report, select **132 characters**, **180 characters**, or **Not Specified**.
9. For the Decrease Assets Report, select **Yes** or **No**.
10. Click **Submit**.

Guidelines for Creating Mass Transactions

Use Oracle Assets interface tables to populate transaction information for a large volume of assets, and submit a process to post these transactions to the respective assets.

You can also use the interface tables to integrate with an external source system to receive and process the asset changes from external applications.

You can create the following types of mass transactions:

- Mass adjustments
- Mass retirements and reinstatements
- Mass transfers

Mass Adjustments

Perform mass adjustments for the following types of transactions:

Transaction Type	Description
Cost and rule changes	Perform adjustments to change information such as the asset cost, salvage information, and depreciation information.
Source line transfers	Transfer source lines between capitalized assets, construction-in-process (CIP) assets, capitalized and CIP assets, and CIP and capitalized assets.
Category changes	Change the asset category along with its descriptive flexfield information.
Suspend depreciation	Stop calculating depreciation for the specified assets.
Resume depreciation	Resume depreciation of assets for which depreciation was previously suspended.
Unplanned depreciation	Enter the negative or positive unplanned depreciation for the current open period.
Group changes	Assign a standalone asset as a member of a group asset, transfer member assets from one group asset to another group asset, or make a member asset a standalone asset.
Capitalization transactions	Capitalize CIP assets that are placed in service and need to begin depreciating.
Reverse capitalization transactions	Reverse the capitalization to correct capitalization errors.

Mass Retirements and Reinstatements

Perform mass retirements or reinstatements for the following types of transactions:

Transaction Type	Description
Cost retirements	Partially or fully retire multiple assets in the corporate or tax book by cost.
Unit retirements	Partially or fully retire multiple assets in the corporate book by units.
Source line retirements	Partially or fully retire multiple assets in the corporate or tax book by source line.
Reinstatements	Undo retirements that were performed erroneously for a group of assets.

Mass Transfers

Perform mass transfers for the following types of transactions:

Transaction Type	Description
Transfers	Change one or more assignments for multiple assets. You can also adjust the unit assignments for the existing assignments of the assets.
Unit adjustments	Change the units assigned to one or more distributions for multiple assets.

Related Topics

- How Mass Retirements Are Processed
- How Mass Retirements Import Data Is Processed
- How Fixed Asset Mass Additions Import Data Is Processed
- How Mass Transfers Import Data Is Processed
- How Fixed Asset Mass Adjustments Import Data Is Processed

Enter Mass Depreciation Rules

In this example, you enter new mass depreciation rules to be applied to multiple assets.

Enter Mass Depreciation Rules

1. On the Assets page, click the **Adjust Assets** panel tab.
2. Click the **Mass** tab.
3. Click the **Create** icon.
4. On the Create page, enter these values:

Field	Value
Book	VO US CORP
Transaction Type	Cost and rules change

5. Click **Next**.
6. On the Enter Mass Depreciation Rules page, enter New Depreciation Rules in the **Transaction Group** field.
7. In the Asset Selection Criteria section, on the General tab, enter these values:

Field	Value
Asset Type	Capitalized
Prorate Convention	MONTH

Field	Value
Depreciation Method	STL
Location	USA-CA-SAN FRANCISCO-NONE
Category	Computer-PC

8. On the Depreciation Rules Details section, enter these values:

Field	Value
Depreciation Method	STL 30B
Life in Years	3
Life in Months	0
Prorate Convention	Half-Year

9. Click **Submit**.
10. Click **Done**.

Post the Transaction

1. On the Assets page, click the **Adjustments** infotile.
2. Select one of the rows with the transaction group name New Depreciation Rules.
3. Click **Prepare**.
4. Click **OK**.
5. At the prompt Do you want to connect? click **Yes**.
6. Enter your environment user ID and password and click **Sign In**.
7. On the Manage Mass Depreciation Rules Change spreadsheet, review the lines and change the posting status to Post.
8. Click **Save and Post Transactions**.

Run the Create Accounting for Assets Process

In this example, you want to determine the estimated gain and loss amounts for retirement transactions processed through March 15, 2019.

You use this information to provide your manager with the approximate impact on your company's profits. You run a draft version of the Create Accounting for Assets process for retirement transactions, because you don't want journal entries transferred or posted to Oracle General Ledger.

Run Create Accounting for Assets

1. On the Assets page, click the **Create Accounting** panel tab.
2. On the Parameters page, enter these values:

Field	Value
Book	ABC CORP
Subledger Application	Assets
Process Category	Retirement
End Date	3/15/2011
Accounting Mode	Draft
Process Events	All
Report Style	Summary
Transfer to General Ledger	No
Post in General Ledger	No
Journal Batch	Leave blank
Include User Transaction Identifiers	No

3. Click **Submit**.

Create and Update Depreciation Rules in an Integrated Workbook

Use the Manage Mass Depreciation Rules Change integrated workbook to update depreciation rules for multiple assets.

Create and Update Rules

From the Assets page:

1. Click the **Adjust Assets in Spreadsheet** panel tab.

2. Enter the book.
3. Enter Cost and rules change in the **Transaction Type** field.
4. Enter a transaction group.
5. Click **Next** to open the Manage Mass Cost and Rules Change integrated workbook.
6. Enter all required information and any additional optional information necessary for your enterprise.
7. When you're finished, do one of the following:
    - Save your changes by clicking **Save**.
    - Change the posting status to **Post** and click **Save and Post Transactions** to submit the changes to Oracle Assets.

Related Topics

- Set Up Desktop Integration for Excel
- Guidelines for Using Desktop Integrated Excel Workbooks
- Troubleshoot Desktop Integration for Excel

Perform a Mass Category Change

In this example you change the category for multiple assets in a single transaction.

Perform a Mass Category Change

1. From the Assets page, click the **Adjust Assets** panel tab.
2. Click the **Mass** tab.
3. Click the **Create** icon.
4. Enter Category change in the **Transaction Type** field and click **Next**.
5. On the Enter Mass Category Changes page, enter New Mass Category Change in the **Transaction Group** field.
6. In the Asset Selection Criteria section, enter these values:

Field	Value
Asset Type	Capitalized
Prorate Convention	MID-MONTH
Depreciation Method	Flat Cost
Category Filter: Major Category	Computer
Category Filter: Minor Category	PC

7. In the Category Details section, enter these values:

Field	Value
Category Filter: Major Category	Computer
Category Filter: Minor Category	Server

8. Ensure the following checkboxes are checked:
    - **Retain category descriptive flexfield values**
    - **Inherit depreciation rules of new category**
9. Click **Submit**.
10. Click **Done**.

Post a Mass Category Change Transaction

1. Click the **Adjustments** infotile.
2. Search for transactions with the transaction group New Mass Category Change.
3. Click **Prepare**.
4. Sign in using your user name and password and click **Submit**.
5. In the Manage Mass Category Change spreadsheet, change the posting status to **Post** for each asset.
6. Click **Save and Post Transactions**.

Perform a Mass Category Change Using an Integrated Workbook

Use the Manage Mass Category Change integrated workbook to change the asset category for many assets.

1. From the Assets page, click the **Adjust Assets in Spreadsheet** panel tab:
2. Enter the book, transaction type Category change, and transaction group.
3. Click **Next** to open the Manage Mass Category Change integrated workbook.
4. Enter all required information and any additional optional information necessary for your enterprise.
5. When you're finished, do either of the following:
    - Click **Save** to save your changes.
    - Change the posting status to Post and click **Save and Post Transactions** to submit the changes to Oracle Assets.

Related Topics

- Set Up Desktop Integration for Excel
- Guidelines for Using Desktop Integrated Excel Workbooks
- Troubleshoot Desktop Integration for Excel

Change Group Assets Using an Integrated Workbook

Use the Manage Mass Group Change integrated workbook to make changes to many group assets.

1. From the Assets page, click the **Adjust Assets in Spreadsheet** panel tab.
2. Select the book.
3. Select the transaction type Group change.
4. Enter a transaction group name.
5. Click **Next** to open the Manage Mass Group Change integrated workbook.

   > **Note:** You must enter all information manually because the workbook doesn't contain any prepopulated data.

6. Enter the asset numbers and the appropriate changes.
7. When you're finished, change the posting status to **Post** and click **Save and Post Transactions** to submit the changes to Oracle Assets.

Related Topics

- Group Assets
- Group Asset Depreciation

Perform Unplanned Depreciation Using an Integrated Workbook

Use the Manage Mass Unplanned Depreciation integrated workbook to enter unplanned depreciation for many assets.

1. From the Assets page, click the **Adjust Assets in Spreadsheet** panel tab.
2. Enter the book, transaction type Unplanned Depreciation, and transaction group.
3. Click **Next** to open the Manage Mass Unplanned Depreciation integrated workbook.
4. Enter asset numbers and corresponding depreciation amounts, and any additional information necessary for your enterprise.
5. When you're finished, do either of the following:
   - Click **Save** to save your changes.
   - Change the posting status to Post and click **Save and Post Transactions** to submit the changes to Oracle Assets.

Related Topics

- Set Up Desktop Integration for Excel
- Guidelines for Using Desktop Integrated Excel Workbooks
- Troubleshoot Desktop Integration for Excel

Transfer Source Lines Using an Integrated Workbook

When you need to transfer source lines for multiple assets, use the Manage Mass Source Line Transfers integrated workbook.

Here's how:

1. On the Assets page, click **Adjust Assets in Spreadsheet**.
2. Select the book and the transaction type Source line transfer and click **Next** to open the Mass Source Line Transfers integrated workbook.
3. Enter all required information and any additional optional information necessary for your enterprise.
4. When you're finished, do one of the following:
    - Click **Save**.
    - Change the posting status to Post and click **Save and Post Transactions** to submit the changes to Oracle Assets.

Related Topics

- Set Up Desktop Integration for Excel
- Guidelines for Using Desktop Integrated Excel Workbooks
- Troubleshoot Desktop Integration for Excel

Manage Financial Transactions FAQs

How can I view unplanned depreciation amounts?

On the Inquire Assets page, search for the asset for which you want to view unplanned depreciation amounts.

On the Financial Details region, select Depreciation Details from the **View** menu. The Depreciation Details region shows unplanned depreciation amounts as depreciation adjustment amounts for the period.

Oracle Assets includes:

- Unplanned depreciation amounts in the current and prior period accumulated depreciation
- Year-to-date depreciation
- Net book value amounts of the asset

Note: In the period an asset is added, Assets doesn't track unplanned depreciation as an adjustment transaction.

Select Transactions from the **View** menu on the Depreciation Details region to review the unplanned depreciation type and the unplanned depreciation expense account for each unplanned amount.

How can I change the asset category?

On the Assets page, click the Adjust Assets panel tab.

1. Query the asset whose category you want to change.
2. Highlight the asset and click **Change Category**.
3. Enter the new category in the **New Category** field.
4. Click **Submit**.

What happens when I run the Create Accounting for Assets process?

The Create Accounting for Assets process creates journal entries for transaction events in Oracle Assets. You can transfer and post journal entries to Oracle General Ledger before running the process or at a later time.

How can I execute additional transactions after processing depreciation?

Normally you close the period after processing depreciation. However, if you need to execute additional transactions for a period, you should process depreciation without closing the period.

When you execute additional transactions for a particular asset, Oracle Assets rolls back depreciation for that asset.

When you finish entering all the required transactions for a period, process depreciation and close the period.

How can I delete an asset?

On the Assets page, click the Adjust Assets panel tab. Search for the asset you want to delete and click the Delete action to delete the asset.

You can delete an asset:

- Before creating accounting entries
- In the period in which it was added

Note: You can't delete group assets but you can disable them.

Approve Transactions

Overview of Oracle Assets Approvals

You can configure automatic approvals for routine transactions and exceptions for manager approvals to optimize controls for managing the fixed assets life cycle.

These approvals encompass most asset transactions, including additions, transfers, retirements, reclassifications, and cost or depreciation method adjustments.

The asset capitalization process requires a certain level of governance to review and approve the capital costs that are initialized as the cost of an asset. Similar governance is required for movement of assets, retirements, and other forms of cost adjustments.

Oracle Assets provides an approval workflow that lets you configure the proper approval mechanism to tightly control fixed asset transactions that materially affect the balance sheet and profit and loss account.

How Oracle Assets Transactions Are Approved

The asset transaction approval process starts when the application posts an asset transaction.

- For single transactions, the asset transaction approval process is triggered when the approver clicks the **Submit** button to post a transaction. After approval, the approver receives a notification for each transaction.
- For mass transactions, the approval process is triggered when the transactions are in a queue status of Post. After the mass transactions are approved, they can then be posted. After approval, the approver receives one notification for each mass transaction group.

When a transaction is posted, Oracle Assets sends an approval request notification to the approver identified from the rules you provided. When the asset approval process starts after the assets are submitted for posting, a workflow builds the list of approvers based on the defined rules.

Approval notifications are sent to the first set of approvers on the list. When the approvers respond, notifications are sent to the next set of approvers. This process repeats until all approvals are complete.

Approvers can respond from:

- Email notification
- Worklist notifications page
- In App application

Configure the Approval workflow for either a single asset transaction or for mass transactions. The approval process is triggered once you post the transaction, and the notification is sent. Approvers can either approve or reject the transaction.

If you save a transaction to be posted for later, the approval process starts for this transaction only when you submit the transaction.

Here's the approval flow that's used when you configure the approval process to approve your transactions:

1. Define approval rules: Define your single asset and mass transaction approval rules using the Manage Workflow Rules in Spreadsheet task.
2. Create and submit an asset transaction: Create an asset transaction and submit it. The approval request starts automatically when you submit the transaction.
3. Approve transaction: Respond to the approval notification for the transaction.
4. Post asset transaction: Transactions are automatically posted after they're fully approved.
5. View the history of your approvals in the Asset Inquiry page.

Note: Don't enable the **Default status to Post for Payables invoice lines** option for an asset book or for a category within an asset book if approval is required for asset additions because you need to specify an approval type.

Enable Approvals

This task shows you how to enable approvals for Oracle Assets:

Before enabling approvals for the book, ensure that:

- Data is migrated completely from the legacy application to Oracle Assets.
- You verify whether there are any pending transactions in the applicable infotile and take appropriate action.

Note: Don't enable the **Default status to Post for Payables invoice lines** option for an asset book or for a category within an asset book if approval is required for asset additions because you need to specify an approval type.

To enable approvals for Assets, follow these steps:

1. Navigate to the Setup and Maintenance work area.
2. Go to **Financials** > **Fixed Assets** > **Manage Asset Books**. In the Manage Asset Books page, search for the book you want to enable approvals for.
3. Click the link to the book you want to enable approvals for.
4. In the Edit Book page in the Enable Approvals drop-down list, select the transaction types you want to enable approvals for. You can enable approvals for any combination of these transaction types:
    - Additions
    - Adjustments
    - Transfers
    - Retirements
    - All
5. Click **Save and Close**.

Create a Workflow in a Spreadsheet

This task shows you how to use the spreadsheet templates available on the Manage Workflow Rules in Spreadsheet page to manage approval rules for the Asset Transaction workflow.

When creating approval rules, keep these points in mind:

- You must use Microsoft Excel version 2016 or later to create workflow rules.
- Every successful rule upload using a spreadsheet template overrides the existing rules for the workflow. You must enable Macros for the Microsoft Excel.

To create workflow rules in a spreadsheet, perform these steps:

1. In the Setup and Maintenance work area, search for the **Manage Workflow Rules in Spreadsheet** task.
2. Click the **Manage Workflow Rules in Spreadsheet** link.
3. In the Rule Templates section of the Manage Workflow Rules in Spreadsheet page, select the Asset Transactions Approval Workflow row.
4. Click the **Download File** button.
5. Select the template in the dialog box.
6. Save the template to your local computer.
7. Open the spreadsheet and define your workflow rules.
8. When you're finished defining your rules, click **Generate Rule File** in the Instructions tab to generate your rule file.
9. Upload the rule file to create your rules.
10. Verify the spreadsheet upload.

If the Manage Workflow Rules in Spreadsheet task isn't visible, perform these steps:

1. Sign into the application as a Financial Application Administrator.
2. Verify whether the Approval Routing Administration feature is enabled at **Offerings** > **Financials** > **Opt in Features**.
3. Click the **Edit** icon for Financials and scroll to the feature. If the feature isn't enabled, select the **Enable** checkbox next to the feature name.

Download the Rules Template for the First Time

This task shows you how to download the predefined Asset Transactions Approval Rule Creation template when you initially create your rules:

The rule template contains examples of an approval business case to show how to manage workflow rules using the rule template.

1. In the Setup and Maintenance work area, search for the **Manage Workflow Rules in Spreadsheet** task.
2. Click the **Manage Workflow Rules in Spreadsheet** link.
3. In the Rule Templates section of the Manage Workflow Rules in Spreadsheet page, select the Asset Transactions Approval workflow row.
4. Click the **Download File** icon. The Download Templates dialog box appears.
5. From the dialog box, select the required template.
6. Save the template to your local computer.

If you receive a message stating that macros are blocked, follow these steps to enable macros:

1. In Microsoft Excel, click **File** > **Options** > **Trust Center**.
2. Click **Trust Center Settings**.
3. Click **Trusted Locations**.
4. Select the **Allow Trusted Locations on my network** option and then click **Add new location**.
5. Add the network path to the trusted location where the simplified rule spreadsheet template is saved.

Download the Template to Modify Your Rules

This task shows you how to download the template when you've already defined approval rules and want to add more rules or modify the existing rules.

1. In the Setup and Maintenance work area, search for the **Manage Workflow Rules in Spreadsheet** task.
2. Click the **Manage Workflow Rules in Spreadsheet** link.
3. In the Rule Templates section of the Manage Workflow Rules in Spreadsheet page, select the Asset Transactions Approval workflow row.
4. Click the link to your previously defined template in the Last Successful Upload column.
5. From the dialog box, select the required template.
6. Save the template to your local computer.

Note: In the downloaded template, don't delete any existing rules unless the rule is no longer required. Each time you successfully upload the rule template, the new version completely overrides the existing rule template for the workflow.

How You Initiate Approvals for Individual Asset Transactions

Initiating the approval process for individual asset transactions depends on the type of transaction that needs to be approved.

Initiate the approval process for an individual asset addition by submitting an asset from the Add Asset page or when you post a transaction for an asset source line transferred from Oracle Payables.

If you use the Create Asset Additions spreadsheet to add an asset, select Single for the Approval Type attribute. In this case, each asset addition is approved separately. The approval rules you specified in the Asset Transactions Approval Rule Creation Template are used to build the list of approvers.

For individual adjustment, transfer, or retirement transactions, initiate the approval process by submitting and posting the transaction on the Adjust Assets, Transfer Assets, or Retire Assets page.

Note: Approvals are initiated only for these types of adjustment transactions:

- Change Category
- Cost and Rule Change

Initiate Approvals for Mass Additions

This task shows you how to initiate the approval process for mass addition transactions:

1. Select your book that's enabled for approvals.
2. On the Assets landing page, click **Prepare Source Lines** from the task list.
3. Click the **Manage Transaction Groups** button.
4. In the Manage Transaction Groups page, click the **Create** Icon.
5. Select your book and click **Next**.

6. In the Create Transaction Group page, enter a name for your transaction group and any other relevant information.
7. Click **Save and Close**.
8. Navigate to the Assets landing page.
9. In the Assets landing page, click **Add Assets in Spreadsheet** from the task list.
10. Select your book and the asset type and click **Go**.
11. In the Create Asset Additions spreadsheet, enter information for your assets.
12. In the Approval Group attribute, select **Mass**.
13. In the Transaction Group attribute, enter the transaction group name of the transaction group you created in the Create Transaction Group page.
14. Set the status of the queue to Post.
15. Click the **Post** button to initiate the approval process.

How You Initiate Approvals for Mass Adjustments, Transfers, and Retirements

You can perform mass adjustment, transfer, and retirement transactions in any one of the following ways:

- User interface page: Click the Mass tab in the Adjust Assets, Transfer Assets, or Retire Assets page.
- Spreadsheet: Use the Adjust Assets in Spreadsheet, Transfer Assets in Spreadsheet, or Retire Assets in Spreadsheet task.
- File-based data import (FBDI) template: Use the Fixed Asset Mass Adjustments Import, Fixed Asset Mass Transfer Import, or Fixed Asset Mass Retirements Import FBDI template.

For each of these methods, you must enter the name of the transaction group you created in the Create Transaction Group page. When using a transaction group, the transaction group as whole is approved.

The approval rules to build the approvers list must be specified in the Mass tab in the Asset Transactions Approval Rule Creation Template. When you perform mass adjustment, transfer, and retirement transactions, you enter the transaction details, asset selection, and the details for the transaction group and batch.

> **Note:** Rules you define must cover all possible conditions and should be exhaustive to prevent transactions from failing due to undefined rules after transactions are submitted for approval.

Overview of the Asset Transactions Approval Rule Creation Template

A business rule is an approval requirement within your approval policy. Before defining rules in the rule template, you must analyze your approval policy.

Consider these points before defining a business rule:

- Transactions that require approval.
- The approver of the transaction in your organization.
- Approvers who vary based on the transaction attributes. In this case, use a data set.
- The required approval conditions.

- How approval notifications are routed.
- Approvals that require FYI notifications.
- Transactions that are exempt from approval.

Rules you define should cover all possible conditions and should be exhaustive to prevent transactions from failing due to undefined rules after transactions are submitted for approval.

While framing the rules, ensure that:

- Relevant operators are selected based on the value type.
- You don't define multiple rules for the same asset book.
- The rules defined are complete. For example, you define a rule based on the asset cost. If the first rule is for an asset cost between USD 500 and USD 1000, this doesn't cover all possibilities. You must also define a rule to cover a cost that's below USD 500 and another rule to cover a cost that's above USD 1000.
- You define automatic approval for mass transaction if they don't require approval.
- You assign a unique batch name for each mass transaction.

After downloading the Asset Transactions Approval Rule Creation template, you must define the workflow rules using the worksheets provided in the template.

This table provides a list of worksheets included in the rule template spreadsheet and a description of each worksheet:

Worksheet	Description
Instructions	This worksheet contains details about the sample rules included in the template and the Generate Rule File button. You can also update your rule template version from the Instructions worksheet.
Addition	This worksheet provides a template for configuring transaction approval rules for a single asset addition transaction.
Adjustment	This worksheet provides a template for configuring transaction approval rules for a single asset adjustment transaction.
Transfer	This worksheet provides a template for configuring transaction approval rules for a single asset transfer transaction.
Retirement	This worksheet provides a template for configuring transaction approval rules for a single asset retirement transaction.
Mass	This worksheet provides a template for configuring transaction approval rules for all types of mass asset transactions.
Data Sets	This worksheet provides a template to map the varying attributes to the data.

Define Approval Rules

This task shows you how to define approval rules in the Asset Transactions Approval Rule Creation template.

This task applies to all the individual transaction worksheets and the Mass worksheet.

1. Enter a description for each approval business rule that you define in the Rule Description column.
2. In the Approval section select the appropriate value in the Approval Routing column. This table lists details about the different types of approval routing that are available:

Approval Routing Type	How Approval Routing Works
Supervisory Hierarchy	Members of the supervisory hierarchy beginning from the first applicable approver receive approval notifications.
Group in Parallel	All members of an approval group receive notifications at the same time. All members must act on the approval notification.
Group in Serial	Members of an approval group receive approval notifications individually. Only when a member acts on the approval notification does the next member of the series receive the approval notification.
Group First Responder	Members of an approval group receive approval notifications. All members receive notifications at the same time. Only one member is required to act on the approval notification.
Job Level Hierarchy	Members of the job hierarchy beginning from the first applicable approver receive approval notifications.
User	The specified application user receives the approval notification.
Role	Users with a specified application role receive the approval notification.
Auto Approve	Transactions are automatically approved. No notifications are sent.
Auto Reject	Transactions are automatically rejected. No notifications are sent.
FYI	Information only notifications. No action is required from the approver.
Skip Approval	Transactions don't require approval. No notifications are sent.

3. Optionally enter information for the remaining attributes in the Approvers section, referring to the tool tip for each column header.
4. Select a rule priority in the Rule Priority column. The rule priority specifies the order in which rules are evaluated within a particular block during evaluation of the rule set. By default, the rule priority is set to Medium for all rules, but you can change the rule priority by selecting a different value. If you're using a dataset for the rule, then its rule priority applies to all rules created using that dataset.
5. Enter other information, such as asset details, asset assignments, transaction details, the cost center, and asset source details.
6. Enter an approval condition by clicking on the list of values in the last column in the spreadsheet.
    - Add an attribute category by opening the list of values associated with the last column in the Approval conditions section and selecting the required attribute category.
    - Add an attribute by opening the list of values associated with the attribute category you selected and selecting the required attribute.

    This table shows the attributes available for each transaction type:

Transaction Type	Attribute
Addition	- Asset Details - Asset Assignments - Addition Transaction Details

Transaction Type	Attribute
	- Cost Center - Asset Source Details - Addition Submitter - Addition Creator - Addition Preparer - Employee
Adjustment	- Asset Details - Adjustment Details - Asset Assignments - Cost Center - Adjustment Submitter - Adjustment Creator - Adjustment Preparer
Transfer	- Asset Details - Asset Assignments - Destination Asset Assignments - Transfer Details - Cost Center - Employee - Transfer Submitter - Transfer Creator - Transfer Preparer - Destination Cost Center
Retirement	- Asset Details - Retirement Details - Retirement Submitter - Retirement Creator - Retirement Preparer - Cost Center

Supported Operators for Approval Conditions

You can use various operators when defining approval conditions.

The operators aren't case-sensitive. However, you must enter the date in the DD/MMM/YYYY or DD-MMM-YYYY format only.

For negative approval conditions, add Not as a prefix to any of the supported operators. For example, if your approval condition states that the asset book name isn't VO US CORP, OPS CORP, or BI CORP, then enter the value as: Not In (VO US CORP, OPS CORP, BI CORP).

This table lists the supported operators:

Condition	Value Type	Format	Example
Attribute is a specific value.	Text, number, or date	Value **Note:** Note: No specific format applies here.	If the asset book is OPS CORP, then enter the value as: OPS CORP
Attribute value is one of multiple specific values.	Text or number	In (value 1, value 2, ...) If the asset book name is OPS CORP, VO US CORP, or BI CORP then enter the value as: In (OPS CORP, VO US CORP, BI CORP)	If the asset book name is OPS CORP, VO US CORP, or BI CORP then enter the value as: In (OPS CORP, VO US CORP, BI CORP)
Attribute value should be within a range of values.	Number or date	Between value 1 and value 2 or value 1 to value 2	If the transaction date is between 01 August 2018 to 01 August 2019, then enter the value as: Between 01/aug/2018 and 31/aug/2019 or 01/aug/2018 to 31/aug/2018
Attribute value starts with a specific value.	Text	Starts with value	If the asset book name starts with Vision, then enter the value as: Starts with Vision
Attribute value ends with a specific value.	Text	Ends with value	If the asset book name ends with Operations, then enter the value as: Ends with Operations
Attribute value contains a specific value.	Text	Contains value	If the major category segment contains Standard, then enter the value as: Contains Standard
Attribute value matches a specific value.	Text	Matches value	If the descriptive flexfield is used for writing a rule, then enter the value as: Matches serial\\T(.*) number In this example, the Matches operator begins with serial and ends with a number. Between the two words, there can be one space and any character. Other options that can be used with the Matches operator are: • (.+) - Denotes one or more characters. • \\s - Denotes space. • \\d - Denotes numbers from 0-9 • ? - Makes a character optional. For example: \\d? • [ ] - Specifies range such as A-Z, 0-9

Condition	Value Type	Format	Example
Attribute value is on or before a specific date.	Date	On or before date	If the adjustment date is on or before 01/10/2018, then enter the value as: On or before 01/Oct/2018
Attribute value is on or after a specific date.	Date	On or after date	If the adjustment date is on or after 01/10/2018, then enter the value as: On or after 01/oct/2018
Attribute value is before a specific date.	Date	Before date	If the adjustment date is before 01/10/2018, then enter the value as: Before 01/oct/2018
Attribute value is a specific value, and the condition must be evaluated as case insensitive.	Text	Equals ignore case value	If the feeder application is equal to the FBDI spreadsheet, then enter the value as: Equals ignore case FBDI Spreadsheet
Attribute value is a descriptive flexfield.	Text	Starts with	If the transaction descriptive flexfield attribute 1 starts with TT01
Attribute value is a descriptive flexfield.	Text	Not starts with	If the transaction descriptive flexfield attribute 1 Not starts with TT01

Examples of Rules in the Asset Transactions Approval Rule Creation Template

The Asset Transactions Approval Rule Creation template contains predefined approval rules that you can use to create your own approval rules by changing the predefined rules.

In the Rules for Addition in the Instructions worksheet, business rule 2 states that:

- Asset additions in the VO US CORP book with a category of COMPUTER-PC require approval by the first responder of the group.
- Asset additions in the VO US CORP book with a category other than COMPUTER-PC are approved automatically.

This table shows details of business rule 2 for additions:

Business Rule Number	Rule Description	Approval Routing	Group, User, or Role Name	Asset Book	Category Segment 1
2	Addition Rule 2 - Rule with Manager Approver based on Asset Category	Group First Responder	FINGROUP2	VO US CORP	COMPUTER
2	Addition Rule 2 - Auto Approval Rule based on Asset Category	Auto Approve	NA	VO US CORP	Not COMPUTER

In the Rules for Adjustments in the Instructions worksheet, business rule 1 states that:

- Cost and rule change transactions in the OPS CORP book with a change to the asset cost require approval from the manager of the transaction creator.
- Cost and rule change transactions in the OPS CORP book with no change to the asset cost require approval from the user FINUSER28.

This table shows details of business rule 1 for adjustments:

Business Rule Number	Rule Description	Approval Routing	Approver Level	Top Approver	Group, User, or Role Name	Asset Book	Transaction Type	CRC Change in Cost
1	Adjustment 1 All Cost Adjustments - Manager Approver Rule	Supervisory Hierarchy	2	FINUSER29	NA	OPS CORP	Cost and Rules Change	Not 0
2	Adjustment 1 All Non-Cost Adjustment - Specific User Approval	User	NA	NA	FINUSER28	OPS CORP	Cost and Rules Change	0

In the Rules for Transfer in the Instructions worksheet, business rule 1 states that:

- Asset transfer transactions in the OPS CORP book in which segment 1 of the depreciation expense account is 01 require approval by the cost center manager.
- Asset transfer transactions in the OPS CORP book in which segment 1 of the depreciation expense account is not 01 are approved automatically.

This table shows details of business rule 1 for transfers:

Business Rule Number	Rule Description	Approval Routing	Approver Level	Start Approver	Top Approver	Asset Book	Depreciation Expense Segment 1	Transaction Type
1	Transfer 1 - Manager Approver Rule with depreciation account segment	Supervisory Hierarchy	1	Asset Assignment Cost Center Manager	FINUSER29	OPS CORP	01	Transfer
1	Transfer 1 - Auto Approve Rule with depreciation account segment	Auto Approve	NA	NA	NA	OPS CORP	Not 01	Transfer
1	Transfer 1 - FYI Rule with depreciation account segment	FYI	1	Destination Asset Assignment Cost Center Manager	FINUSER29	OPS CORP	NA	Transfer

In the Rules for Retirement in the Instructions worksheet, business rule 3 states that:

- Asset retirements in the FA IMP BOOK book with a retired cost of less than USD 1000 require approval from the senior accountant.
- Asset retirements in the FA IMP BOOK book with a retired cost between USD 1000 and USD 10,000 require approval from the manager and director.
- Asset retirements in the FA IMP BOOK book with a retired cost that's more than USD 10,000 require approval from the manager, director, and CFO.

This table shows details of business rule 3 for retirements:

Business Rule Number	Rule Description	Approval Routing	Group, User, or Role Name	Asset Book	Asset Cost Retired
3	Retirement 3 Sr Accountant Approval for Low Value	User	FINUSER27	FA IMP BOOK	Between 0 and 999
3	Retirement 3 Manager and Director Approval for Medium Value	User	FINUSER27, FINUSER28	FA IMP BOOK	Between 1000 and 10000
3	Retirement 3 Manager Director and CFO Approval for High Value	User	FINUSER27, FINUSER28, FINUSER29	FA IMP BOOK	More than 10000

Data Sets

In your approval policy, if the approver of a transaction varies based on a transaction attribute, then you should use a data set.

A data set lets you define a mapping between your data and the variation in approvers based on this data.

For example, let's say the FA RRF CORP and QA BVT CORP books each require different approval conditions, based on the cost of the asset.

- FA RRF CORP:
  - Asset cost between USD 0 and 5000 requires one level of approval.
  - Asset cost between USD 5001 to 10000 requires two levels of approval.
  - Asset cost above 10001 requires three levels of approval.
- QA BVT CORP:
  - Asset cost between USD 0 and 20000 requires one level of approval.
  - Asset cost above USD 20001 requires two levels of approval.

Specify your rules for data sets on the Data Sets tab in the Asset Transactions Approval Rule Creation Template.

How You Correct Errors Caused During the Approval Process

Use the Transaction Console to review the progress of an approval transaction.

You can review the current assignee of the transaction or review the error if a transaction failed during the approval process. The Transaction Console also enables you to take certain actions based on the state of the transaction. For example:

- Track transaction statuses and download spreadsheets with information about transactions.
- Download and review diagnostic logs for transactions with errors. For example, you can see the conditions in the approval rules that might have caused the error.
- Take actions such as reassigning or recovering a transaction, depending on the status of the transaction and what roles are assigned.

Enable the Transaction Console

This task shows you how to enable the transactions console.

Follow these steps to create the lookup type:

1. In the Setup and Maintenance work area, search for the **Manage Standard Lookups** task.
2. In the Manage Standard Lookups page, create a lookup type named FA_ADVANCE_DEV_CODE, if it doesn't exist. Enter these values:

Field	Value
Lookup Type	FA_ADVANCE_DEV_CODE
Meaning and Description	Enter a meaning and description that's appropriate for your enterprise.
Module	Assets (Application)

3. Retain the defaults for other attributes.
4. Click **Save**.

Follow these steps to create the lookup code:

1. Click the **Create** icon to add a new lookup code.
2. Enter these values:

Field	Value
Lookup Code	FA_ENABLE_TAC
Meaning and Description	Enter a meaning and description that's appropriate for your enterprise.
Enabled checkbox	Enabled

3. Click **Save**.

How You Find Transactions in the Transaction Console

To find transactions in the transaction console, follow these steps:

1. Click **Navigator** > **Tools** > **Transaction Console**.
2. Make sure you're on the Transaction Summary tab.
3. On the Transaction Manager: Transactions page, check the Last Refresh time stamp after the page title to see when the transaction statuses were last updated.
4. Click the **Refresh** icon if necessary. You can refresh any time as long as someone didn't already start a refresh.

Note that the Refresh Transaction Administrator Console Transaction Status scheduled process automatically runs every hour to refresh the statuses. If you find that's not enough, you can submit the process to run on a more frequent schedule. If you open the details for a specific transaction, its status also refreshes and you see the latest on the details page.

You can view transactions based on a specific status, for example, Failed. You can also use the filters to apply your own criteria, for example, transactions that are priority 1 or submitted by a specific person.

Use the search function to find results based on keywords in the Name or Process Name column, or specifically use the Name or Process Name filters. For example:

- Name: {Asset Number} – {Asset Book Name} Example: 100918 – OPS CORP
- Process Name: Asset Adjustments Approval

You can personalize filters to add or hide filters and create saved searches for future use.

Select and act on the transactions directly from the results table or click the transaction in the Name column to see details, such as diagnostic information for failed transactions, and act within the transaction itself.

If an asset transaction approval request was rejected, you can resubmit the transaction. If you don't want the rejected asset transactions to be processed, change the status to Delete.

Actions for Managing Transactions

Use the Transaction Manager: Transactions page in the Transaction Console work area to manage and troubleshoot transactions.

There are many actions you can take. For example, you can withdraw a transaction even if you're not the one who submitted it.

Actions you can take depend on the transaction status and the roles assigned to you. Some actions, such as approve and reassign, are the same as the actions you can take on the workflow tasks from the worklist or from notifications.

This table lists the actions you can take on the Transaction Manager: Transactions page and a description of each action:

Action	Description
Add Comment	Add notes about the transaction, for example to track how you're addressing an issue or to jot down any service request IDs. You and others can see these comments only in the Transaction Console.

Action	Description
Alert Initiator on Error	Notify the submitter if the transaction ends in an error state.
Approve	Approve the transaction if the workflow task is currently assigned to you to approve or reject.
Download	Download a spreadsheet with information about the selected transactions.
Reassign	Reassign the workflow task to an approver, the submitter, or someone else.
Recover	Restart the process after the transaction stopped due to errors. After you address the issue, use this action to pick up where the process last left off .
Reject	Reject the transaction if the workflow task is currently assigned to you to approve or reject.
Terminate Process	Completely end the transaction so that no one can see or act on the workflow task again.
Withdraw	Remove the workflow task from the workflow. You can ask the submitter to submit it again, for example, after an issue is resolved.

Track Assets

Transfer Assets

You can transfer assets between employees, depreciation expense accounts, and locations.

Consider the following points when transferring assets:

- You can change the transfer date to a date in a prior period for a particular transfer, but the transfer must occur within the current fiscal year.
- You can change the transfer date of an asset to a prior period only once per asset.
- You can't transfer an asset to a future period.
- You can't transfer assets from one corporate book to another corporate book.

Transfer a Single Asset

In Assets, find the asset to be transferred and enter any applicable transfer information:

- Employee name and number
- Depreciation expense account
- Location

Examples:

- Transfer an asset to another employee within the same location, enter the employee name and number.
- Transfer an asset to another employee in a different location by entering the new location, in addition to the employee name and number.

Note: If you transfer an asset during the period in which it was added, the transfer date automatically defaults to the asset's date placed in service and you can't change it.

Transfer Multiple Assets

Transfer multiple assets by:

- Populating the Mass Transfers interface table
- Running the Post Mass Transfers process

Related Topics

- Change Asset Assignments

Perform a Mass Transfer

In this example, you transfer multiple assets between employees, depreciation expense accounts, and locations in a single transaction.

Transfer Multiple Assets

1. On the Assets page, click the **Transfer Assets** panel tab.
2. On the Transfer Assets page, click the **Mass** tab.
3. Click the **Create** icon.
4. Select VO US CORP in the **Book** field and click **Next** to open the Enter Mass Transfer page.
5. Enter New Mass Transfer in the **Batch** field.
6. In the Transaction Details section, enter the transfer date.
7. On the General tab in the Asset Selection Criteria section, enter these values:

Field	Value
Asset Type	Capitalized
Depreciation Method	STL

8. On the General tab, click the **Location Filter** icon.
9. Click **Add Fields** and add the **Country**, **State or County**, and **City** fields.
10. Enter location information indicating where the assets are being transferred from:

Field	Value
Country	USA
State or County	NY

Field	Value
City	NEW YORK

11. Click **OK**.
12. In the Transfer Details section, click the **Location Filter** icon.
13. Click **Add Fields** and add the **Country**, **State or County**, and **City** fields.
14. Enter location information indicating where the assets are being transferred to:

Field	Value
Country	USA
State or County	CA
City	LOS ANGELES

15. Click **OK**.
16. Click **Save** > **Save and Close**.

Change Asset Assignments

This example shows you how to change the descriptive details of an asset; transfer assets to different employees, expense accounts, and locations; and adjust the number of units of an asset.

In this example ABC Corporation purchased 20 laptops for the Finance Department. After purchasing the laptops, some descriptive details weren't available and couldn't be entered until later. The asset accountant made a couple of errors and needs to make the following updates to assignments:

- Enter additional descriptive details.
- Change the number of units from 21 to 20.
- Change the expense account from the Marketing Department expense account to the Finance Department expense account.

Change Descriptive Details

1. On the Assets page, click the **Update Descriptive Details** panel tab.
2. On the Update Descriptive Details page, select VO US CORP in the Book drop-down list.
3. Click **Search**.
4. Select the asset in the search results table.
5. Click **Change Descriptive Details**.
6. On the Change Descriptive Details page, complete the fields as shown in this table.

Field	Value
Serial Number	123456
Manufacturer	Dell
Ownership	Owned
Bought	New

7. Click **Save and Close**.
8. Click **Done**.

Adjust Units

1. On the Assets page, click the **Transfer Assets** panel tab.
2. On the Transfer Assets page, select VO US CORP in the Book drop-down list.
3. Click **Search**.
4. Select the asset in the search results table.
5. Click **Adjust Units**.
6. On the Adjust Units page, the current units shown are 21. Enter 20 in the **New Units** field.
7. Click **Submit**.

Transfer Assets

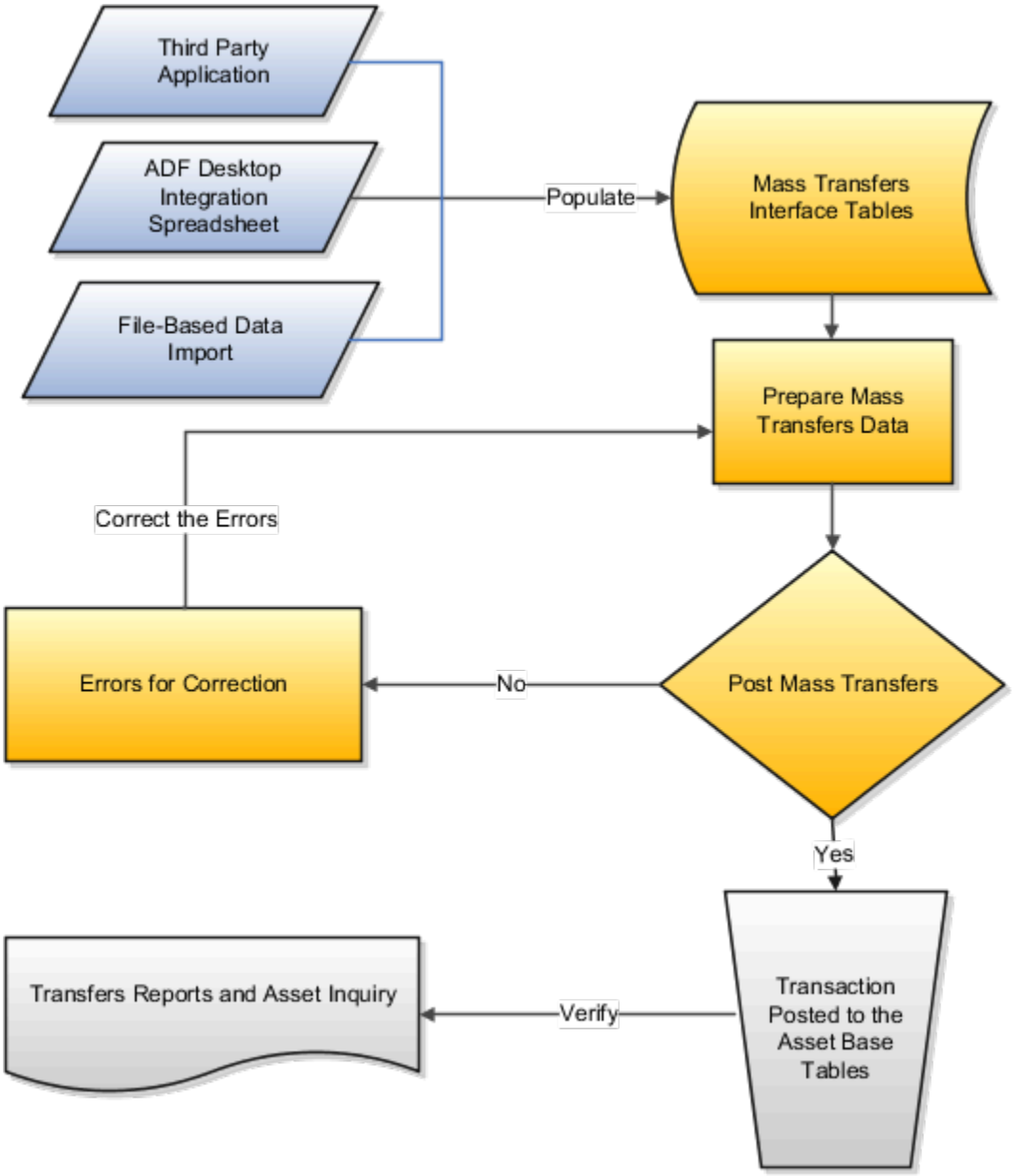
1. On the Transfer Assets page, click **Transfer Asset**.
2. On the Transfer Asset page, enter 0 in the **New Units** column for the existing distribution.
3. Click the **Add Row** icon.
4. Enter the new distribution, which includes the finance department expense account, the employee and the location.
5. Click **Submit**.

How Mass Transfers Import Data Is Processed

Use the Fixed Asset Mass Transfers Import process to transfer assets between employees, locations, and expense accounts. You can also use it to perform unit adjustments, based on information in any other third party application.

You can download a mass transfers spreadsheet template to use to prepare your data. The template contains an instruction sheet to help guide you through the process of entering your information.

The following figure contains the flow for creating mass transfers and posting them to Oracle Assets.



To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click **File-Based Data Imports**.
3. Click **Fixed Asset Mass Transfers Import**.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- don't change the order of the columns in the template.
- You can hide or skip the columns you don't use, but don't delete them.

Settings That Affect the Mass Transfers Import Process

The Mass Transfers import template contains an instructions tab, plus three tabs that represent the tables where the data is loaded:

Spreadsheet Tab	Description
Instructions and CSV Generation	Contains instruction information about preparing and loading data, the format of the template, submitting the Post Mass Transfers process, and correcting import errors.
FA_TRANSFERS_T	Enter information about the assets you're transferring. Based on the transaction type, the Post Mass Transfers process inserts rows into the base tables and either transfers or adjusts asset units for any rows with a status of Post.
FA_TRANSFER_DISTS_T	Enter the asset distribution details such as: • Units • Depreciation expense account • Location • Employee assigned for each asset This information is used for the transfer or unit adjustment.

How Mass Transfers Are Processed

Ensure that you populate the Mass Transfer interface tables with the correct asset information and run the Post Mass Transfers process.

You can also submit the Post Mass Transfers process from the Transfer Assets in Spreadsheet integrated workbook by clicking **Save and Post Transactions**.

To save changes to the Mass Transfer interface tables for further review:

1. On the Assets page, select the Transfers infotile.
2. Click **Prepare** to open the Transfer Assets in Spreadsheet integrated workbook.
3. Review the mass transfer lines and change the queue to **Post**.
4. Click **Save**.
5. Review your changes on the Transfers infotile.

To submit the Post Mass Transfers process:

1. On the Assets page, select the **Transfers** infotile.
2. Click **Prepare** to open the Transfer Assets in Spreadsheet integrated workbook.
3. Review the mass transfer lines and change the status to **Post**.
4. Click **Save and Post Transactions**.
5. If the Post Mass Transfers process ends in error or warning, review the log file for details about the rows that caused the failure.

The following posting statuses apply to mass transfers:

Posting Status	Meaning
New	The data is new and may require additional information before a transfer can take place in the Post Mass Transfers process.
On Hold	The data should remain unprocessed by the Post Mass Transfers process until it's set to a status of Post.
Post	The data is ready for a transfer to take place in the Post Mass Transfers process.
Error	The data was invalid and won't be submitted for transfer in the Post Mass Transfers process. You can set the records with errors to Delete if they must be removed from the database.
Delete	The data won't be submitted for transfer in the Post Mass Transfers process.

To correct import errors:

1. On the Assets page, select the Transfers infotile.
2. Enable Query by Example.
3. Search for records with a status of **Error**.
4. Click **Prepare** to open the Transfer Assets in Spreadsheet integrated workbook
5. Review and correct the errors on the mass transfer lines and change the queue to **Post**.
6. Click **Save and Post Transactions**.
7. Repeat the submission and error correction steps in this section until all rows are imported successfully.

The following table shows errors that may occur during the Post Mass Transfers process and their solutions:

Error	Solution
The Calculate Depreciation process ran with errors.	Fix the errors and resubmit the Calculate Depreciation process. When the Calculate Depreciation process runs successfully, resubmit the Post Mass Transfers process.
The Calculate Depreciation process is currently running for the corporate book.	Wait until The Calculate Depreciation process completes successfully, and then resubmit the Post Mass Transfers process.

Related Topics

- Transfer Assets
- Perform a Mass Transfer

Perform a Mass Transfer or Unit Adjustment Using an Integrated Workbook

Use the Transfer Assets in Spreadsheet integrated workbook to transfer multiple assets or adjust units.

1. On the Assets page, click the **Transfer Assets in Spreadsheet** panel tab.
2. Enter the book and click **Next** and then click **OK**.
3. Enter your login information when prompted.
4. In the Transfer Assets in Spreadsheet integrated workbook, enter required transfer information.
5. If you're adjusting units, enter new unit information.
6. When you're finished:
    - Click **Save**.
    - Set the posting status to Post and click **Save and Post Transactions**.

Related Topics

- Set Up Desktop Integration for Excel
- Guidelines for Using Desktop Integrated Excel Workbooks
- Troubleshoot Desktop Integration for Excel

Asset Descriptive Details

The descriptive details of an asset have no financial impact, but can be used to help streamline asset tracking.

Descriptive details include information the following required information:

- Asset number
- Description

You can also include:

- Other tracking information, such as the tag number, serial number, and parent asset number and description
- Model and manufacturer
- Ownership information
- Whether the asset is real or personal property
- Whether the asset is owned or leased

How Mass Update Descriptive Details Import Data Is Processed

Use the Post Mass Update Descriptive Details file-based data import process to update the descriptive details of assets in your asset book.

You can download a spreadsheet template to use to prepare your data. The template contains an instruction sheet to help guide you through the process of entering your asset information.

You can update the following descriptive details for assets:

- Asset number
- Tag number
- Serial number

- Global descriptive flexfield
- Asset key
- Descriptive flexfield

To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click **File-Based Data Imports**.
3. Click **Post Mass Update Descriptive Details**.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- don't change the order of the columns in the template.
- You can hide or skip the columns you don't use, but don't delete them.

Settings that Affect the Post Mass Update Descriptive Details Import Process

The Post Mass Update Descriptive Details import template contains an instructions tab, plus a tab that represents the table where the mass descriptive details data is loaded:

Spreadsheet Tab	Description
Instructions and CSV Generation	Contains instruction information about preparing and loading data, the format of the template, submitting the Post Mass Update Descriptive Details process, and correcting import errors.
FA_DESCRIPTIVE_DETAILS_INT	Enter the mass descriptive details data that you will use to update your asset information.

How Update Descriptive Details Are Processed

Ensure that you populate the descriptive details interface table with the correct information, then run the Post Mass Update Descriptive Details process.

To submit the Post Mass Update Descriptive Details process:

1. Navigate to the Scheduled Processes page.
2. Click **Schedule New Process**.
3. Enter Post Mass Update Descriptive Details in the **Name** field and click **OK**.
4. Enter the book and transaction group and click **Submit**.
5. Verify that the Scheduled Process status is **Succeeded** in the Enterprise Schedule Services page.
6. If the Post Mass Update Descriptive Details process ends in error or warning:
    a. Review the log file for details about the rows that caused the failure.
    b. Download the CSV output file, correct the errors, and re-upload the file.

Note: If you're using descriptive flexfields, make sure that you enter the correct value for each segment in the Post Mass Update Descriptive Details import template, because the application doesn't validate these values.

Related Topics

- Change Asset Assignments

How You Transfer Assets to Another Book

You can transfer a fixed asset from one entity, location, or employee to another, across different asset books.

The originating (source) and receiving (destination) books can be part of the same ledger or in different ledgers. For transfers across ledgers, the only valid transfer type is Net book value method, because this asset transfer is treated as a related party sale.

The valuation, depreciation rules, and other specifics of the destination asset are governed by the transaction rules specified.

During the transaction process, you can record other charges, such as removal costs, freight charges, nonrecoverable taxes, and miscellaneous fees. All charges, except removal costs, are capitalized in the destination asset and are included in the intercompany Receivables amount, which the receiving entity owes.

The depreciation reserve for the transferred asset is determined based on the accumulated reserve balance from the period before the transfer period.

The application generates independently balanced accounting entries in the source book to close out asset balances. The destination book creates a separate set of balanced entries, to start the opening balances. With this process, intercompany entries are generated automatically for transfers with different balancing segment values. This eliminates the need for you to manually create journal entries in Oracle General Ledger.

You can transfer assets using any of these methods:

- Transfer Assets page
- Transfer Assets Application Development Framework desktop integration (ADFdi) spreadsheet
- Fixed Asset Mass Transfers Import file-based data import (FBDI) template

You can view the details of the asset number and the destination book the asset is transferred to in the Asset Inquiry page. You can also view the assignment details for the destination book.

The asset cost appears in the Book Transfer column in these reports when you use the Gross method transfer type.

- Cost Detail Report
- Cost Summary Report
- Reserve Summary Report
- Reserve Detail Report

In the source book, the asset cost is deducted and appears as a negative value, while in the destination book, the asset cost is added and appears as a positive value in the Book Transfer column. Note that this paragraph doesn't apply to transfers done using the Net book value method transfer type.

When you use the Net book value method transfer type, in the source book the net book value of the asset appears in the Retirement column of the four reports listed, and in the Additions column for the destination book.

Subledger Accounting Rules

Configure Oracle Subledger Accounting (SLA) rules and mapping sets to change your accounting rules.

Use the Book Transfer predefined journal entry rule set for the Book Transfer event class, using natural accounts for intercompany Receivables and Payables transactions from the Book Controls table of your source and destination books.

This journal entry rule set uses the Book Controls Receivables Account for the Intercompany Receivables Account (source book) and the Book Controls Payables Account for the Intercompany Payables Account (destination book).

Set up the natural accounts for these as AR Intercompany account and AP Intercompany in the source and destination book setup. Use either CSV Export and Import or the Book Setup REST API to enter both these accounts.

The standard journal entry rule set doesn't automatically include the intercompany segment, but it can be easily updated using these sources:

- Counterparty book
- Counterparty primary balancing segment value
- Counterparty secondary balancing segment value
- Counterparty tertiary balancing segment value
- Counter party cost center

For instance, when transferring an asset from book A, company code 01 to book B, company code 02, the source transaction lists book B as the counterparty book and company code 02 as the counterparty company code. Conversely, the destination transaction lists book A as the counterparty book and company code 01 as the counter party company code.

When incorporating the intercompany segment, copy the Book Transfer journal entry rule set and update it to meet your specific needs. This enables you to populate the Source Receivables, Source Recoverable Charges Receivable (includes freight, miscellaneous and nonrecoverable taxes), and Destination Payables journal line rules with your chosen values. You can either use the Counterparty Primary Balancing segment directly or apply an account rule or mapping set to use another counterparty value.

Here's how you set up Subledger Accounting rules to see Intercompany accounts.

1. Create an account rule with a rule type of Segment and Intercompany for the chart of accounts.
2. Create a journal entry rule set using the Intercompany segment for the following journal line rules and enter the account rule you created in the previous step:
    - Book Transfer, Destination Payables
    - Book Transfer, Source Receivables
3. Assign the journal entry rule set to the Book Transfer event class for the accounting method used by the ledger.
4. Activate the journal entry rule set.
5. Run the Update Subledger Option process for Assets.

Accounting for Transfers Between Books

Oracle Subledger Accounting (SLA) rules govern how asset transfer transactions between books are recorded. The application generates accounting entries automatically, following the guidelines set by these SLA rules.

You use the SLA Book Transfer event class for both source and destination books. It automates the creation of intercompany Payables and Receivables entries,which enables you to update the intercompany segment through the SLA rules.

In the following example, you transfer an asset to another book. The asset was transferred with a cost basis of Net book value of the source asset. The original cost of the asset was $207,000.00 with depreciation reserve of $69,000.00 and a net book value of $138,000.00. The asset was transferred from company 3241 to company 4305.

This table shows the net effect of the accounting entries when you use the Gross method transfer type and the intercompany segment value of 3321:

Line	Event	Account	Class	Debit	Credit
1	Book Transfer	3241-000-0000-40116-3321	Receivable	207,000.00	
2	Book Transfer	3241-000-0000-17490-0000	Accumulated Depreciation	69,000.00	
3	Book Transfer	3241-000-0000-17400-0000	Cost		276,000.00
NA	NA	NA	Total	276,000.00	276,000.00

This table shows the accounting entries in the destination book. Note that the intercompany segment value of 3241 has been populated:

Line	Event	Account	Class	Debit	Credit
1	Book Transfer	3321-000-0000-17400-0000	Cost	276,000.00	
2	Book Transfer	3321-000-0000-40116-3241	Accounts Payable		207,000.00
3	Book Transfer	3321-000-00000 -17490-0000	Accumulated Depreciation		69,000.00
NA	NA	NA	Total	276,000.00	276,000.00

The application generates other cost clearing entries, in addition to these accounting entries.

In this example, you transfer the asset with a cost basis of Net book value of the source asset. The original cost of the asset was $22,000.00, with depreciation reserve of $5866.67 and a net book value of $16,133.33. This asset was transferred from company 3241 to company 4305.

This table shows the net effect of the accounting entries for the source book when you use the Net Book Value method transfer type:

Line	Event	Account	Class	Debit (USD)	Credit (USD)
1	Book Transfer	3241-000-41210-0000-0000	NBV Retired	16,133.33	
2	Book Transfer	3241-000-41210-0000-0000	Cost		22,000.00
3	Book Transfer	3241-000-40116-0000-4305	Receivable	16,133.33	
4	Book Transfer	3241-000-17490-0000-0000	Accumulated Depreciation	5,866.67	
5	Book Transfer	3241-000-56025-0000-0000	Proceeds of sale		16,133.33
NA	NA	NA	Total	38,133.33	38,133.33

The asset in the destination book was created with a cost of $16133.33 cost and zero reserve using Net book value of the source asset as the cost basis. The intercompany segment was populated to 3241 to indicate the source entity.

This table shows the net effect of the accounting entries for the destination book when you use the Net Book Value method transfer type:

Line	Event	Account	Class	Debit (USD)	Credit (USD)
1	Book Transfer	4305-000-17400-0000-0000	Cost	16,133.33	
2	Book Transfer	4305-000-40116-0000-3241	Accounts Payable		16,133.33
NA	NA	NA	Total	16,133.33	16,133.33

Access Requirements for Transferring Assets to Another Book

The predefined Asset Accountant and Asset Accounting Manager job roles have access to this feature.

Follow these steps to set up the access you need to transfer assets to another book:

1. Create a job role.
2. Assign the privilege Transfer Fixed Asset to Another Asset Book to the job role.
3. Create a data security policy with the following details:
    - Policy Name: Transfer Fixed Asset to Another Asset Book
    - Database Resource: Fixed Asset Book
    - Actions: Transfer Fixed Asset to Another Book
4. Assign the role created in step 1 to the user who will transfer assets to another book.
5. Navigate to **Setup and Maintenance** > **Manage Asset Book Data Access for Users**.
6. Search for the user you want to add access for and click **Authorize Data Access**.
7. Save and open the Authorize Data Access for Users spreadsheet.
8. In the spreadsheet, enter the books that you want this role to have access to:
    - Enter **Asset book** in the Security Context column.
    - Enter the name of your book in the Security Context Value column.
9. Click the Authorize Data Access tab and click **Upload**.
10. Make sure you receive a notice that the row updated successfully.
11. Navigate to Scheduled Processes and run the following requests:
    - Retrieve Latest LDAP Changes
    - Import User and Role Application Security Data

Prerequisites for Transferring Assets to Another Book

You must complete these prerequisites before you can transfer assets from one book to another:

1. Use the Opt In page to enable the Fixed Assets Transfer Between Asset Books feature.
2. In the Setup and Maintenance work area, go to the Manage Asset Books task.
3. In the Manage Asset Books page, select the source book.
4. Click the **Edit** icon.
5. In the Edit book page, enable the **Allow transfer to another book** checkbox.

6. Click **Save and Close**.

To transfer assets to another book in a different ledger, you must also enable the ORA_ERP_CONTROLLED_CONFIG lookup:

1. In the Setup and Maintenance work area, search for the Manage Standard Lookups task.
2. Click the **Manage Standard Lookups** link.
3. In the Manage Standard Lookups page, enter ORA_ERP_CONTROLLED_CONFIG in the Lookup Type field.
4. Click **Search**.
5. In the Lookup Codes section, check the **Enabled** checkbox in the FA_37408007 lookup code row.
6. Click **Save and Close**.

Guidelines for Transferring Assets from One Book to Another

Consider these points when transferring assets from one book to another:

- You can't transfer an asset:
  - That's backdated to the period in which the asset was added in the source book.
  - For which bonus depreciation has been calculated.
  - That's been revalued or impaired in the source book.
  - That's been added to a lease.
- To continue the source asset's life and depreciation rules after the asset is transferred to another book, make sure you don't select the **Inherit depreciation rules of destination category** option and the **Use transfer date as the date placed in service** option on the Transfer Asset to Another Book page.
- In the source book, there's no gain or loss when the asset is transferred at net book value. A gain or loss occurs only if the asset is transferred at an amount different from its net book value.
- You must execute the transfer process individually in each of the tax books. The Mass Copy process isn't applicable for transfers across books.
- If your source corporate book has more associated tax books than the destination book, you must either:
  - Manually retire assets for tax books without a corresponding destination book using the standard retirement feature.
  - Perform asset additions directly for these tax books, which are managed as normal addition transactions.
- If the number of reporting currency books isn't the same in the source and destination books, use the Net book value method transfer type.
- Use the conversion rate to convert the transfer amount, freight, nonrecoverable tax, and miscellaneous amounts in the source book to the destination book. You can't enter the destination transfer amount, freight, nonrecoverable tax, or miscellaneous amount in the destination book directly. Use the Destination Transfer Amount, Destination Freight Amount, Destination Nonrecoverable Tax Amount, and Destination Miscellaneous Amount columns (Columns AE to AH) in the Book Transfer worksheet of the Fixed Asset Mass Transfers file-based data import template to enter this information.
- Only full transfers of assets are allowed. You can't perform a partial transfer of an asset.
- You can transfer only capitalized assets from one book to another.
- You can't transfer leased assets from one book to another.
- You can't transfer group assets and their member assets from one book to another. To transfer an asset that's a member asset, you must remove it from the group asset it's assigned to. It then becomes a standalone asset in the source asset book and can be transferred to the destination book.

- Only the Net book value method transfer type is allowed for transfers across ledgers, because this asset transfer is treated as a related party sale.

Guidelines for Transferring Project Assets to Another Book

Consider these points when transferring assets in Oracle Projects from one book to another:

- You can transfer project-sourced assets to another book, but you lose the link to the project. Any other cost adjustments to the asset from Projects must be posted manually.
- Once you transfer an asset from the source book to the destination book, any later cost adjustments won't be posted. For any such cost adjustments, you must post them to a separate asset in the source book. This newly created asset must be transferred separately to the destination book.
- For any later cost adjustments to a transferred asset that haven't yet been transferred to Oracle Assets, create the cost adjustment as a separate project asset and transfer the lines to Assets. Once you transfer an asset from the source book to the destination book, don't post any further cost adjustments to that transferred asset. If you've already posted a cost adjustment to Assets:
    - Record these adjustments as new fixed assets in the source book.
    - Transfer the newly created fixed asset separately to the destination book.
- For any other cost adjustments to an asset before the line is transferred into Assets:
    - Create a separate project asset for the cost adjustment.
    - Transfer that project asset's lines into Assets.
- Ensure that all the pending transactions are posted before transferring an asset to another book, because once an asset is posted, any later cost adjustments are posted in the source book as separate assets and transferred to the destination book as new assets.
- Don't transfer an asset until the tie back process is complete within Projects.

Transfer Assets to Another Book Within the Same Ledger

This task shows you how to transfer assets from one asset book to another when both the source and destination books are in the same ledger.

You must first complete these prerequisites before you can transfer assets from one book to another:

1. Use the Opt In page to enable the Fixed Assets Transfer Between Asset Books feature.
2. In the Setup and Maintenance work area, go to the **Manage Asset Books** task.
3. In the Manage Asset Books page, select the source book.
4. Click the **Edit** icon.
5. In the Edit book page, enable the **Allow transfer to another book** checkbox.
6. Click **Save and Close**.

To transfer assets to another book:

1. Navigate to the Assets landing page.
2. Click the Transfer Assets panel tab.
3. On the Transfer Assets page, select your source book and search criteria to search for the assets you plan to transfer.
4. Select the asset and click **Transfer Asset to Another Book**.

5. On the Transfer Asset to Another Book page, enter this information:

Field	Value
Destination Book	Select your destination book.
Transfer Date	Defaults to the last day of the open period.
Transfer Type	◦ Gross method: The asset transfer is recorded as a transfer-out transaction in the source book and as a unique transfer-in addition in the destination book. ◦ Net book value method: The asset transfer is treated as a related party sale. In this case the transfer is documented as a specific book transfer retirement transaction in the source book and as a unique transfer-in addition in the destination book.
Cost Basis	◦ If you selected Gross method as the transfer type, the cost basis can be either: - Cost and reserve of the source asset: The destination asset balances are initialized with the cost and reserve amount of the source asset. - Net book value of the source asset: The destination asset cost is initialized with the net book value of the source asset. The depreciation reserve is initialized to zero.
Posting Status	Automatically set to Post. To post the transaction later, you can change the status to New until you're ready to post it.
Destination Category	The asset category for the asset in the destination book. You can use the original category from the source book or choose a different asset category for the destination book. You can keep the depreciation rules from the source asset or opt for those of the destination book and category.
Destination Asset Number	Enter a destination asset number or let the application generate it automatically. The asset number in the destination book must be unique.
Destination Tag Number	Enter the source tag number or enter a new destination tag number. The tag number must be distinct across all books. You can retain the tag number for either the source or destination asset, but it can't be the same in both the source and destination book.

6. In the Destination Asset Information section, enter any other information about the destination asset, if necessary.
7. In the Destination Assignment Details section, click the **Add** icon.
8. Enter the assignment details for the destination asset. You can change the depreciation expense account, location, and employee information when you transfer an asset to the destination book, but make sure the units in the destination book match the units in the source book.
9. Click **Submit**.
10. Go to the Scheduled Processes page and search for the Post Online Assets Transactions process that you submitted when you clicked the **Submit** button.
11. When the process has processed successfully, navigate to the Asset Inquiry page and search for the source asset number.
12. Select the source asset.
13. In the Books section, click **Transactions**.
14. The source asset now shows 0 for the cost, recoverable cost, depreciation reserve, and net book value.
15. In the Destination Book Details section, you can view information about the newly transferred asset, including the new asset number.

Related Topics

- Prerequisites for Transferring Assets to Another Book

Transfer Assets to Another Book in a Different Ledger

This task shows you how to transfer assets from one asset book to another when the source and destination books are in different ledgers.

You must first complete these prerequisites before you can transfer assets from one book to another:

To transfer assets to another book:

1. Navigate to the Assets landing page.
2. Click the **Transfer Assets** link in the Tasks panel tab.
3. On the Transfer Assets page, select your source book and search criteria to search for the assets you plan to transfer.
4. Select the asset and click **Transfer Asset to Another Book**.
5. On the Transfer Asset to Another Book page, enter this information:

Field	Value
Destination Book	Select your destination book.
Transfer Date	Defaults to the last day of the open period.
Transfer Type	Net book value method: If you select an asset book that's in a different ledger than the destination book, this field defaults to the Net book value method transfer type. You must use the Net book value method transfer type for transfers across ledgers.
Cost Basis	If you selected Gross method as the transfer type, the cost basis can be either: o Cost and reserve of the source asset: The destination asset balances are initialized with the cost and reserve amount of the source asset. o Net book value of the source asset: The destination asset cost is initialized with the net book value of the source asset. The depreciation reserve is initialized to zero. o Transfer amount: The destination asset cost is initialized with a user-entered transfer amount. The depreciation reserve is initialized to zero. The Transfer amount cost basis is valid only for transfers across ledgers.
Posting Status	Automatically set to Post. To post the transaction later, you can change the status to New until you're ready to post it.
Destination Category	The asset category for the asset in the destination book. You can use the original category from the source book or choose a different asset category for the destination book. You can keep the depreciation rules from the source asset or opt for those of the destination book and category.
Destination Asset Number	Enter a destination asset number or let the application generate it automatically. The asset number in the destination book must be unique.
Destination Tag Number	Enter the source tag number or enter a new destination tag number. The tag number must be distinct across all books. You can retain the tag number for either the source or destination asset, but it can't be the same in both the source and destination book.
Conversion Rate Type	Select a rate type defined in Oracle General Ledger.
Conversion Rate	Enter a rate if the rate type is User.

Field	Value
Reporting Currency Rate Basis	Enter this rate to specify how the reporting currency amount is calculated for the destination book. When the destination book's ledger uses the same reporting currency as the source book ledger, the Reporting Currency Rate Basis can be one of the following: o Use historical rate: Source book reporting currency amount is copied to the destination book. o Use rate as of transfer date: Conversion rate on the transfer date is used to convert the source book reporting currency amount to the destination book. When the destination book's ledger has a different reporting currency than the source book ledger, the Reporting Currency Rate Basis must be Use rate as of transfer date.

6. In the Destination Asset Information section, enter any other information about the destination asset, if necessary.
7. In the Destination Assignment Details section, click the **Add** icon.
8. Enter the assignment details for the destination asset. You can change the depreciation expense account, location, and employee information when you transfer an asset to the destination book, but make sure the units in the destination book match the units in the source book.
9. Click **Submit**.
10. Go to the Scheduled Processes page and search for the Post Online Assets Transactions process that you submitted when you clicked the **Submit** button.
11. When the process has processed successfully, navigate to the Asset Inquiry page and search for the source asset number.
12. Select the source asset.
13. In the Books section, click **Transactions**.
14. The source asset now shows 0 for the cost, recoverable cost, depreciation reserve, and net book value.
15. In the Destination Book Details section, you can view information about the newly transferred asset, including the new asset number.

Related Topics

- Prerequisites for Transferring Assets to Another Book

Track Assets FAQs

How can I adjust the number of units in an asset?

Use the Transfer Assets panel tab:

1. On the Transfer Asset page, search for the asset whose units you want to change.
2. Click **Adjust Units**.
3. Click the **Add Row** icon and enter the new unit information.
4. Click **Submit**.

To increase or reduce units for existing distributions, select the distribution and enter the correct units for the distribution in the **New Units** column.

How can I change the descriptive details of an asset?

Use the Update Descriptive Details panel tab:

1. On the Update Descriptive Details page, search for the asset you want to change.
2. Click **Change Descriptive Details**.
3. Enter the new asset details.
4. Click **Save and Close**.

Capitalize CIP Assets

Construction-in-Process Assets

A construction-in-process (CIP) asset is an asset you construct over a period of time, which hasn't yet been placed into service.

Remember the following points when creating CIP assets:

- You create and add expenses to your CIP assets as you incur expenses for construction costs including raw materials and labor.
- CIP assets don't depreciate, because they aren't yet in use.
- When a CIP asset is completed, you place it in service and it begins depreciating.

Track CIP Assets

You can track CIP assets in one of two ways:

- Track detailed information about your CIP assets in Oracle Project Costing. If you use Project Costing to track CIP assets, you don't need to track them in Oracle Assets.
- Use the asset key to group and track your CIP assets in Assets. You can use the asset key to track each CIP asset by some identifying keyword, such as project name or number.

Note: If you use Project Costing to track CIP assets, you don't need to also track them in Assets.

Add CIP Assets Automatically to Tax Books

You can set up Assets to automatically copy CIP assets to a tax book when you add a CIP asset to your corporate book.

When setting up this option, remember the following points:

- When you capitalize these CIP assets in your corporate book, they're automatically capitalized in your tax book, even if the corporate and tax books are in different accounting periods.
- After you allow Assets to automatically add CIP assets to your tax book, all CIP assets you add to your corporate book will automatically be added to your tax book at the same time.

- If you allow CIP assets to be copied to your tax books and then change the option, the assets already copied remain in the tax book. These copied assets are capitalized when their original assets are capitalized in the corporate book.
- If the accounting periods in your corporate and tax books aren't in the same fiscal year, and you add and capitalize a CIP asset in the corporate book, the same CIP asset may be added and capitalized in a different fiscal year in the tax book.
- Although CIP assets can now appear in your tax books, you can't perform any transactions directly to CIP assets in tax books. You can only perform transactions on CIP assets in your corporate book, and these transactions will automatically be replicated to the tax book.

Capitalize CIP Assets

Capitalize CIP assets when you're ready to place them in service.

When capitalizing an asset, Assets makes the following updates to the asset:

- Changes the asset type from CIP to Capitalized
- Changes the date placed in service to the date you enter
- Sets the cost to the sum of all source lines for the asset
- Defaults the depreciation rules from the asset category
- Creates an addition transaction for an asset you added in a prior period or changes the CIP addition transaction to an addition for an asset you added in the current period

Reverse Capitalize Assets

You can reverse capitalize an asset only in the period you capitalized it, and only if you didn't perform any transactions on it.

When reverse capitalizing an asset, Assets makes the following updates to the asset:

- Changes the asset type from Capitalized to CIP
- Changes the addition transaction to an addition and void transaction for an asset you added in a prior period, or changes the addition transaction to a CIP addition for an asset you added in the current period.
- Creates a CIP reverse transaction for assets you capitalized in a prior period

Note: The date placed in service is unchanged.

Related Topics

- How can I capitalize a CIP asset?
- How can I reverse capitalize an asset that should not have been capitalized?

Capitalize CIP Assets FAQs

How can I capitalize a CIP asset?

On the Assets page, click the Capitalize CIP Assets panel tab.

1. On the Capitalize CIP Assets page, search for the construction-in-process (CIP) asset you want to capitalize.
2. Select the asset and click **Capitalize**.

How can I reverse capitalize an asset that should not have been capitalized?

On the Assets page, click the Capitalize CIP Assets panel tab.

1. On the Capitalize CIP Assets page, search for the capitalized asset you want to reverse capitalize.
2. Select the asset and click **Reverse Capitalize**.

   To reverse capitalize multiple assets, highlight all of the assets you want to reverse capitalize and click **Reverse Capitalize**.

Depreciate Assets

How Depreciation Is Calculated

Run the Calculate Depreciation process to calculate depreciation for all assets in a book for a period. If depreciation isn't calculated successfully for any assets, review the log file to determine the reason that depreciation failed.

When you run depreciation, you can either:

- Close the current period automatically after running depreciation. If all of your assets depreciate successfully, Assets closes the period and opens the next period.
- Keep the period remains open after running depreciation.

> **Note:** Ensure that you have entered all transactions for the period before you run depreciation. Once the process closes the period, you can't reopen it.

Settings That Affect Depreciation Calculation

Depreciation calculation is affected by the following:

Setting	Description
Prorate date	Oracle Assets: • Prorates the depreciation taken for an asset in its first fiscal year of life according to the prorate date. For example, if you use the half-year prorate convention, the prorate date of all assets using that convention is simply the midpoint of your fiscal year. So assets acquired in the same fiscal year take the same amount (half-a-year's worth) of depreciation in the first year. Your reporting authority's depreciation regulations determine the amount of depreciation to take in the asset's first year of life. For example: • Some governments require that you prorate depreciation according to the number of months that you hold an asset in its first fiscal year of life. In this case, your prorate convention has 12 rate periods, one for each month of the year. • Other reporting authorities require that you prorate depreciation according to the number of days that you hold an asset in its first year of life, meaning that the fiscal year depreciation amount would vary depending on the day that you added the asset. Thus, your prorate convention contains 365 prorate periods, one for each day of the year.
Calculation basis	Assets calculates depreciation using either the recoverable cost or the recoverable net book value as a basis: • Asset cost: Assets calculates the fiscal year depreciation by multiplying the recoverable cost by the rate. • Asset net book value: Assets calculates the fiscal year depreciation by multiplying the recoverable net book value as of the beginning of the fiscal year, or after the latest amortized adjustment, by the rate.
Prorate period	Assets uses the prorate date to choose a prorate period from the prorate calendar. • Life-based methods: The prorate period and asset age determine which rate Assets selects from the rate table. The Calculate Depreciation process calculates the asset age from the date placed in service as the number of fiscal years that you have held the asset. If two assets are placed in service at different times, but have the same depreciation method and life, Assets uses the same rate table, but may choose a different rate from a different column and row in the table. • Flat-rate methods: Use a fixed rate and don't use a rate table.
Depreciation rate	• Life-based depreciation methods: Assets uses the depreciation method and life to determine which rate table to use. Then, Assets uses the prorate period and year of life to determine which of the rates in the table to use. Note that the life of an asset has more fiscal years than its asset calendar life if it's placed in service during a fiscal year. • Flat-rate depreciation methods: Assets determines the depreciation rate using fixed rates, including the basic rate, adjusting rate, and bonus rate.

How Depreciation Is Calculated

Calculated and table-based methods calculate annual depreciation by multiplying the depreciation rate by the recoverable cost or net book value as of the beginning of the fiscal year.

Flat-rate methods calculate annual depreciation as the depreciation rate multiplied by the recoverable cost or net book value, multiplied by the fraction of the year that the asset was held.

After calculating the annual depreciation amount, Assets uses the depreciation calendar and the options chosen for dividing depreciation and depreciating when an asset is placed in service to determine how much of the fiscal year depreciation to allocate to the period for which you ran depreciation.

You can choose to allocate depreciation:

- Evenly to each of your accounting periods: Assets divides the annual depreciation by the number of depreciation periods in your fiscal year to get the depreciation per period.
- According to the number of days in each period: Assets divides the annual depreciation by the number of days that the asset depreciates in the fiscal year and multiplies the result by the number of days in the appropriate accounting period.

Assets allocates the periodic depreciation to the assignments to which you assigned the asset, according to the fraction of the asset units that is assigned to each depreciation expense account.

Default Subcomponent Rules

Specify a default subcomponent rule at the asset category level to default the life of a subcomponent asset based on the category and the life of the parent asset.

Note: To properly default the subcomponent life, add the parent asset before the subcomponent.

Apply Default Subcomponent Rules

To apply default rules to subcomponent assets choose one of the following options:

Rule	Description
Same End Date (Specifying a Minimum Life)	The subcomponent asset becomes fully depreciated on the same day as the parent asset, unless the parent asset life is shorter than the minimum life you specify. The subcomponent asset's life is determined based on the following: • End of the parent asset's life • Category default life • Minimum life If the remaining life of the parent asset and the category default life are both less than the minimum life you enter, Oracle Assets uses the minimum life for the subcomponent asset. Otherwise, it uses the lesser of the parent asset's remaining life and the category default life.
Same End Date (Without Specifying a Minimum Life)	The default subcomponent asset life is based on the end of the parent asset life and the category default life. If the parent asset is fully reserved, Assets defaults the subcomponent asset life to one month. The subcomponent asset becomes fully depreciated on the sooner of the following: • Same day as the parent asset • End of the category default life

Rule	Description
Same Life	The subcomponent asset: • Uses the same life as the parent asset. • Depreciates for the same total number of periods. If you acquire the subcomponent asset after the parent asset, it depreciates beyond the end date of the parent asset life. **Note:** You must set up the depreciation method for the subcomponent asset life before you can use the method for that life. If the depreciation method isn't already set up for the subcomponent life rule default, Assets uses the asset category default life.
None	There is no connection between the life of the subcomponent asset and the parent asset life. Assets defaults the subcomponent asset life from the asset category.

Related Topics

- Overview of Asset Categories

Deferred Depreciation

Reporting and tax regulations may require you to account for temporary differences in expenses between the corporate book and the tax book. This temporary difference in depreciation expense is called deferred depreciation.

Deferred depreciation occurs when you use different depreciation methods in the corporate and tax books. The depreciation calculation reduces, and eventually eliminates, the temporary difference as the asset becomes fully reserved.

For example:

- In the corporate book, you depreciate assets using a straight-line method.
- In the tax book, you use an accelerated depreciation method to take more depreciation in the early years of an asset's life and less in the later years. The higher depreciation expense in the early years reduces your taxes at that time. Reporting and tax regulations require that you create a liability on your balance sheet to account for the tax payment delay.

In Oracle Assets you can:

- Calculate deferred depreciation and create deferred depreciation journal entries for your general ledger.
- Project depreciation expense and use those values to determine future income tax liability.

When calculating deferred depreciation, remember the following points:

- The tax book and associated corporate book must use the same number of periods per fiscal year.
- The general ledger period in which you want to create journal entries must be open.

Note: You can't roll back deferred journal entries and you can't run the Deferred Create Journal Entries process multiple times.

How You Override Depreciation

You can override the depreciation amounts calculated by Oracle Assets when the calculated amount doesn't meet your business requirements.

When you override depreciation, Assets charges a different periodic depreciation amount than what's calculated by the Calculate Depreciation process. Override amounts are still subject to all standard validations. You can manually override the calculated default depreciation amounts for both standalone and group assets.

Before you can override depreciation amounts, you must first:

- Enable the ORA_FA_ALLOW_OVERRIDE lookup.
- After you enable the lookup, enable the Allow depreciation override option in the Edit Book page.

You perform depreciation override using the Manage Depreciation Override Application Desktop Framework Desktop Integration (ADFdi) spreadsheet. Use this spreadsheet to search for assets, update assets, and submit depreciation override information.

You can use the Manage Depreciation Override ADFdi spreadsheet to override depreciation amounts in one of two ways:

- Depreciation: When you select Depreciation in the Use by column in the Manage Depreciation Override spreadsheet, Assets overrides the depreciation amounts calculated by the application.
- Adjustment: When you select Adjustment in the Use by column in the Manage Depreciation Override spreadsheet, you perform an adjustment to incorporate the override data. In this case, the application creates a transaction type of Adjustment. But when you run the Calculate Depreciation process for this period, the normal depreciation amount is also calculated.

Note: When using the Manage Depreciation Override spreadsheet, you can't download asset information from the user interface. You must search for the assets you want to override depreciation for directly in the spreadsheet.

Override Depreciation

This task shows you how to override depreciation for your book.

Before completing these steps, ensure you've completed the following setup for your asset book:

- Enable the Allow Depreciation Override lookup.
- Enable the **Allow depreciation override** option in the Edit Book page.

To override depreciation, follow these steps:

1. Navigate to the Assets landing page.
2. Select your book.
3. In the Tasks panel tab, click **Override Depreciation**.
4. Download and save the Manage Depreciation Override spreadsheet.
5. Open the Manage Depreciation Override spreadsheet and sign into your environment.
6. Select your book in the Book field.
7. Enter your search criteria in the Search section. You can search for a single asset by entering the asset number or search for multiple assets by entering the category or the from and to periods.

Note: The period or periods for which you override depreciation must be open.
8. Click **Search**.
9. Select **Post** in the Status column.
10. Select **Depreciation** in the Used by column.
11. Enter the new depreciation amount in the Depreciation Expense column.
12. Click **Submit** to run the Validate Depreciation Override process.
13. Run the Calculate Depreciation process with or without closing the period.
14. After the Calculate Depreciation process completes successfully, search for your asset in the Manage Depreciation Override spreadsheet.
15. Confirm that the status is Posted and the Depreciation Expense column shows the new depreciation amount.
16. In the Tasks panel tab, click **Inquire Assets**.
17. Search for your asset in the Asset Inquiry page.
18. In the Depreciation tab in the Details section of the Asset Inquiry page, confirm that the depreciation override amount is listed for the period for which you overrode depreciation.

Related Topics

- Enable the Allow Depreciation Override Lookup

Override Depreciation Using an Adjustment

This task shows you how to override depreciation for your book by performing an adjustment transaction.

Before completing these steps, ensure you've completed the following setup for your asset book:

- Enable the Allow Depreciation Override lookup.
- Enable the **Allow depreciation override** option in the Edit Book page.

To override depreciation by creating an adjustment transaction, follow these steps:

1. Navigate to the Assets landing page.
2. Select your book.
3. In the Tasks panel tab, click **Override Depreciation**.
4. Download and save the Manage Depreciation Override spreadsheet.
5. Open the Manage Depreciation Override spreadsheet and sign into your environment.
6. Select your book in the Book field.
7. Enter your asset number and the period you want to override depreciation for.

   Note: The period or periods on which you override depreciation must be closed.
8. Click **Search**.
9. Select **Post** in the Status column.
10. Select **Adjustment** in the Used by column.
11. Enter the new depreciation expense amount in the Depreciation Expense column.
12. Click **Submit**.

Perform a cost adjustment:

1. Select your book in the Assets landing page.
2. In the Tasks panel tab, click **Adjust Assets**.
3. Search for your asset in the Adjust Assets page.
4. Select your asset and click the **Change Financial Details** button.
5. Enter the new cost in the Cost field.
6. Click **Submit**.

7. Confirm that the status is Posted in the Manage Depreciation Override spreadsheet.
8. In the Tasks panel tab, click **Inquire Assets**.
9. In the Asset Inquiry page, search for your asset.
10. Confirm that the depreciation adjustment amount is now adjusted with the override amount.

Related Topics

- Enable the Allow Depreciation Override Lookup

What-if Depreciation Analysis

Use what-if depreciation analysis to forecast depreciation for groups of assets in different scenarios. The information you enter is for analysis purposes only and doesn't affect your Oracle Assets data.

When running what-if depreciation analysis, remember the following points:

- Depreciation projections are only estimates of actual depreciation expense.
- After running what-if depreciation analysis, take note of the process ID and then run the What-if Depreciation Analysis Report to view your results.
- You can run what-if depreciation analysis for as many scenarios as you like. Each time you run what-if depreciation analysis, Assets launches a separate report. The results of an analysis will not overwrite the results of previous analyses.
- You can project depreciation expense for any depreciation book and for any number of periods beginning from the starting period you enter as a parameter.

You can forecast depreciation for either:

- Existing assets: When you run what-if depreciation analysis for existing assets, the application automatically launches the Prepare What-if Depreciation Analysis process.
- Hypothetical assets: When you run what-if depreciation analysis for hypothetical assets, the application automatically launches the Prepare Hypothetical Depreciation Analysis process.

Forecast Depreciation

The following table shows differences between the two methods of forecasting depreciation:

Analysis Type	Description	Requirements	Restrictions
Existing assets using current depreciation rules	Analyze assets that already exist in Assets.	• Enter the book, starting period, currency, and number of periods. • Optionally enter asset-specific parameters. If all parameters are blank, then Assets projects depreciation using all of the current parameters.	You can't run what-if depreciation analysis to project depreciation for group assets or CIP assets.
Existing assets using new depreciation rules	Analyze assets that already exist in Assets using new rules.	• Enter the book, starting period, currency, and number of periods.	You can't run what-if depreciation analysis to project depreciation for group assets or CIP assets.

Analysis Type	Description	Requirements	Restrictions
		• Optionally enter asset-specific parameters. If all parameters are blank, then Assets projects depreciation using all of the current parameters.	
Hypothetical assets	Analyze assets that aren't yet defined in Assets.	• Enter the book, starting period, currency, and number of periods. • You must also enter the category, date placed in service, and cost. • If you don't enter any depreciation rules, Assets applies the rules already specified in the Create or Edit Category page.	You can't run what-if depreciation analysis on hypothetical group assets.

Perform What-if Depreciation Analysis on Existing Assets

This example shows you how to perform what-if depreciation analysis on assets you already own.

In this example, you change the depreciation method to STL and the life to 5 years.

1. Navigate to the Perform What-if Analysis page.
2. Enter the following values:

Field	Value
Book	OPS CORP
Currency	USD
Number of Periods	12
Starting Period	The starting period from which you want the report to be printed.

3. In the Assets Selection section, click the Assets to Analyze tab.
4. Enter the following values:

Field	Value
Asset Type	Capitalized
From Asset Number	100051
To Asset Number	100350
Location	USA-CA-SAN FRANCISCO-1

5. In the Depreciation Scenario section, enter the following values:

Field	Value
Depreciation Method	STL
Life in Years	5
Life in Months	0

6. Click **Submit**.
7. Confirm that the What-if Analysis process has completed.
8. Run the What-if Depreciation Analysis Report.
9. Make a note of the process ID.

To view the report:

1. Navigate to the Scheduled Processes page.
2. Click **Schedule New Process**.
3. Select **What-if Depreciation Analysis Report**.
4. Select the book OPS CORP.
5. Select the process ID for the report you want to view.
6. Click **Submit**.
7. View the report.

Perform What-if Depreciation Analysis on Hypothetical Assets

This example shows you how to perform what-if depreciation analysis on assets you don't own but may own in the future.

1. Navigate to the Perform What-if Analysis page.
2. Enter the following values:

Field	Value
Book	OPS Corp
Currency	USD
Number of Periods	12

3. In the Assets Selection section, click the Hypothetical Assets tab.
4. Enter the following values:

Field	Value
Category	COMPUTER-PC
Date Placed in Service	Current date

Field	Value
Cost	5000

5. In the Depreciation Scenario section, enter the following values:

Field	Value
Depreciation Method	STL
Life in Years	5
Life in Months	0

6. Click **Submit**.
7. Confirm that the Hypothetical Depreciation Analysis Report has completed.
8. To view the report, navigate to the Scheduled Processes page.
9. Click **Hypothetical Depreciation Analysis Report**.

Guidelines for Using the Capital Cost Allowance

Under the Canadian income tax system, you cannot always deduct the cost of capital expenditures from income in the year they are incurred. Instead, the total cost of capital expenditures are deducted annually over several years.

These annual charges to income are called capital cost allowance.

When using the capital cost allowance:

- You group the depreciable property into prescribed classes.
- The capital cost allowance for this group is generally calculated using a declining balance basis at the prescribed rate on the capital cost of the group that has not been depreciated.
- You can make a discretionary claim with respect to an eligible capital acquisition equal to any amount up to the maximum allowed under the regulations.

Using the new enhanced depreciation methods, you can:

- Provide the reduction rate and control its applicability to the transactions.
- Associate assets with their capital cost allowance classes.
- Work out the expected capital cost allowance amounts for every tax year.

Depreciate Assets FAQs

What's a subcomponent asset?

A subcomponent asset is linked to a parent asset, but it can be separately tracked and managed apart from the parent asset.

For example, you can track a monitor as a subcomponent of its parent asset, a computer.

Note: The parent asset must be in the same corporate book as the subcomponent asset.

When you perform a transaction on a parent asset, Oracle Assets doesn't automatically perform the same transaction on the subcomponent assets.

Related Topics

- Default Subcomponent Rules

How is an asset with a 1 month life depreciated?

Depreciation behavior depends on the Divide Depreciation option in the book setup.

If it's set to **Evenly**, then the asset will depreciate fully in the period of addition. If it's set to **By days**, depreciation might extend into the following month if the prorate date is later than the first day of the addition period.

Reconcile Assets

Search for Assets

At OPS Corporation, assets are assigned to certain employees. These individuals are responsible for care and maintenance of the assets assigned to them.

Gary Smith was recently relocated to a different location and the asset accounting manager needs to find out the details of the assets assigned to him.

The asset accounting manager asks the asset accountant to provide all of the available details of the assets assigned to Gary Smith. She then can arrive at a decision as to who will take over the responsibilities of the asset.

Search for Assets

1. On the Asset Inquiry page, click the Assets tab.
2. Complete the fields, as shown in this table.

Field	Value
Book	OPS CORP
Asset Type	Capitalized

Field	Value
Employee	Gary Smith

3. Click **Search**.

   The Search Results section contains three assets: asset 100101 (desk), asset 100102 (computer), asset 100103 (mobile phone).
4. Select asset 100101.
5. In the Books section, view the books the asset is assigned to.
6. Click the Descriptive, Source Lines, and Assignments tabs to view the corresponding information for the asset.
7. To view the financial details of the asset, click the Financial tab.
8. Click the Cost History, Depreciation, and Transactions tabs to view the corresponding information for the asset.
9. Click **Save** to save your search.
10. Enter the name Gary Smith Inquiry.
11. Deselect **Set as Default**.
12. Check **Run Automatically**.
13. Click **OK**.

View Transaction Accounting Information for an Asset

OPS Corporation ordered new machinery to replace existing machines. ABC Incorporated is willing to purchase the old machinery at a discounted rate.

In this scenario:

- The machines are in good working order and OPS Corporation agrees to sell them to ABC Incorporated at a negotiated price per machine.
- All the assets sold are retired from the books and the asset accountant makes the relevant entries.
- The finance manager wants to know the profit or loss made on the entire sale and the accounts that are affected by this sale. He asks the asset accounting manager to provide a detailed breakdown of the profit or loss made, including the details of the accounts that are impacted.

View Transaction Accounting Information

1. On the Asset Inquiry page, click the Transactions tab.
2. Complete the fields, as shown in this table:

Field	Value
Book	OPS CORP
Transaction Type	Full retirement

Field	Value
From Period	January 2009
To Period	March 2009

3. To view accounting information for a particular transaction, select the transaction in the search results and click **View Accounting**.
4. On the Accounting Lines page, select the first accounting line and click **View T-Accounts**.
5. Repeat for each of the accounting lines shown on the Accounting Lines page.
6. Click **Done**.
7. Click **Save** to save your search.
8. On the Create Saved Search popup window, enter Adjustment Transactions.
9. Check **Set as Default** and uncheck **Run Automatically**.
10. Click **OK**.

Reconcile Assets FAQs

How can I review journal entries in Oracle Subledger Accounting?

Use the Review Journal Entries panel tab on the Assets landing page.

1. Click the Review Journal Entries panel tab.
2. On the Review Journal Entries page enter the ledger, journal source, and the date of the transaction. Optionally enter the transaction number.
3. Click **Search**.

The journal entries appear in the Search Results region.

How can I view asset information in another currency?

Use the Asset Inquiry page to view asset information in another currency:

1. Search for an asset.
2. View the asset details in another currency by selecting the respective currency from the **Currency** menu in the Books region.

   Oracle Assets converts the cost and transaction details using the applicable rates and displays the converted amounts on the Asset Inquiry page.

Related Topics

- Primary Ledgers, Secondary Ledgers, and Reporting Currencies

How can I view accounting information in another currency?

Use the Inquire Assets panel tab on the Assets page.

1. On the Asset Inquiry page, click the **Transactions** tab. Search for the transaction.
2. Select the transaction line and click **View Accounting**.
3. On the Accounting Lines page, select the applicable reporting ledger to view the converted accounting lines in the reporting currency.

Related Topics

- Primary Ledgers, Secondary Ledgers, and Reporting Currencies

How can I review the depreciation calculated for each period?

On the Inquire Assets page, enter the book and asset number for which you want to view depreciation and click Search . In the Financial Details region, select Depreciation Details in the View menu to view depreciation details for the asset.

When does Oracle Assets convert transactions into the reporting currency?

Oracle Assets converts transactions at the journal entry level and processes converted transactions when they are submitted.

> **Note:** Generally, if you need to report in different currencies other than the primary currency and there is no difference in the chart of accounts other than the currency, you should use reporting currencies rather than setting up a secondary ledger.

Related Topics

- Primary Ledgers, Secondary Ledgers, and Reporting Currencies

Perform Physical Inventory

Overview of Physical Inventory

Use the physical inventory feature to ensure that the assets in your asset book physically exist and are in use in your business.

You record the existence, location, employee assignment, and number of units for each asset of your company. You can record physical inventory details for your assets manually. After recording the physical inventory information, compare it with the information in the asset book and reconcile discrepancies, if any.

For example, if a computer is located in room 549 according to your asset book, but is actually in room 346, you must either:

- Change the record to reflect the correct location of the computer.
- Move the computer to room 549.

Check the **In physical inventory** checkbox when adding an asset if your company policy requires you to record physical inventory for assets. Only assets with the **In physical inventory** checkbox checked are considered for the physical inventory comparison.

Upload the information collected during the physical verification of assets to the Physical Inventory interface table using the Manage Physical Inventory spreadsheet. Each entry must be in a status of **New** and must contain a unique identifier, which can be any of the following:

- Asset number
- Tag number
- Serial number

You can compare the following asset attributes:

Field	Rule
Location	Required
Number of Units	Required
Employee Number	Optional. If entered, it is compared.
Employee Name	Optional. If entered, it is compared.

You can include additional optional information to help you keep track of the assets you're comparing, such as a description of each asset.

Related Topics

- How Physical Inventory Interface Import Data Is Processed
- How Physical Inventory Comparison Data Is Processed
- Process Physical Inventory Data

How Physical Inventory Interface Import Data Is Processed

Use the Physical Inventory Interface file-based data import process to import physical inventory data into Oracle Assets.

You can download a spreadsheet template to use to prepare your inventory data. The template contains an instruction sheet to help guide you through the process of entering your inventory information.

To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click **File-Based Data Imports**.
3. Click **Physical Inventory Interface**.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- Do not change the order of the columns in the template.
- You can hide or skip the columns you do not use, but do not delete them.

Settings That Affect the Physical Inventory Interface Import Process

The Physical Inventory Interface import template contains an instructions tab, plus a tab that represents the table where the data is loaded:

Spreadsheet Tab	Description
Instructions and CSV Generation	Contains instruction information about preparing and loading data and the format of the template.
FA_INVENTORY_INT	Enter physical inventory information that will be used to run the Asset Physical Inventory Comparison process.

Before loading physical inventory data:

- Enable the Allow Physical Inventory option for your asset book.
- Verify that the In Physical Inventory checkbox is checked for all assets to be included in the physical inventory comparison.

How Physical Inventory Is Processed

After you successfully load your physical inventory data, you must submit the Asset Physical Inventory Comparison process to compare your assets. You can also submit the process by clicking the **Submit** button in the ADF desktop integration spreadsheet.

To submit the Asset Physical Inventory Comparison process:

1. Navigate to the Scheduled Processes page.
2. Click the **Schedule New Process** button.
3. Select the Asset Physical Inventory Comparison process.
4. Select the Book and Inventory Name and click **Submit**.
5. If the Asset Physical Inventory Comparison process ends in error or warning, review the log file for details about the rows that caused the failure.

To view the comparison results:

1. Navigate to the Assets landing page.

2. Select your asset book.
3. Select the **Manage Physical Inventory** task.
4. View the comparison status in the Manage Physical Inventory page.
5. Select a row and click the **Review** button to export the information to the ADF desktop integration spreadsheet.
6. Analyze and correct the errors, if any.

Related Topics

- How Physical Inventory Posting Statuses Are Set
- Process Physical Inventory Data

How Physical Inventory Posting Statuses Are Set

Physical inventory posting statuses indicate the status of your physical inventory throughout the comparison process.

Settings That Affect Physical Inventory Status

The statuses are set by Oracle Assets or by you according to the current status of your physical inventory data.

How Physical Inventory Statuses Are Set

The following table describes each physical inventory posting status and how it is set:

Status	Description	Set By
New	Indicates that physical inventory data is ready to compare with the asset book.	You or the application
Difference	Indicates that the comparison process has identified a difference in the location, number of units, or employees for this asset.	Application
Asset not in book	Indicates that the comparison process couldn't locate a unique asset in the asset book using the asset number, tag number, and serial number that you entered.	Application
Noninventory asset	Indicates that the asset in the physical inventory is not designated to be included in physical inventory. You must enable the In Physical Inventory checkbox for the asset.	Application
Multiple matches	Indicates that the comparison process has identified more than one asset match in the asset book for this physical inventory entry.	Application
Fully matched	Indicates that the data in the physical inventory matches the data in the asset book.	Application

Status	Description	Set By
	When the status is fully matched, the date of the inventory is stamped on the asset in the FA_DISTRIBUTION_HISTORY table.	
Rectify difference	Creates a draft mass transaction according to the difference resolution action that you specified in case of a difference in the comparison.	You
Transaction pending	Indicates that the draft mass transaction was created to correct the information in the asset book. After posting the mass transactions, change the status to New and run the comparison.	Application
Delete	Indicates that the erroneously entered physical inventory data will be deleted from the Physical Inventory interface table.	You

Process Physical Inventory Data

This example demonstrates how to process physical inventory data in Oracle Assets using either the ADFdi spreadsheet or the FBDI template.

The following table summarizes key decisions for this scenario:

Decisions to Consider	In This Example
What setup data are you uploading?	Physical inventory data using either the ADFdi spreadsheet or the FBDI template
Is the data an update or new setup data?	New

Summary of Tasks

This worked example includes details of the following tasks you perform when processing asset physical inventory:

1. Completing the prerequisite setup
2. Entering physical inventory data either using the ADFdi spreadsheet or the FBDI template
3. Uploading the data into the application
4. Verifying the entered data

Prerequisites

This worked example assumes that the following tasks are complete:

1. The **Allow Physical Inventory** option is enabled for your asset book.
2. The **In Physical Inventory** checkbox is checked for all assets in Assets to be included in the physical inventory comparison.

Load Physical Inventory Data

You can load physical inventory data in Assets using any one of the following methods:

1. Loading Physical Inventory Data using an ADFdi spreadsheet
2. Loading Physical Inventory Data using the FBDI template

Load Physical Inventory Data Using an ADFdi Spreadsheet

1. Navigate to the Scheduled Processes work area and search for the **Manage Physical Inventory** task.
2. Click **Enter**.
3. In the dialog box select **Asset Book** and enter a unique **Physical Inventory** name.
4. Click **Next**.
5. Sign in and download the ADFdi spreadsheet.
6. Enter the following physical inventory data in the spreadsheet:

Field	Value
Location	Enter the asset location
Number of Units	Enter the number of units
Employee	Optionally enter an employee name
Asset Number	Enter an asset number
Tag Number	Enter a tag number
Serial Number	Enter a serial number

7. Click **Submit** to submit the Physical Inventory Comparison process.
8. View the comparison status in the Manage Physical Inventory page.
9. Select a row and click **Review** to export to the ADFdi spreadsheet.
10. Verify the results in the Manage Physical Inventory page and correct the differences, if any.
11. Click **Save and Close**.

Load Physical Inventory Data Using the FBDI Template

1. Navigate to the Oracle Enterprise Repository and download the physical inventory FBDI template.

2. Enter the physical inventory data in the FBDI template.
3. Generate a .zip file.
4. Upload the .zip file.
5. Navigate to the Scheduled Processes work area and run the Load Interface File for Import process to import the physical inventory data.
6. Run the Asset Physical Inventory Comparison task.
7. Navigate to the Assets landing page and select your asset book.
8. Select the Manage Physical Inventory task from the **Tasks** panel tab.
9. Verify the comparison status in the Manage Physical Inventory page.
10. Select a row and click the Review button to export to the ADFdi spreadsheet.
11. Verify the results in the Manage Physical Inventory page and correct the differences, if any.
12. Click **Save and Close**.

How Physical Inventory Comparison Data Is Processed

Use the Asset Physical Inventory Comparison process to match each asset in the physical inventory data with the same asset in your asset book.

Run the Asset Physical Inventory Comparison process after entering the physical inventory data into Oracle Assets. The Asset Physical Inventory Comparison process compares only physical inventory data in a status of **New**.

Conditions That Affect Physical Inventory Comparison

The Asset Physical Inventory Comparison process begins by searching in the order listed for one of the following matching unique identifiers:

- Asset number
- Tag number
- Serial number

How the Physical Inventory Comparison Is Processed

Asset Number

First, the Asset Physical Inventory Comparison process verifies whether the physical inventory data includes an asset number. If an asset number exists, the Asset Physical Inventory Comparison process searches for a matching asset number. If it finds a matching asset number, the process continues the comparison by determining whether the location, number of units, and employee match.

Based on the results, the Asset Physical Inventory Comparison process updates the status of the asset to one of the following:

Status	Description
Fully Matched	All components of the comparison match.
Difference	One or more components of the comparison don't match.

The Asset Physical Inventory Comparison process performs the following tasks when there is no matching asset number in the application:

1. Terminates the comparison for the asset.
2. Updates the status to **Asset Not in Book**.
3. Continues to the next asset to be compared.

Tag Number

If you don't provide an asset number in the physical inventory data, the Asset Physical Inventory Comparison process verifies whether the physical inventory data includes a tag number. If there is a tag number, the process searches the application for a matching tag number. If it finds a matching tag number, the process continues the comparison by determining whether the location, number of units, and employee match.

Based on the results, the Asset Physical Inventory Comparison process updates the status of the asset to one of the following:

Status	Description
Fully Matched	All components of the comparison match.
Difference	One or more components of the comparison don't match.

The Asset Physical Inventory Comparison process performs the following tasks when there is no matching tag number in the application:

1. Terminates the comparison for the asset.
2. Updates the status to **Asset Not in Book**.
3. Continues to the next asset to be compared.

Serial Number

If the physical inventory data doesn't include an asset number or a tag number, the Asset Physical Inventory Comparison process verifies whether a serial number is recorded for the asset. If there is a serial number, it searches the application for a matching serial number. If it finds a matching serial number, the process continues the comparison by determining whether the location, number of units, and employee match.

Based on the results, the Asset Physical Inventory Comparison process updates the status of the asset to one of the following:

Status	Description
Fully Matched	All components of the comparison match.
Difference	One or more components of the comparison don't match.

The Asset Physical Inventory Comparison process performs the following tasks when there is no matching serial number in the application:

1. Terminates the comparison for the asset.

2. Updates the status to **Asset Not in Book**.
3. Continues to the next asset to be compared.

Other Criteria

Provide an asset number, tag number, or serial number to successfully match assets while loading physical inventory data into Assets using the Physical Inventory spreadsheet. If none of the three unique identifiers are present for that asset, the Asset Physical Inventory Comparison process tries to match the asset using any of the following identifiers:

- Asset description
- Category
- Asset key
- Model number
- Manufacturer

You can view the results of the comparison in the Reconcile Physical Inventory spreadsheet.

Physical Inventory Corrective Actions

After running the Asset Physical Inventory Comparison process, you may need to correct some of the physical inventory information, depending on the status returned by the process.

The following table lists the posting statuses that require corrective action, and a description of each corrective action:

Status	Description	Corrective Action
Difference	Indicates that the comparison process has identified a difference in the location, number of units, or employees for this asset.	• Location difference: Transfer the asset to a different location to resolve the difference between the asset book and the physical inventory data. • Unit difference: If the number of units in the asset book is greater than the number of units in the physical inventory data, you can: o Retire units o Retire the asset If the number of units in the asset book is less than the number of units in the physical inventory data, you can: o Create a new assignment o Reinstate the units that were retired o Add the additional units as new assets • Employee difference: Transfer the asset to a different employee to resolve the difference between the asset book and the physical inventory data.

Status	Description	Corrective Action
Asset not in book	Indicates that the comparison process couldn't locate a unique asset in the asset book using the asset number, tag number, and serial number that you entered.	The possible corrective actions are: • If the data is incorrect: a. Enter the correct asset number, tag number, or serial number. b. Change the status to **New**. c. Rerun the Physical Inventory Comparison process. • If the data is correct: a. Enter asset information, such as the description, category, and asset key. b. Change the **Unit Difference Action** to Add asset.
Noninventory asset	Indicates that the asset listed in the physical inventory data is not marked for inclusion in physical inventory.	If the asset requires physical inventory, you must: 1. Enable the **In physical inventory** checkbox for the asset. 2. Change the status to **New**. 3. Rerun the Physical Inventory Comparison process.
Multiple matches	Indicates that the comparison process has identified more than one asset match in the asset book for this physical inventory entry.	The possible corrective actions are: 1. Verify the physical inventory data for the asset. 2. Enter at least one unique identifier, such as the asset number, tag number or serial number. 3. Change the status to **New**. 4. Rerun the Physical Inventory Comparison process.

Related Topics

- How Physical Inventory Interface Import Data Is Processed
- Overview of Physical Inventory
- Process Physical Inventory Data

Impair Assets

Asset Impairments

An asset is impaired when the carrying amount of the asset exceeds its recoverable amount.

At each balance sheet date you should assess whether an asset is impaired. If there is any indication the asset is impaired, you should:

- Estimate the recoverable amount of the asset.
- If the recoverable amount of the asset is less than its carrying amount, reduce the carrying amount of the asset to its recoverable amount.
  This reduction is called impairment loss.

Estimate the Recoverable Amount

Estimate the recoverable amount by determining the higher of the net selling price and the value in use.

In some cases, it isn't possible to estimate the recoverable amount of an individual asset. You should:

- Determine the recoverable amount of the cash-generating unit to which the asset belongs.
- Calculate the impairment loss at the cash-generating unit level.
- Allocate the calculated impairment loss proportionately to all of the assets in the cash-generating unit.

Related Topics

- How Impairment Status Is Set
- View an Impairment Accounting Entry
- How can I update a cash-generating unit impairment allocation?
- How can I roll back an impairment transaction?

How Impairment Status Is Set

When you perform impairment transactions, each impairment line is assigned a status.

Settings That Affect Impairment Status

The status of each impairment line is based on the impairment transactions that you performed and the current state of each transaction.

How Impairment Status Is Set

The following table lists and describes each Oracle Assets impairment status value:

Status	Description
New	New impairment line entered.
Preview	Impairment lines that are ready to be previewed.
Running Preview	Intermediary status for impairments uploaded with a status of Preview.
Preview Failed	Used when the depreciation calculation fails during the preview process.

Status	Description
Previewed	Impairment lines in which impairment loss was calculated, and which are ready for posting
Post	Intermediary status while impairment posting begins.
Running Post	Impairment posting is in progress.
Post Failed	Impairments failed during posting.
Posted	Impairments were successfully posted.
Rollback	Intermediary status while impairment rollback begins.
Running Rollback	Impairment rollback is in progress.
Rollback Failed	Impairments failed when rolled back.
Rollback Complete	Impairments were successfully rolled back for the assets.

View an Impairment Accounting Entry

This example shows how impairment loss is calculated for a cash-generating unit (CGU).

Scenario

BOX Corporation has five business units. One of the business units handles packaging for the company. The company treats each business unit as a separate cash-generating unit for the purpose of calculating and recognizing impairment loss. The packaging business unit has three machines:

- Automatic form fill seal machine
- Batch coding machine
- Wrapping machine

Transaction Details

The company must calculate and recognize the impairment loss for the unit in the current quarter. The details are as follows:

- The goodwill amount allocated to this packaging unit is 2,000.00.
- The estimated net selling price of the packaging unit is 10,000.00.

The cost and depreciation details of the assets are as follows:

Amounts	Automatic Form - Fill and Seal Machine	Batch Coding Machine	Wrapping Machine	Packaging Business Unit
Cost	10,000 USD	10,000 USD	20,000 USD	40,000 USD
Accumulated Depreciation	5,000 USD	5,000 USD	10,000 USD	20,000 USD
Net Book Value	5,000 USD	5,000 USD	10,000 USD	20,000 USD

Details of the impairment loss calculation for the CGU are as follows:

Type	Amount
Packaging CGU Net Book Value	20,000 USD
Add: Goodwill	2,000 USD
Minus: Net Selling Price of the CGU	10,000 USD
Impairment Loss of the CGU	12,000 USD

Results of the Allocation of Impairment Loss

The impairment loss is allocated as follows:

- Goodwill asset: 2,000 USD.
- Packaging CGU: 10,000 USD is allocated to the three assets as follows:
    - Automatic Form Fill Seal Machine

      Calculation: Packaging Business Unit CGU Impairment Loss * Net Book Value (NBV) of the Automatic Form - Fill and Seal Machine / NBV of the Packaging Business Unit CGU.

      <10,000> * 5,000 / 20,000 = <2,500>

      The following table shows the accounting entry for the Automatic Form - Fill and Seal Machine impairment loss:

Accounting Entry	DR	CR
Impairment Expense	2,500 USD	
Impairment Reserve		2,500 USD

Accounting Entry	DR	CR

- Batch Coding Machine
  Calculation: Packaging Business Unit CGU Impairment Loss * NBV of the Batch Coding Machine / (NBV of the Packaging Business Unit CGU).
  <10,000> * 5,000 / 20,000 = <2,500>
  The following table shows the accounting entry for the impairment loss of the Batch Coding Machine:

Accounting Entry	DR	CR
Impairment Expense	2,500 USD	
Impairment Reserve		2,500 USD

- Wrapping Machine
  The impairment loss is calculated as follows:
  Packaging Business Unit CGU Impairment Loss * NBV of the Wrapping Machine / (NBV of the Packaging Business Unit CGU).
  The following table shows the accounting entry for the impairment loss of the Wrapping Machine:

Accounting Entry	DR	CR
Impairment Expense	5,000 USD	
Impairment Reserve		5,000 USD

Impairment Loss Reversals

At each balance sheet date, you should assess whether any impairment loss recognized in prior accounting periods no longer exists or has decreased. In either case, you should then estimate the recoverable amount of that asset.

If the estimated recoverable cost is more than the carrying cost of the asset, then the impairment loss recognized earlier must be reversed to the extent that the estimated recoverable cost exceeds the carrying cost of the asset.

After reversal, the carrying amount of an asset should not exceed the lower of:

- Estimated recoverable cost

- Carrying cost that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods

The recoverable amount is the higher of the net selling price or the value in use.

The impairment loss to be reversed is calculated as follows:

- Recoverable amount is more than the historical net book value:
    - Impairment Loss Reversal = Historical Net Book Value - Net Book Value
- Recoverable amount is less than the historical net book value:
    - Impairment loss Reversal = Recoverable Amount - Net Book Value

Create an Impairment Reversal

This example demonstrates how to create an impairment reversal transaction for a single asset.

Create an Impairment Reversal Transaction for a Single Asset

1. Navigate to the Impair Assets page.
2. Click the **Create** icon.
3. Select the book and click **Next**
4. Enter your login information and open the Create Impairment spreadsheet.
5. In the Create Impairment spreadsheet, select Impairment reversal in the **Impairment Type** field.
6. Enter a transaction group name and the impairment date.
7. In the **Impairment Status** column, select **Preview**.
8. Enter the net selling price or the value in use, or you can enter both values.
9. Click **Submit** on the Manage Impairment tab.

Verify an Impairment Reversal Transaction

1. Navigate to Scheduled Processes page, and verify that the Process Impairments process has completed successfully.
2. On the Impair Assets page, search for your impairment reversal transaction. The status changes to Previewed.
3. Verify that the calculated reversal amount of the impairment loss appears in the Impairment Loss column.
4. Select the impairment row and click **Post** to post the impairment only to the selected row, or click **Actions** and **Post Batch** to post the impairment to all assets in the transaction group.
5. On the Scheduled Processes page, verify that the Process Impairments process has completed successfully.
6. On the Assets page Run Create Accounting for the book.
7. Navigate to the Asset Inquiry page, and verify that the impairment reversal transaction appears and that the corresponding accounting entry was created.

Impair Assets FAQs

How can I update a cash-generating unit impairment allocation?

On the Manage Impairments page, query the impairment transaction you want to update. Select the transaction, and click Update Allocation.

The sum of impairment loss allocated to individual assets in a cash-generating unit should be equal to the impairment loss calculated for the cash-generating unit.

> **Note:** You can update an impairment allocation only if the impairment transaction is created for a cash-generating unit and is in a status of Previewed.

How can I post an impairment transaction?

Use the Impair Assets page:

- Query transactions in a status of Previewed.
- Select the transaction to be posted.
- Click **Post**.

You can also update allocations before posting the impairment:

- Query transactions in a status of Previewed.
- Select the transaction.
- Click **Update Allocation.**
- In the Update Impairment Allocation spreadsheet, review the calculations and click the **Submit** and **Post** buttons.

> **Note:** The Process Impairment program validates the total of the cash-generating units with the total for individual assets, processes impairment transactions, and prints the Impairment Transactions report.

How can I roll back an impairment transaction?

To roll back an impairment transaction, query impairments in a status of Posted. Select the transaction to be rolled back, and then click Rollback from the Actions menu.

You can roll back impairment transactions only in the period in which they were posted. After rolling back the impairment transaction, the status changes from Posted to Deleted.

Note: Only impairment transactions in a status of Posted can be rolled back.

How can I delete an impairment transaction?

Use the Impair Assets page:

- Query the impairment.
- On the **Actions** menu, click **Delete**.

Note: You can delete impairments only in a status of New, Previewed, Depreciation Failed, and Posting Failed.

Can I enter a backdated transaction for an asset on which an impairment transaction was performed?

You can't enter a backdated transaction for an asset if an impairment transaction was performed in the same fiscal year. However, you can perform transactions within the current period.

Revalue Assets

Overview of Revaluing Assets

Use revaluation to record assets in your asset books at their fair value. You can revalue assets to increase or decrease their carrying value whenever there's a change in the fair market value of the asset.

Normally you perform revaluation of assets with enough regularity to ensure that the carrying amount doesn't differ materially from its fair value on the balance sheet date.

Revaluation differs from planned depreciation, in which the recorded decline in value of an asset is tied to its use in business activities and age.

Revaluation

After revaluation, assets are carried in the books at their fair value as of the date of the revaluation, minus any:

- Later accumulated depreciation
- Later accumulated impairment losses

When you revalue an asset, the Calculate Depreciation process calculates accumulated depreciation and accumulated impairment loss on the date of the revaluation, according to the revaluation method you select:

Revaluation Method	Processing
Cost	The Calculate Depreciation process calculates the accumulated depreciation as the difference between the gross and the net carrying amounts. The process doesn't revalue the accumulated impairment loss and it remains unchanged. **Note:** You can revalue the gross and the net carrying amounts either in the same proportion or a different proportion.
Net Book Value (NBV)	Eliminates the accumulated depreciation and accumulated impairment loss against the gross carrying amount of the asset.

Increase or Decrease in Carrying Cost

The revaluation results in either increasing or decreasing the carrying cost of an asset. Assets treats the increase or decrease as follows:

- *Increase:* Charged to the profit or loss account to the extent that it reverses a previous revaluation decrease of the asset. The balance, if any, is credited to revaluation reserve.
- *Decrease:* Debited to revaluation reserve to the extent of any credit balance existing in the revaluation reserve in respect to the asset. The balance, if any, is charged to the profit or loss account.

Related Topics

- Asset Revaluation Value Types
- Asset Revaluation Rules
- Enable the Allow Asset Revaluation Lookup
- Enable Revaluation for Your Book
- Create an Asset Cost Revaluation Transaction
- Enter Revaluation in an Integrated Workbook

How Fixed Asset Mass Revaluations Import Data Is Processed

Use the Fixed Asset Mass Revaluations Import process to upload a high volume of fixed asset revaluation transactions into Oracle Assets.

You can download a mass revaluations spreadsheet template to use to prepare your asset data. The template contains an instruction sheet to help guide you through the process of entering your revaluation information.

You can use the import process to create revaluation transactions and post the transactions using the Post Mass Fixed Asset Financial Transactions process.

To access the template, complete the following steps:

1. Navigate to the File-Based Data Import (FBDI) for Financials guide.
2. In the Table of Contents under Assets, click Fixed Asset Mass Revaluations Import.
3. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- Don't change the order of the columns in the template.
- You can hide or skip the columns you don't use, but don't delete them.

The Fixed Asset Mass Revaluations Import template contains an instructions tab, plus a tab that represents the table where the data is loaded:

Spreadsheet Tab	Description
Instructions and CSV Generation	Contains instruction information about preparing and loading data, the format of the template, submitting the Post Mass Additions process, and correcting import errors.
FA_ADJUSTMENTS_T	Enter information about the revaluation transactions, such as the revaluation method, revaluation value type, revaluation percent, and revaluation amount.

After you successfully load your data, you must submit the Post Mass Fixed Asset Financial Transactions process to import the data into the application table and create the revaluation transactions.

To submit the Post Mass Fixed Asset Financial Transactions process:

1. Navigate to Scheduled Processes.
2. Click **Scheduled Processes**.
3. Search for Post Mass Fixed Asset Financial Transactions.
4. Select the process name and click **OK**.
5. On the Schedule New Process dialog box, click **OK**.
6. Enter your book name and optionally enter a transaction group.
7. Click **Submit**.
8. Monitor the process status. If the Post Mass Fixed Asset Financial Transactions process ends in error or warning, review the log file for details about the rows that caused the error.

To correct import errors:

1. Navigate to the Manage All Books page by clicking **Manage All Books** in the Tasks panel tab in the Assets landing page.
2. Click the Revaluations tab in the Pending Transactions section.
3. Select the row that lists your transaction group that's in Error status.
4. Click **Prepare All** to export all rows to a spreadsheet.
5. Review and correct the errors in the spreadsheet and set the queue to Post for the corrected rows.
6. After updating all the rows, submit the post process by clicking **Submit** from the Manage Revaluations menu.
7. Repeat these steps until all rows are imported successfully.

Asset Revaluation Rules

When defining your asset books, you can set up default revaluation rules to determine how revaluation calculations are handled. The rules for revaluation often differ from country to country. You can override the default rules when necessary.

You can set up the following revaluation rules:

- Allow revaluation

    - Cost
    - Net book value
- Revalue depreciation reserve
- Revalue YTD depreciation
- Amortize revaluation reserve
- Retire revaluation reserve
- Include current period depreciation
- Revalue fully reserved assets
    - Life extension factor
    - Maximum revaluations
    - Life extension ceiling
- Allow capital fund accounting

Allow Revaluation

Select the **Allow revaluation** option to allow revaluation for assets in this book. You can choose to allow cost revaluations, net book value revaluations, or both.

Revalue Depreciation Reserve

When deciding whether to revalue depreciation reserve, consider the following:

Revalue Depreciation Reserve	Effect on Revaluation
Yes	Oracle Assets revalues the accumulated depreciation balance at the start or end of the period in which the revaluation transaction occurred. It calculates the revalued accumulated depreciation as the difference between the revalued cost and the revalued net book value.
No	Assets revalues only the cost of the asset, and the accumulated depreciation balance remains the same.

Note: You can't revalue depreciation reserve when using the net book value revaluation method, because the depreciation reserve as of the revaluation date is adjusted against the asset cost.

Revalue Year-to-Date Depreciation

When deciding whether to revalue year-to-date depreciation, consider the following:

Revalue Year-to-Date Depreciation	Effect on Revaluation
Yes	Assets revalues the carrying cost of the asset at the start of the financial year in which the revaluation transaction occurs and restates the year-to-date depreciation.

Revalue Year-to-Date Depreciation	Effect on Revaluation
No	Assets revalues the carrying cost of the asset at the start or end of the period in which the revaluation transaction occurs and doesn't restate the year-to-date depreciation balance.

Amortize Revaluation Reserve

When deciding whether to amortize revaluation reserve, consider the following:

Amortize Revaluation Reserve	Effect on Revaluation
Yes	Assets amortizes the revaluation reserve balance over the remaining life of the asset. Assets calculates the periodic amortization amount when it calculates the depreciation expense for the period.
No	The revaluation reserve balance remains unchanged. **Note:** Only revaluation, impairment, and retirement transactions can change the revaluation reserve balance.

Retire Revaluation Reserve

When deciding whether to retire revaluation reserve, consider the following:

Retire Revaluation Reserve	Effect on Revaluation
Yes	Assets retires the revaluation reserve balance when the asset is partially or fully retired in proportion to the cost retired.
No	The revaluation reserve balance remains unchanged.

Include Current Period Depreciation

When deciding whether to include current period depreciation, consider the following:

Retire Revaluation Reserve	Effect on Revaluation
Yes	Assets revalues the carrying cost of the asset at the end of the period in which the revaluation transaction occurs.
No	Assets revalues the carrying cost of the asset at the start of the period in which the revaluation transaction occurs.

Revalue Fully Reserved Assets

You can revalue fully reserved assets that depreciate under all depreciation methods. If you revalue fully reserved assets that depreciate under life-based methods, consider the following additional rules:

Rule	Required?	Description
Life Extension Factor	Yes	When you revalue a fully reserved asset, in most cases you must extend the asset life so its revalued carrying cost can be depreciated over one or more periods. To determine the new asset life, Assets multiplies the original asset life by the life extension factor. The new life is calculated from the date the asset was placed in service. To revalue assets without extending the life of the asset, enter a value type of Price Index or Percent and a life extension factor of 1 on the Create Revaluation page.
Maximum Revaluations	No	You can limit the number of times you can revalue an asset as fully reserved. Assets doesn't revalue a fully reserved asset if the revaluation exceeds the maximum number of times you can revalue an asset as fully reserved.
Life Extension Ceiling	No	The life extension ceiling limits the amount of depreciation you can back out when you revalue fully reserved assets. If your life extension factor is greater than the life extension ceiling, Assets uses the life extension ceiling to calculate the new accumulated depreciation and the depreciation adjustment. It uses the life extension factor to calculate the new asset life, regardless of whether a life extension ceiling exists.

Allow Capital Fund Accounting

Select this option to create accounting entries for capital fund accounting and revalue assets with the net book value method as detailed in the Statement of Recommended Accounting Practice (SORP).

Related Topics

- How can I enable asset revaluation for an existing asset book?
- Guidelines for Revaluing Fully Reserved Assets
- Create an Asset Cost Revaluation Transaction

Asset Revaluation Value Types

Value types allow you to revalue assets using values based on percentage, amount, fair value, and price index. All value types are valid when you use the cost method.

When you use the net book value, only the following value types are valid:

- Percent
- Amount
- Fair Value

Cost Method

When using the Cost revaluation method, Oracle Assets revalues the cost and net book value differently depending on the value type you select. The depreciation reserve is always calculated as:

Cost - Net Book Value - Impairment Reserve

The following table shows the value types that allow you to proportionately revalue the cost, depreciation reserve, and net book value by percentage:

Value Type	Calculation
Percent	Restates the cost and net book value by the entered percentage.
Amount	Increases or decreases the cost by the entered amount. Restates the net book value proportionately with the change in cost.
Fair Value	Restates the net book value to the entered fair value. Restates the cost proportionately with the change in net book value.
Price Index	Restates the cost and net book value by the rate of movement in the price index value.

The following table shows the value types that allow you to revalue the cost, depreciation reserve, and net book value by different amounts.

Value Type	Calculation
Percent and Fair Value	Restates the cost by the entered percentage. Restates the net book value to the entered fair value.
Amount and Fair Value	Increases or decreases the cost by the entered amount. Restates the net book value to the entered fair value.

Net Book Value Method

The following table shows how each value type calculates revaluation when you use the Net Book Value method:

Value Type	Calculation
Percent	Restates the remaining cost after adjusting the accumulated depreciation and impairment reserve by the entered percentage.

Value Type	Calculation
Amount	Increases or decreases the remaining cost after adjusting the accumulated depreciation and impairment reserve by the entered amount.
Fair Value	Restates the remaining cost after adjusting the accumulated depreciation and impairment reserve to the entered fair value.

Enter Revaluation in an Integrated Workbook

This example demonstrates how to enter revaluation for an asset using an integrated workbook. You can enter revaluation using either the Cost method or the Net Book Value (NBV) method. This example uses the NBV method.

Before You Start

1. Set up revaluation rules for the asset book.
2. Set up revaluation default accounts for the asset category.

Enter Revaluation

1. From the Assets page, click the **Revalue Assets** panel tab.
2. Select the book REVAL BOOK and click Search.
3. On the Create Revaluation page, complete the fields as shown in the following table:

Field	Row 1 Value	Row 2 Value
Asset Number	00020	00021
Revaluation Method	NBV	NBV
Value Type	Amount	Amount
Amount	2000	5000

4. Click **Submit**.
5. On the Revalue Assets page, select the REVAL BOOK book and click **Search**.
6. Click **Prepare All**.
7. Enter your login information and click **Sign In**.
8. In the Manage Revaluations integrated workbook, verify the information you entered and make any necessary updates.
9. Change the **Posting Status** field to **Post**.
10. Click **Submit**.
11. Verify the Post Mass Fixed Asset Financial Transactions process status.
12. Verify the revaluation transaction by performing an asset or transaction inquiry.

Create an Asset Cost Revaluation Transaction

Revalue assets using either the Cost method or the Net Book Value method.

In this example, you create a revaluation transaction using the Cost method.

Before You Start

1. Set up revaluation rules for the asset book.
2. Set up revaluation default accounts for the asset category.

Create a Revaluation Transaction

1. On the Assets page, click the **Revalue Assets** panel tab.
2. On the Revalue Assets page, click the **Create** icon.
3. Select the book REVAL BOOK and click **Next**.
4. On the Create Revaluation page, enter the transaction group name: sample revaluation.
5. Select Cost as the method.
6. Enter these values:

Field	Value
Asset Type	Capitalized
From Asset Number	00010
To Asset Number	00099
Value Type	Percent
Percent	10

7. Click **Submit**.

Guidelines for Revaluing Fully Reserved Assets

You can revalue fully reserved assets that depreciate under all depreciation methods, except units of production methods.

Cost Method

When you revalue assets using the Cost method, the revaluation calculation differs depending on whether the assets depreciate under life-based or non-life-based depreciation methods.

Life-Based Depreciation Methods

When you revalue assets depreciating under life-based depreciation methods, Oracle Assets requires a life extension factor to extend the asset life so that the revalued cost can be depreciated over the remaining life.

In some circumstances, you may not want to extend the life of a fully reserved assets. To revalue fully reserved assets without extending the life of the asset:

1. Check the **Revalue fully reserved assets** option in the Edit Book page.
2. Enter 1 for the life extension factor.
3. When you enter revaluation information on the Create Revaluation page, enter a value type of either Price Index or Percent.

If the assets to be revalued have financial transactions associated with them in the past periods, you can revalue them only with the following value types:

- Percentage and Fair Value
- Amount and Fair Value

In this case, Assets:

- Calculates the revalued cost using either the percentage or amount
- Uses the entered fair value as the revalued net book value
- Calculates the revalued depreciation reserve as the difference between the revalued cost and the revalued net book value

If the assets to be revalued have no financial transactions associated with them in past periods, you can revalue them with any value type.

Value Type	Calculation
Percentage or Amount	Assets: • Changes the asset's life • Recalculates the depreciation reserve and net book value based on the new life • Calculates the revalued cost using the entered amount or percentage and proportionately calculates the net book value • Calculates the depreciation reserve as the difference between the revalued cost and the revalued net book value
Fair Value	Assets: • Calculates the depreciation reserve and net book value based on the new life • Uses the fair value entered as the revalued net book value and proportionately calculates the revalued cost • Calculates the depreciation reserve as the difference between the revalued cost and the revalued net book value

Note: If you don't revalue the depreciation reserve balance, then you can revalue fully reserved assets using the value types of Percentage, Amount, or Fair Value. In these cases, both the cost and net book value are increased by the same amount, and the depreciation reserve remains unchanged.

Non-Life-Based Method Assets

You can revalue non-life-based assets using only the following value types:

- Percentage and Fair Value
- Amount and Fair Value

Assets calculates the depreciation reserve as the difference between the revalued cost and the revalued net book value (fair value) provided.

NBV Method

You can revalue fully reserved assets using the Net Book Value (NBV) method using the following value types:

- Amount
- Fair Value

Assets:

- Adjusts depreciation reserve and impairment reserve against the asset cost.
- Calculates the revalued cost as either the net book value plus the amount entered or the fair value

Fund-Based Accounting

Use fund-based accounting to revalue assets as per the UK local authority or Statement of Recommended Accounting Practice (SORP) requirements.

Account for the use of capital assets in operation in the capital fund or capital adjustment account.

Oracle Assets:

- Automatically moves the asset cost amortization, impairment loss, and other cost write-offs charged to the income and expenditure account, from the general fund to the capital fund or capital adjustment account.
- Charges the amortization of revaluation reserve directly to the capital adjustment account.
- Creates the following additional accounting entry for any charge to the income and expenditure account:
    - Dr Capital Fund or Capital Adjustment Account
    - Cr General Fund

Note: When using fund-based accounting, you can use only the net book value (NBV) revaluation method.

The treatment of upward revaluation after an impairment loss or downward revaluation differs from non-fund-based net book value revaluation.

Assets lets you perform an upward revaluation linked to the asset's prior impairment or downward revaluation. In this case, Assets:

- Credits to the profit and loss account the increase in the carrying cost to the extent of the impairment loss or revaluation loss (adjusted for subsequent depreciation) that was previously debited to the profit and loss account.
- Credits the balance, if any, to the revaluation reserve account.

Revalue Assets FAQs

How can I enable asset revaluation for an existing asset book?

To enable asset revaluation for an asset book:

- Define revaluation rules on the Create Book page.
- Define revaluation accounts on the Accounting Rules section of the Create Category page.

4 Retirements

Considerations for Retiring Assets

When an asset is no longer in service because, for example, it was stolen, lost, damaged, sold, or returned, you retire the asset.

You can retire an asset completely if the entire asset is no longer in service or retire only part of an asset if only part of it's no longer in service.

Retirement Methods

Retire assets using one of these methods:

Method	Description	Rules
Full retirement	• Retire all units of a multiple-unit asset. • Retire the entire asset cost.	• Full cost retirements: allowed for CIP assets. • Full unit retirements: not allowed for CIP assets.
Partial retirement	• Retire a specified number of units of a multiple-unit asset. • Retire a portion of the asset cost.	• Partial cost retirements: units remain unchanged and the retirement process spreads the retired cost evenly among all assignment lines. • Partial unit retirements: The retirement process automatically calculates the retired cost. • Partial retirements of CIP assets: not allowed.

Retirement Types

Retire assets using one of these three retirement types:

Type	Description	Rules
Unit retirement	Retire assets by unit, either all units or some units of a multiple-unit asset. The retirement process automatically calculates the cost retired for each unit retired.	Not allowed in tax books or for CIP assets.
Cost retirement	Retire assets by cost. The units remain unchanged and the retirement process spreads the retired cost evenly among the units.	Allowed in both corporate and tax books.

Type	Description	Rules
Source line retirement	Retire an asset that was imported as a source line by retiring the asset cost based on the source line.	Allowed for both partial and full retirements.

Here are some additional points to keep in mind:

- For multiple partial retirements on the same asset within a period, run the Calculate Gains and Losses process between transactions.
- For partially retired units of production assets, manually adjust the capacity to reflect the portion retired.

How Depreciation for Retirements Is Calculated

Oracle Assets calculates depreciation for a current period retirement and automatically backs out any excess depreciation resulting from any prior period retirement.

Settings That Affect Depreciation for Retirements

Assets uses the retirement convention and depreciation method to determine how much depreciation to take in the year retired based on the retirement date.

How Depreciation for Retirements Is Calculated

The following table describes the different calculation scenarios:

Retirement Type	Depreciation Method	Resulting Calculation
Full retirement	Doesn't depreciate the asset in the year of retirement	• Reverses the appropriate fraction of the year-to-date depreciation. • Computes the gain or loss using the resulting net book value.
Partial retirement	Doesn't depreciate the asset in the year of retirement	• Reverses the appropriate fraction of the year-to-date depreciation. • Computes the gain or loss using the appropriate fraction of the resulting net book value.
Partial retirement	Flat-rate	Depreciates the asset cost remaining after a partial retirement.
Partial retirement	Diminishing value	Depreciates the remaining fraction of the asset's net book value as of the beginning of the fiscal year.

Retirement Type	Depreciation Method	Resulting Calculation
Both	Depreciates the asset in the year of retirement	Assets uses the retirement convention to determine one of the following: • The asset is eligible for additional depreciation in that year. • Some of that year's depreciation must be reversed.

Review Journal Entries for Retirement Transactions

You can record journal entries that are used for retirements. When your company retires an asset and creates journal entries for that period, the retirement process creates journal entries for your general ledger for each component of the gain or loss amount.

Assets creates journal entries for either the gain or the loss accounts for:

- Proceeds of sale
- Cost of removal
- Net book value retired

The retirement process also creates journal entries to clear the proceeds of sale and cost of removal. Let's say your company sets up distinct gain and loss accounts for each component of the gain or loss amount. The retirement process creates multiple journal entries for these accounts and enables different sets of retirement accounts for retirements that result in a gain and retirements that result in a loss.

Scenario

Let's say your company bought a machine and put it in service in year 1, quarter 1.

- Asset cost: 4,000
- Useful life: 4 years
- Depreciation: straight-line
- Retired: year 3

Journal Entries for Retirements

You retire the asset and sell it for 2,000.00. The cost to remove the asset is 500.

Because your company sets different accounts for the net gain or loss in the transaction, it realizes a gain with this transaction. Credit the asset retirement cost, the gain from the proceeds, and the removal clearing accounts by 2,000, 4,000, and 500, respectively. Debit the accumulated depreciation 2,500 to net out the existing account balance. The Proceeds of Sale Clearing account balances with the prior Proceeds of Sale Clearing account. The Cost of Removal Gain account reflects the cost of removing the asset and the Net Book Value Retired Gain account indicates the book asset value net of depreciation.

Journal Entries

This table shows the journal entry created in Receivables for the receipt of proceeds of asset sale:

Account	Debit	Credit
Bank	2,000 USD	None
Proceeds of Sales Clearing	None	2,000 USD

This table shows the journal entry created in Payables for the cost of removal of the asset:

Account	Debit	Credit
Cost of Removal Clearing	500 USD	None
Bank	None	500 USD

This table shows the journal entries created for the accumulated depreciation, proceeds of sale and cost of removal gain, and the net book value retired gain of the asset:

Account	Debit	Credit
Accumulated Depreciation	2,000 USD	None
Proceeds of Sale Clearing	2,000 USD	None
Cost of Removal Gain	500 USD	None
Net Book Value Retired Gain	2,000 USD	None
Asset Cost	None	4.000 USD
Proceeds of Sale Gain	None	2,000 USD
Cost of Removal Clearing	None	500 USD

The retirement process calculates gain and loss using this formula:

- Gain or Loss on Retirement = Proceeds of Sale - Cost of Removal - Net Book Value Retired + Revaluation Reserve Retired

If the result is positive, it's a gain. Otherwise, it's a loss.

View the gain and loss results on the Asset Inquiry page or the Asset Retirements Report.

If you want only the net result charged to your gain or loss accounts, you can:

- Navigate to the Manage Asset Books page.
- Enter the same default value for both the gain and loss accounts.

To generate a journal entry that shows the net gain or loss for retirement transactions on a single line:

- Modify the subledger accounting method.
- Enable the Merge Matching Lines option in the corresponding journal line definition for each account in the gain and loss formula.

The retirement process creates a journal entry for net gain or loss as shown in this table:

Account	Debit	Credit
Accumulated Depreciation	2,000 USD	None
Proceeds of Sale Clearing	2,000 USD	None
Asset Cost	None	4,000 USD
Cost of Removal Clearing	None	500 USD

Partially Retire an Asset

In this example, you partially retire an asset by cost and by units.

Partially Retire an Asset by Cost

1. On the Assets page, click the **Retire Assets** panel tab.
2. Search for the asset number 100078.
3. Highlight asset 100078 and click **Retire Cost**.
4. The current cost of the asset is $5000. Enter $3000 in the **Cost Retired** field.
5. Enter any additional retirement details.
6. Click **Submit**.

Partially Retire an Asset by Units

1. On the Assets page, click the **Retire Assets** panel tab.
2. Search for the asset number 100079.
3. Highlight asset 100079 and click **Retire Units**.
4. The asset contains 10 desks. Enter 5 in the **Retired Units** column.
5. Enter any additional retirement details.

6. Click **Submit**.

Reinstate Assets

In this example, you reinstate a computer that's still in use, but that was accidentally retired.

Reinstatement Tasks

1. On the Assets page, click the **Reinstate Assets** panel tab to open the Reinstate Assets page.
2. In the **Book** field, select: INF USA CORP.
3. Click **Search**.
4. Select asset number 100001.
5. Click **Reinstate**. A warning message appears stating that asset 100001 will be reinstated.
6. Click **Yes**.
7. When the confirmation message appears, click **OK**.

How Depreciation for Reinstatements Is Calculated

When you reinstate a retired asset, Oracle Assets calculates additional depreciation expense that was missed during the period the asset was retired.

Settings That Affect Depreciation for Reinstatements

The depreciation amount is controlled by:

- The retirement convention
- The date retired
- The period in which you reinstate the asset

How Depreciation Is Calculated

In the period when you reinstate an asset, Assets calculates the additional depreciation expense that would be calculated if you didn't retire the asset.

> **Note:** No additional depreciation expense is calculated if you perform the reinstatement in the same period that you retired the asset.

Reversals of Depreciation

A reinstatement results in a reversal of depreciation when the following occurs:

- The retirement convention caused additional depreciation to be calculated when you retired the asset.
- You then reinstate the asset before the retirement prorate date.

In this case, Assets:

- Reverses the extra depreciation that was calculated during retirement.
- Waits until the appropriate accounting periods to calculate depreciation.

Review Journal Entries for Reinstatement Transactions

This example illustrates how a company can record a journal entry that can be used for reinstatements.

Oracle Assets:

- Creates journal entries for the reinstatement to debit the asset cost, credit accumulated depreciation, and reverse the gain or loss you recognized for the retirement.
- Reverses the journal entries for the proceeds of sale, cost of removal, and net book value retired.
- Reverses the journal entries you made to clear the proceeds of sale and cost of removal.
- Creates journal entries to recover the depreciation that wasn't charged to the asset and for the current period depreciation expense.

Scenario

Acme Company discovers that it incorrectly retired an asset. The error was discovered in the same period that the asset was retired.

Reinstatement Tasks

Acme must:

- Debit back the original asset cost.
- Record the current period depreciation expense.
- Restore the accumulated depreciation.
- Balance the clearing accounts for proceeds of sale and cost of removal.

The specific entries are as follow:

- Debit the asset cost of 4,000 to the Asset Cost account.
- Record the current period depreciation expense as a debit of 250 to the Depreciation Expense account.
- Credit 2,750 to the Accumulated Depreciation account. In other words, credit 2,500 for the original accumulated depreciation before the asset was retired and 250 for the current period depreciation.
- The cost of removal of the asset is 500, therefore, debit 500 to the Cost of Removal Clearing account.
- The proceeds of sale of the asset is 2,000, therefore, credit 2,000 to the Proceeds of Sale Clearing account.

Journal Entries for Reinstatements

The following table shows the journal entries created when using this example:

Account	Debit	Credit
Asset Cost	4,000 USD	None
Cost of Removal Clearing	500 USD	None
Depreciation Expense	250 USD	None
Accumulated Depreciation	None	2,750 USD
Proceeds of Sale Clearing	None	2,000 USD

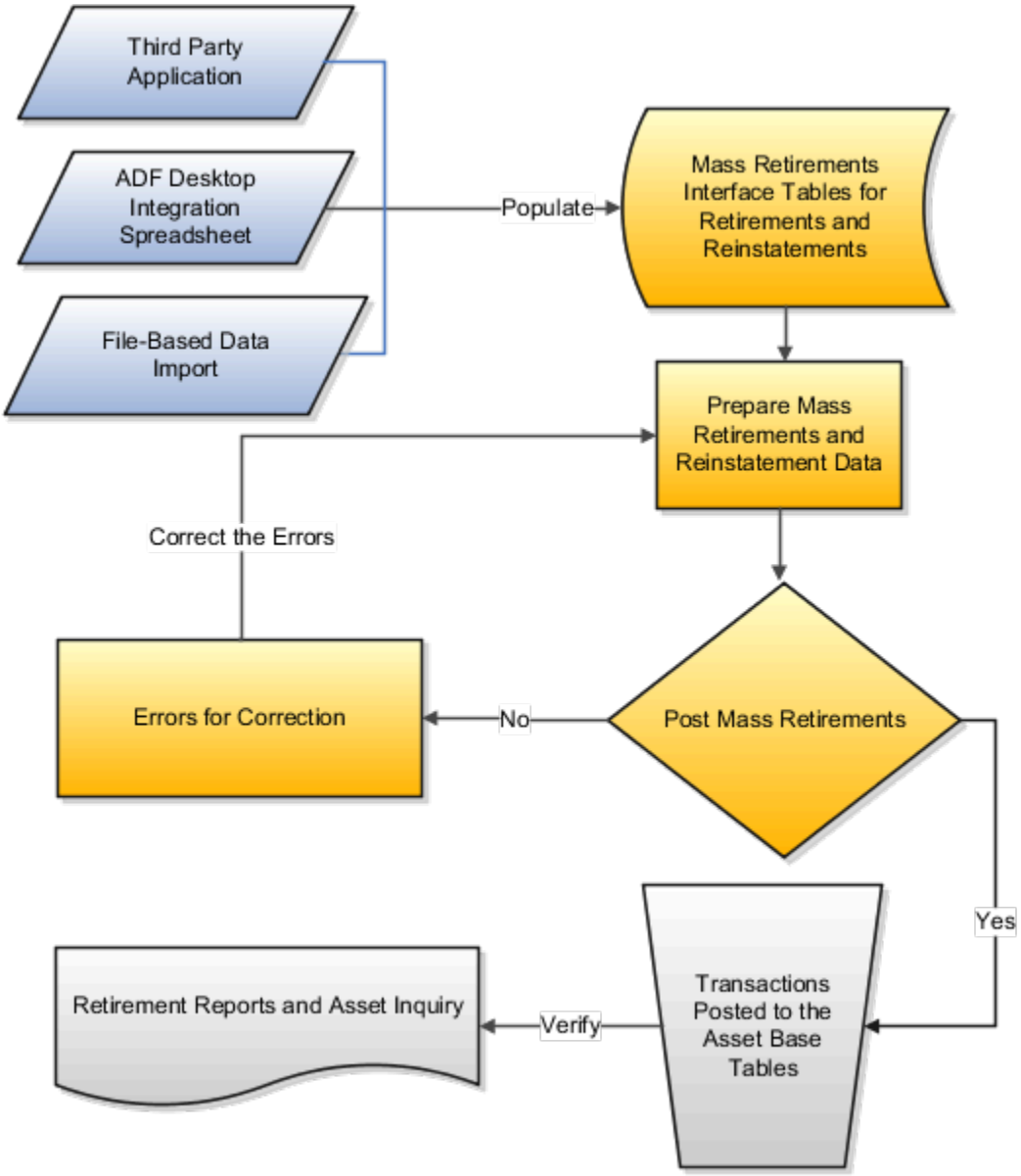
How Mass Retirements Import Data Is Processed

Use the Mass Retirements Import process to perform the following retirement transactions:

- Partial and full retirements
- Reinstatements
- Group asset adjustments

You can download a mass retirements spreadsheet template to use to prepare your data. The template contains an instruction sheet to help guide you through the process of entering your information.

This figure contains the flow for creating mass retirements and reinstatements and posting them.



To access the template, complete the following steps:

1. Navigate to the File-Based Data Import for Oracle Financials Cloud guide.
2. In the Table of Contents, click **File-Based Data Imports**.
3. Click **Fixed Asset Mass Retirements Import**.
4. In the File Links section, click the link to the Excel template.

Follow these guidelines when preparing your data in the worksheet:

- Enter the required information for each column. Refer to the tool tips on each column header for detailed instructions.
- don't change the order of the columns in the template.
- You can hide or skip the columns you don't use, but don't delete them.

Settings That Affect the Mass Retirements Import Process

The Mass Retirements import template contains an instructions tab, plus three tabs that represent the tables where the data is loaded:

Spreadsheet Tab	Description
Instructions and CSV Generation	Contains instruction information about preparing and loading data, the format of the template, submitting the Post Mass Retirements process, and correcting import errors.
FA_RETIREMENTS_T	Enter information about the asset retirements. When you run the Post Mass Retirements process, any retirements with a status of Post are retired or reinstated.
FA_RETIREMENT_DIST_T	Enter information about the asset distributions, such as the units, depreciation expense account, location, and employee assignments. This information is used for partial or full unit retirements or reinstatements.
FA_RET_SRC_LINES_T	Enter the source line reference that's used for source line retirements or reinstatements.

How Mass Retirements Are Processed

After you successfully load your data, you must run the Post Mass Retirements process to retire and reinstate your assets.

To submit the Post Mass Retirements process:

1. On the Assets page, click the **Ready to Post** link on the Retirements infotile.
2. Click **Post** to post the transactions.
3. If the Post Mass Retirements process ends in error or warning, review the log file for details about the rows that caused the failure.

Note: You can also submit the Post Mass Retirements process from the spreadsheet you open when you click the **Retire Assets in Spreadsheet** task. On the spreadsheet, click **Save and Post Transactions**.

The following table shows errors that may occur during the Post Mass Retirements process and their solutions:

Error	Solution
The Calculate Depreciation process ran with errors.	Fix the errors and resubmit the Calculate Depreciation process. When the Calculate Depreciation process runs successfully, resubmit the Post Mass Retirements process.
The Calculate Depreciation process is currently running for the corporate book.	Wait until the Calculate Depreciation process completes successfully, and then resubmit the Post Mass Retirements process.

To correct import errors:

1. Click the **Exceptions** link on the Retirements infotile.
2. Click **Prepare** to export all rows to a spreadsheet.

3. Review and correct the errors in the spreadsheet and set the queue to Post for the corrected rows.
4. Once all the rows with errors are corrected, click **Save and Post Transactions** to resubmit the process.
5. Repeat the submission and error correction steps in this section until all rows are imported successfully and the assets are retired or reinstated.

Related Topics

- How Mass Retirements Are Processed
- Considerations for Retiring Assets
- Adjust Retirements for Group Assets
- Perform a Mass Cost Retirement

How Mass Retirements Are Processed

Retire a group of assets by populating the Mass Retirement interface table with these assets and posting the retirement transactions to Oracle Assets.

Settings That Affect Mass Retirements

The following business rules affect mass retirements:

- The review status should be initially set to New, On Hold or Post by an external system.
- All displayed data passed from an external system or Oracle Project Costing is subject to modification.

The following table shows the possible review statuses and their meanings:

Review Status	Meaning
New	The data is new and may require additional information before the retirement can be processed by the Post Mass Retirements process.
On Hold	The data should remain unprocessed by the Post Mass Retirements process until it's set to a review status of Post.
Post	The data is ready for the retirement to be processed by the Post Mass Retirements process.
Error	The data is invalid and won't be submitted for retirement when you run the Post Mass Retirements process. You can: • Set these records with errors to Delete if they need to be removed from the database. • Remove them by running the Purge Mass External Retirements program.
Delete	The data won't be submitted for retirement when you run the Post Mass Retirements process.

How Mass Retirements Are Processed

Process cost, unit, or source line retirements for the external retirement batch by populating the Mass Retirement interface tables with the correct retirement batch.

> **Note:** Assets allows both partial cost and partial unit retirements. However, retirements can only be grouped using a batch number, which restricts you from fully using the benefit of the mass retirements feature.

Perform a Mass Cost Retirement

In this example, you retire multiple assets by cost.

Enter Mass Retirement Information

1. On the Assets page, click the **Retire Assets** panel tab.
2. Click the **Mass** tab.
3. Click the **Create** icon.
4. Enter these values:

Field	Value
Book	VO US CORP
Transaction Type	Retirement

5. Click **Next**.
6. On the Enter Mass Retirement page, enter these values:

Field	Value
Transaction Group	New Mass Retirement
Retire Date	Today's Date

7. In the Asset Selection Criteria section, General tab, enter these values:

Field	Value
Asset Type	Capitalized

Field	Value
Category	COMPUTER-PC
Depreciation Method	FLAT

8. In the Retirement Details section, enter these values: (Note that when performing a mass cost retirement, you don't need to enter the number of units being retired.)

Field	Value
Retirement Reason	Retirement
Retirement Convention	MONTH
Proceeds of Sale	1000.00
Cost of Removal	200.00

9. Click **Submit**.
10. Click **Done**.

Post the Mass Retirement Transaction

1. On the Assets page, click the **Retirements** infotile.
2. Click the **Incomplete** link.
3. Select the row with your mass retirement and click **Prepare**.
4. Enter your login information when prompted.
5. In the Retire Assets spreadsheet review the transactions and make any necessary changes.
6. Change the posting status to Post.
7. In the Retire Assets spreadsheet on the Pending Mass Retirements ribbon, click **Post**. Note the concurrent ID number.
8. Verify the status of the process in the Scheduled Processes page.
9. When the Post Mass Retirements runs successfully, run the Create Accounting process. If the Post Mass Retirements process ends in error, correct the error in the Mass Retirements batch and post the transaction again.
10. View the retirement journal entries by selecting the transaction from the Transactions tab in the Asset Inquiry page.

Perform a Mass Retirement Using an Integrated Workbook

This example shows how to retire multiple assets by cost by entering retirement information in a spreadsheet and uploading the information to Oracle Assets.

Note: This example shows a cost retirement, but you can also perform a mass retirement by units.

Enter Mass Retirement Information

1. On the Assets page, click the **Retire Assets in Spreadsheet** panel tab.
2. On the Enter Mass Retirement dialog box window, select OPS CORP in the **Book** field
3. In the **Transaction Type** field, select Retirement.
4. Click **Next**.
5. Click the **Open with** option and select Microsoft Office Excel.
6. Click **OK**.
7. Click **Yes**.
8. Enter your sign in information and click **Sign In**.
9. On the Manage Mass Retirements spreadsheet, enter New Mass Retirements in the **Batch Name** field.
10. On the Manage Mass Retirements spreadsheet, complete the fields as shown in the following table:

Field	Value 1	Value 2
Interface Line Number	1	2
Asset Number	0011	0012
Asset Description (If necessary, double click in the Description field to make the value appear.)	Desk	Chair
Posting Status	Post	Post
Retire Date	JAN-31-13	JAN-31-13
Cost Retired	1200	500
Retirement Convention	MID-MONTH	MID-MONTH

11. Click **Save and Post Transactions**.

Related Topics

- Set Up Desktop Integration for Excel
- Guidelines for Using Desktop Integrated Excel Workbooks
- Troubleshoot Desktop Integration for Excel

Perform a Source Line Retirement Using an Integrated Workbook

Use the Mass Source Line Retirements integrated workbook to retire multiple source lines.

1. On the Assets page, click the **Retire Assets in Spreadsheet** panel tab.
2. Select the transaction type **Source Line Retirement**.
3. Click **Next** and then click **OK**.
4. Enter your login information when prompted.
5. In the Mass Source Line Retirements integrated workbook, enter all required information and any necessary optional information.
6. When you're finished:
    - Click **Save**.
    - Set the posting status to Post and click **Save and Post Transactions**.

Related Topics

- Set Up Desktop Integration for Excel
- Guidelines for Using Desktop Integrated Excel Workbooks
- Troubleshoot Desktop Integration for Excel

Perform a Mass Reinstatement

This example demonstrates how to reinstate multiple assets that were retired in error.

Enter Mass Reinstatement Information

1. On the Assets page, click the **Retire Assets** panel tab.
2. On the Retire Assets page, click the **Mass** tab.
3. Click the **Create** icon and select the book and the transaction type Reinstatement.
4. On the Enter Mass Reinstatement page, enter a Transaction Group name, for example: New Reinstatement.
5. On the General tab, complete the following asset selection criteria:

Field	Value
Asset Type	Capitalized
Depreciation Method	STL
Category	COMPUTER-PC

6. Click **Submit**.
7. On the Assets page, click the **Retirements** infotile.
8. Highlight the reinstatement transaction and click **Prepare**.
9. Enter your login information and open the Reinstate Assets integrated workbook.
10. Review the transactions and make any necessary changes.
11. Change the posting status to Post.
12. Click **Save and Post Transactions**.

How Asset Retirements Are Synchronized Between Installed Base and Oracle Assets

When you retire an asset in Oracle Assets, you can automatically terminate the corresponding Installed Base asset. You can also automatically begin the retirement of an asset in Oracle Assets while terminating the associated Installed Base asset.

This bidirectional integration between Oracle Supply Chain Management (SCM) Installed Base and Oracle Assets ensures consistency between the operational and financial asset information.

Before retiring an asset that's synchronized between Installed Base and Assets, ensure that these conditions are met:

- Assets must be created in the Installed Base.
- Assets must have a one-to-one mapping of fixed assets to Installed Base assets. The association must not exceed a quantity of one.
- If there are multiple fixed assets associated with a single Installed Base asset, ensure that only one of the fixed assets has the **Eligible to Sync** checkbox enabled.
- Assets must be fully retired.
- The **Terminate installed base asset** checkbox must be enabled while retiring the asset.

  > **Note:** This checkbox is enabled only if the **Eligible to Sync** checkbox is enabled in the Installed Base asset.

To enable the feature, follow these steps:

1. Sign in as an implementation user.
2. Navigate to **My Enterprise** > **Offerings**.
3. Click **Manufacturing and Supply Chain Materials Management**.

4. Click the **Opt In Features** button.
5. Scroll to Maintenance Management.
6. Click the **Edit** icon next to Maintenance Management.
7. In the Edit Features: Maintenance Management page, scroll to the Synchronize Changes Between Installed Base and Fixed Assets for Asset Terminations feature.
8. Click the **Enable** checkbox.
9. Click **Done**.

Related Topics

- Overview of Assets Added Upon Receipt

Synchronize Asset Retirements Between Installed Base and Oracle Assets

This task shows you how to retire an asset in both Oracle Assets and Oracle Supply Chain Management (SCM) Installed Base simultaneously.

1. Navigate to the Retire Assets page.
2. Search for the asset you want to retire and click the **Retire Cost** or **Retire Units** button.
3. Enable the **Terminate installed base asset** checkbox in the Retire Cost or Retire Units page to terminate the related installed base asset.

   > **Note:** This checkbox is enabled only if the **Eligible to Sync** checkbox is enabled in the Installed Base asset.

4. Add additional retirement details and click **Submit**.
5. Navigate to the Manage Assets page in Oracle Supply Chain Management (SCM) Installed Base to verify that the asset has been end-dated.

> **Note:** In certain cases, such as when the asset's net book value is zero, you can retire an asset in Oracle Assets even though it's still operational in the field. In this type of scenario, don't enable the Terminate installed base asset checkbox for the retirement transaction. The installed base asset will remain operational, and the association between the two assets will be end-dated.

Related Topics

- Overview of Assets Added Upon Receipt

Retire Assets FAQs

What's a reinstatement?

Reinstatements are reversals of retirements, which correct retirement errors by undoing the retirement of an asset and reinstating it.

You can reinstate:

- Both individual and mass retirement transactions
- Only the most recent or processed retirement

You cannot reinstate assets retired in the previous fiscal year.

What happens to subcomponent assets if I retire a parent asset?

If you are retiring a parent asset, choose View Subcomponents on the Retire Assets page to view the subcomponents assets affected by the retirement transaction. You can separately retire these subcomponent assets if necessary.

5 Assets Reports

Oracle Assets Predefined Reports

Oracle Assets provides predefined reports that are used in the close process and to verify asset transactions.

The Assets reports run from the **Scheduled Processes** work area found on the **Navigator**.

The following tables list the predefined reports by type.

Transaction Reports

Display Name	Description
Asset Additions Report	• Lists all the assets added or capitalized during the specified periods. • Sorted by and groups totals for each balancing segment, asset type, asset account, cost center, and reserve account.
Additions by Source Report	• Lists all the assets added or capitalized during the specified periods. • Shows the details of associated invoice lines. • Sorts and totals by source, balancing segment, asset type, asset account, cost center and asset number.
Asset Retirements Report	• Lists all the asset retirements performed during the specified periods. • Sorted by and groups totals for each balancing segment, asset type, asset account, and cost center.
Asset Transaction History Report	• Lists all transactions performed on selected assets. • Sorted by asset number.
Asset Transfers Report	• Lists all asset transfers performed during the specified period. • Sorted by asset number.
CIP Capitalization Report	• Lists all the CIP assets capitalized during the specified periods. • Sorted by and groups totals for each balancing segment, CIP cost account, cost center, and asset cost account.
Cost Adjustment Report	• Lists all the asset cost adjustments made during the specified periods. • Sorted by and groups totals for each balancing segment, asset type, asset cost account, and cost center.
Cost Adjustments by Source Report	• Lists all the asset cost adjustments made during the specified periods. • Shows the details of associated invoice lines. • Sorts and totals by source, balancing segment, asset type, asset account, cost center, and asset number.

Display Name	Description
Asset Category Change Report	• Lists all the assets for which the asset category is changed during the specified period. • Sorted by and groups totals for each balancing segment, asset account, and asset number.
Asset Impairment Report	• Lists the impact of impairment transactions. • Displays cost, new net book value, net selling price, value in use, and impairment loss amount for all the impaired assets in the given book and depreciation period. • Sorted by asset number.
Asset Additions by Responsibility Report	• Lists assets added or capitalized during the specified periods. • Displays the owner and location for each unit. • Sorts and totals by balancing segment, asset type, asset account, cost center, and reserve account.

Mass Additions Reports

Display Name	Description
Create Mass Additions Report	• Lists all invoice and discount lines processed by the last run of the Create Mass Additions process. • Sorted by and groups totals for each foreign currency, balancing segment, asset clearing account, and cost center. • Generated every time the Create Mass Additions process is run.
Delete Mass Additions Report	Lists all the mass addition lines in the Delete queue that are ready to be processed by the Delete Mass Additions process.
Post Mass Additions Report	• Lists all the asset additions and cost adjustments processed by the Post Mass Additions process. • Sorted by transaction type. • Generated every time the Post Mass Additions process is run.

Reconciliation Reports

Display Name	Description
Cost Clearing Reconciliation Report	• Lists all asset additions and cost adjustments performed during the specified period for which accounting entries are created for cost clearing accounts. • Sorted by and groups totals for each transaction type, balancing segment, and clearing account.
Cost Detail Report	• Lists asset level asset cost account balances for the specified periods. • Sorted by and groups totals for each balancing segment, asset cost account, and cost center.
Cost Summary Report	• Lists asset cost account summary balances for the specified periods. • Sorted by and groups totals for each balancing segment and asset cost account.
Journal Entry Reserve Ledger	• Lists asset depreciation amounts for the specified period.

Display Name	Description
	• Sorted by and groups totals for each balancing segment, expense account, reserve account, and cost center.
CIP Detail Report	• Lists asset level CIP cost account balances for the specified periods. • Sorted by and groups totals for each balancing segment, CIP cost account, and cost center.
CIP Summary Report	• Lists CIP cost account summary balances for the specified periods. • Sorted by and groups totals for each balancing segment and CIP cost account.
Reserve Detail Report	• Lists asset level asset reserve account balances for the specified periods. • Sorted by and groups totals for each balancing segment, reserve account, and cost center.
Reserve Summary Report	• Lists reserve account summary balances for the specified periods. • Sorted by and groups totals for each balancing segment and reserve account.
Revaluation Reserve Detail Report	• Lists asset revaluation reserve account balances for a specified period for an asset level. • Sorted by and groups totals for each balancing segment, asset cost account, and cost center.
Revaluation Reserve Summary Report	• Lists asset level revaluation reserve account balances for the specified periods. • Sorted by and groups totals for each balancing segment, reserve account, and cost center.
Asset Balances Register Report	• Lists initial costs, current reserve, year-to-date amounts, depreciation rules, and retirements for a range of assets for the specified corporate book and for each associated tax book. • Sorts the data by asset number.
Asset Register Report	• Lists the cost-related details, current activity, and retirements for every asset within the selected asset category. • Lists all transactions that impact asset cost during the chosen period.
Asset Leases Expense Report	• Lists asset lease interest and expense amounts for the specified period. • Sorted by and groups totals for each balancing segment, expense account, and cost center.
Asset Leases Liability Report	• Lists asset lease liability for the specified period. • Sorts by and groups totals for each balancing segment, liability account, and cost center.
Asset Cost and Reserve Report	• Lists the asset cost and depreciation reserve balances at the asset or cost center level. • Sorts and totals by category, asset type, asset cost account, and cost center. • You can run the report only for closed periods.

Group Reports

Display Name	Description
Group Asset Detail Report	• Lists the group and its member asset balances for the specified fiscal year and is used to comply with Indian income tax requirements. • Sorted by and groups totals for each fiscal year and asset category.

Display Name	Description
Group Asset Listing	• Lists the group asset balances for the specified fiscal year and is used to comply with Canadian capital cost allowance requirements. • Sorted by and groups totals for each fiscal year and asset category.
Group Asset Summary Report	• Lists the group asset balances for the specified fiscal year and is used to comply with Indian income tax requirements. • Sorted by and prints totals for each fiscal year and asset category.

Reports for the United States

Display Name	Description
Form 4562 - Depreciation and Amortization Report	• Lists asset depreciation amounts for the specified fiscal year. • Used for US tax reporting. Sorted by balancing segment, fiscal year added, depreciation method, asset category, and asset number. • Lists totals for each category, method, fiscal year added, and balancing segment.
Form 4626 - AMT Summary Report	• Lists the difference in year-to-date depreciation between any tax book and an alternative minimum tax book through the period you select in detail. • Sorted by balancing segment, depreciation method, asset account, category, and asset number. • Lists totals for each category, asset account, method, and balancing segment.
Form 4626 - AMT Detail Report	• Lists the difference in year-to-date depreciation between any tax book and an alternative minimum tax (AMT) book through the period you select in detail. • Sorted by balancing segment, depreciation method, asset account, category, and asset number. • Lists totals for each category, asset account, method, and balancing segment.
Form 4797 - Gain From Disposition of 1245 Property Report	• Lists gain or loss amounts from sales of 1245 property held longer than the capital gain threshold. • Used for US tax reporting. • Shows only assets that were sold. • Sorts by balancing segment into gains and losses by asset account and by asset number. • Lists totals for gains or losses, and for each distinct asset account and balancing segment.
Form 4797 - Gain From Disposition of 1250 Property Report	• Lists gain or loss amounts from sales of 1250 property held longer than the capital gain threshold. • Sorted by balancing segment into gains and losses, property class, asset account, and asset number. • Lists totals for gains or losses, and for each asset account, property class, and balancing segment.
Form 4797 - Sales or Exchanges of Property Report	• Lists amounts held longer than the capital gain threshold. • Sorted by balancing segment into gains and losses, property class, asset account, and asset number. • Lists totals for gains or losses, and for each asset account, property class, and balancing segment.

Reports for Japan

Display Name	Description
Japanese Addition or All Asset Detail by Asset Type Report 132 Characters	Lists depreciable assets for Japan in detail by asset type in a 132 character-wide format.
Japanese Addition or All Asset Detail by Asset Type Report 180 Characters	Lists depreciable assets for Japan in detail by asset type in a 180 character-wide format.
Japanese Corporate Tax Reports Schedule 16 (1) Report	Lists the summary of depreciable assets for Japan in accordance with Corporate Tax Reports Schedule 16 for Japan.
Japanese Corporate Tax Reports Schedule 16 (2) Report	Lists the summary of depreciable assets for Japan in accordance with Corporate Tax Reports Schedule 16 for Japan.
Japanese Corporate Tax Reports Schedule 16 (4) Report	Lists the summary of depreciable assets for Japan in accordance with Corporate Tax Reports Schedule 16 for Japan.
Japanese Corporate Tax Reports Schedule 16 (6) Report	Lists the summary of depreciable assets for Japan in accordance with Corporate Tax Reports Schedule 16 for Japan.
Japanese Corporate Tax Reports Schedule 16 (8) Report	Lists the summary of depreciable assets for Japan in accordance with Corporate Tax Reports Schedule 16 for Japan.
Japanese Depreciable Assets Tax Summary Report	Lists a summary of depreciable assets for Japan by location as of January 1 for the selected fiscal year.
Japanese Detail by Asset Type (Decrease Assets) Report	Lists depreciable assets for Japan in detail by the asset type Decrease Assets, between January 2 of the prior year and January 1 of the selected fiscal year.

Other Reports

Display Name	Description
Property Tax Report	• Lists the assets at a particular location as of the specified cutoff date. • Used for property tax forms. • Sorted by and groups totals for each balancing segment, location, asset account, and year acquired.
What-If Depreciation Analysis Report	• Lists depreciation projections for the selected assets based on the specified depreciation parameters. • Generated when you submit what-if depreciation analysis for existing assets.
Hypothetical Depreciation Analysis Report	• Lists depreciation projections for hypothetical assets based on the specified depreciation parameters. • Generated when you submit what-if depreciation analysis for hypothetical assets.
Assets by Cash Generating Unit Report	• Lists all assets by cash generating unit.

Display Name	Description
	• Extracts the details of all the asset impairment transactions such as asset number, cash generating unit, cost, net book value, accumulated impairment reserve, and year-to-date impairments from Assets.

To run Assets reports, perform the following steps in the Scheduled Processes work area in the Navigator menu.

1. Click the **Schedule New Process** button.
2. Search on the Process Name.
3. Enter the appropriate parameters.
4. Enter the appropriate process options and schedule.
5. Click **Submit.**

Assets Transaction Reports

This topic includes details about the Assets transaction reports.

Overview

The Assets transaction reports list transactions performed during the life of the asset, such as additions, adjustments, transfers, and retirements.

Assets transaction reports include:

Report Name	Description
Asset Additions Report	Lists all of the assets added or capitalized during the specified periods. The report is sorted by and groups totals for each balancing segment, asset type, asset account, cost center, and reserve account.
Additions by Source Report	Lists all the assets added or capitalized during the specified periods. The report shows the details of associated invoice lines. The report sorts and totals by source, balancing segment, asset type, asset account, cost center, and asset number
Asset Retirements Report	Lists all of the asset retirements performed during the specified periods. The report is sorted by and groups totals for each balancing segment, asset type, asset account, and cost center.
Asset Transaction History Report	Lists all transactions performed on selected assets. The report is sorted by asset number.
Asset Transfers Report	Lists all asset transfers performed during the specified period. The report is sorted by asset number.
CIP Capitalization Report	Lists all of the construction-in-process (CIP) assets capitalized during the specified periods. The report is sorted by and groups totals for each balancing segment, CIP cost account, cost center, and asset cost account.
Cost Adjustment Report	Lists all of the asset cost adjustments made during the specified periods. The report is sorted by and groups totals for each balancing segment, asset type, asset cost account, and cost center.

Report Name	Description
Cost Adjustments by Source Report	Lists all the asset cost adjustments made during the specified periods. The report shows the details of associated invoice lines. The report sorts and totals by source, balancing segment, asset type, asset account, cost center, and asset number.
Asset Category Change Report	Lists all of the assets for which the asset category is changed during the specified period. The report is sorted by and groups totals for each balancing segment, asset account, and asset number.
Asset Impairment Report	Lists the impact of impairment transactions. Displays the cost, new net book value, net selling price, value in use, and impairment loss amount for all of the impaired assets in the given book and depreciation period. The report is sorted by the asset number. The report shows totals for the current net book value, net selling price, values in use, impairment loss, and new net book value.
Asset Additions by Responsibility Report	Lists assets that were added or capitalized during the specified periods. The report displays the owner and location for each unit. The report sorts and totals by balancing segment, asset type, asset account, cost center, and reserve account.

The following table describes selected report parameters:

Name	Description
Book	Use this parameter to specify the book to be included for reports.
Currency	Use this parameter to specify the currency to be included for reports.
From Period	Use this parameter to specify the starting period for a range of the reports.
To Period	Use this parameter to specify the ending period for a range of the reports.

Frequently Asked Questions

The following table lists frequently asked questions about the Assets transaction reports:

FAQ	Answer
How do I find these reports?	Schedule and run this report from the Scheduled Processes work area on the Navigator menu.
When do I use these reports?	Use these reports to: • Ensure that your asset transactions are being accurately posted. • Keep track of your assets, and to reconcile Oracle Assets to your general ledger.
How do I change the default report format?	To change from Oracle Business Intelligence Publisher (BI Publisher), edit the fixed asset catalog and choose the output format from the layout table in the view list.

Assets Mass Additions Reports

This topic includes details about the Assets mass additions reports.

Overview

The Assets mass additions reports help to track mass additions transactions from the time you bring them into Oracle Assets from a source system such as Oracle Payables or Oracle Projects to the time you post them to Assets.

Mass additions reports include:

Report Name	Description
Create Mass Additions Report	Lists all invoice and discount lines processed by the Create Mass Additions process. The report is sorted by and groups totals for each foreign currency, balancing segment, asset clearing account, and cost center. This report is usually run from Payables.
Delete Mass Additions Report	Lists all the mass addition lines in the Delete queue that are ready to be processed by the Delete Mass Additions process.
Post Mass Additions Report	Lists all the asset additions and cost adjustments processed by the Post Mass Additions process. The report is sorted by transaction type.

The following table describes selected report parameters:

Name	Description
Request Number	The request number of the Create Mass Additions process.
Book	Use this parameter to specify the book to be used for reporting.

Frequently Asked Questions

The following table lists frequently asked questions about the Assets mass additions reports:

FAQ	Answer
How do I find these reports?	Schedule and run this report from the Scheduled Processes work area on the Navigator menu.
When do I use these reports?	Use these reports to keep track of all invoice and discount lines interfaced from Payables to Assets.

FAQ	Answer
What happens after I run the Create Mass Additions process?	The Payables invoice and discount addition lines appear with the asset category you specified for the item.
How many times can you run the Create Mass Additions process?	You can run the Create Mass Additions process as many times as you like. Each time it sends potential asset invoice line distributions and any associated discount lines to Assets. Payables ensures that it does not bring over the same line twice.
How do I change the default report format?	To change from Oracle Business Intelligence Publisher (BI Publisher), edit the fixed asset catalog and choose the output format from the layout table in the view list.

Related Topics

- Mass Additions
- How Fixed Asset Mass Additions Import Data Is Processed
- How Payables Source Lines Are Imported
- How Project Costing Source Lines Are Imported

Assets Reconciliation Reports

This topic includes details about the Assets reconciliation reports.

Overview

The Assets Reconciliation reports are designed to reconcile journal entries to your general ledger accounts.

Assets reconciliation reports include:

Report Name	Description
Cost Clearing Reconciliation Report	Lists all asset additions and cost adjustments performed during the specified period for which accounting entries are created for cost clearing accounts. The report is sorted by and groups totals for each transaction type, balancing segment, and clearing account.
Cost Detail Report	Lists asset-level asset cost account balances for the specified periods. The report is sorted by and groups totals for each balancing segment, asset cost account, and cost center.
Cost Summary Report	Lists asset cost account summary balances for the specified periods. The report is sorted by and groups totals for each balancing segment and asset cost account.
Journal Entry Reserve Ledger	Lists asset depreciation amounts for the specified period. The report is sorted by and groups totals for each balancing segment, expense account, reserve account, and cost center.

Report Name	Description
CIP Detail Report	Lists asset-level construction-in-process (CIP) cost account balances for the specified periods. The report is sorted by and groups totals for each balancing segment, CIP cost account, and cost center.
CIP Summary Report	Lists CIP cost account summary balances for the specified periods. The report is sorted by and groups totals for each balancing segment and CIP cost account.
Reserve Detail Report	Lists asset level asset reserve account balances for the specified periods. The report is sorted by and groups totals for each balancing segment, reserve account, and cost center.
Reserve Summary Report	Lists reserve account summary balances for the specified periods. The report is sorted by and groups totals for each balancing segment and reserve account.
Revaluation Reserve Detail Report	Lists asset revaluation reserve account balances for a specified period for an asset level. The report is sorted by and groups totals for each balancing segment, asset cost account, and cost center.
Revaluation Reserve Summary Report	Lists asset level revaluation reserve account balances for the specified periods. The report is sorted by and groups totals for each balancing segment, reserve account, and cost center.
Asset Balances Register Report	Lists initial costs, current reserve, year-to-date amounts, depreciation rules, and retirements for a range of assets for the specified corporate book and for each associated tax book. The report sorts the data by asset number.
Asset Register Report	Lists the cost-related details, current activity, and retirements for every asset within the selected asset category. The report also lists all transactions that impact asset cost during the chosen period.
Asset Leases Expense Report	Lists asset lease interest and expense amounts for the specified period. The report sorts by and groups totals for each balancing segment, expense account, and cost center.
Asset Leases Liability Report	Lists asset lease liability for the specified period. The report sorts by and groups totals for each balancing segment, liability account, and cost center.
Asset Cost and Reserve Report	The Asset Cost and Reserve Report lists the asset cost and depreciation reserve balances at the asset or cost center level. The report sorts and totals by category, asset type, asset cost account, and cost center. You can run the report only for closed periods.

The following table describes selected report parameters:

Name	Description
Book	Use this parameter to specify the book to be included for reports.
Currency	Use this parameter to specify the currency to be included for reports.
From Asset Number and To Asset Number	Use these parameters to enter the asset number range for which you want to run the report.
Period	Use this parameter to specify the period to be included for reports.

Name	Description

Frequently Asked Questions

The following table lists frequently asked questions about the Asset reconciliation reports:

FAQ	Answer
How do I find these reports?	Schedule and run this report from the Scheduled Processes work area on the Navigator menu.
When do I use these reports?	Use these reports to: • Review your asset transactions to make sure they're being accurately posted. • Keep track of your assets, and to reconcile Oracle Assets to your general ledger.
How do I reconcile journal entries to Oracle General Ledger accounts?	Use the Unposted Journals Report in Oracle General Ledger to match General Ledger batch totals with the asset batch totals found in the Subledger Accounting Account Analysis report.
How do I change the default report format?	To change from Oracle Business Intelligence Publisher (BI Publisher), edit the fixed asset catalog and choose the output format from the layout table in the view list.

Assets Group Reports

This topic includes details about the Assets group reports.

Overview

The Assets group reports are designed to assist with the regulatory reporting requirements when you use group depreciation.

Assets group reports include:

Report Name	Description
Group Asset Detail Report	Lists the group and its member asset balances for the specified fiscal year and is used to comply with Indian income tax requirements. The report is sorted by and groups totals for each fiscal year and asset category.
Group Asset Listing	Lists the group asset balances for the specified fiscal year and is used to comply with Canadian capital cost allowance requirements. The report is sorted by and groups totals for each fiscal year and asset category.

Report Name	Description
Group Asset Summary Report	Lists the group asset balances for the specified fiscal year and is used to comply with Indian income tax requirements. The report is sorted by and prints totals for each fiscal year and asset category.

The following table describes selected report parameters:

Name	Description
Book	Use this parameter to specify the asset book to be included for reports.
Currency	Use this parameter to specify the currency to be included for reports.
From Fiscal Year	Use this parameter to specify the starting fiscal year for the reports.
To Fiscal Year	Use this parameter to specify the ending fiscal year for the reports.
From Asset Number and To Asset Number	Use these parameters to specify the asset number range you want to use for the report.

Frequently Asked Questions

The following table lists frequently asked questions about the Assets Group reports.

FAQ	Answer
How do I find these reports?	Schedule and run these reports from the Scheduled Processes work area on the Navigator menu.
When do I use these reports?	Use these reports if you use group depreciation as per regulatory reporting requirements of Canada and India.
What are the group reports I can print?	• Canadian 50% Rule Use this report to comply with the Canadian capital cost allowance (CCA) Schedule 8 guidelines. • Group Summary: Summary for Half Year Rule Use this report to review group asset amounts. It is designed to meet reporting on the Indian 50% rule and the Indian Income Tax Authorities regulatory requirement of summary depreciation reporting. • Group Detail: Detail for Half Year Rule Use this report to review group and member asset detail amounts. The report is based on the Indian 50% rule and is intended for management use.
How do I change the default report format?	To change from Oracle Business Intelligence Publisher (BI Publisher), edit the fixed asset catalog and choose the output format from the layout table in the view list.

Related Topics

- Group Asset Depreciation
- Group Assets
- Guidelines for Creating Group and Member Assets
- Change Group Assets Using an Integrated Workbook

Reports for the United States

This topic includes details about the reports for the United States.

Overview

These reports are designed to review the depreciation taken for the specified fiscal year. The reports also show calculated gain or loss amounts for sales of 1245 or 1250 property held longer than the capital gain threshold.

Reports for the United States include:

Report Name	Description
Form 4562 - Depreciation and Amortization Report	Lists asset depreciation amounts for the specified fiscal year. This report is sorted by balancing segment, fiscal year added, depreciation method, asset category, and asset number. It shows totals for each category, depreciation method, fiscal year added, and balancing segment.
Form 4626 - AMT Detail Report	Lists the difference in year-to-date depreciation between any tax book and an alternative minimum tax (AMT) book through the period you select in detail. The report is sorted by balancing segment, depreciation method, asset account, category, and asset number. The report totals for each category, asset account, method, and balancing segment.
Form 4626 - AMT Summary Report	Lists the difference in year-to-date depreciation between any tax book and an alternative minimum tax book through the period you select in detail. The report is sorted by balancing segment, depreciation method, asset account, category, and asset number. The report lists totals for each category, asset account, method, and balancing segment.
Form 4797 - Gain From Disposition of 1245 Property Report	Lists gain or loss amounts from sales of 1245 property held longer than the capital gain threshold you entered for the book on the Create Book page. This report only shows assets that were sold, so assets without proceeds of sale do not appear. The report is sorted by balancing segment into gains and losses, by asset account, and by asset number. The report shows totals for gains or losses, and for each asset account and balancing segment.
Form 4797 - Gain From Disposition of 1250 Property Report	Lists gain or loss amounts from sales of 1250 property held longer than the capital gain threshold. The report is sorted by balancing segment into gains and losses, property class, asset account, and asset number. The report lists totals for gains or losses, and for each asset account, property class, and balancing segment.
Form 4797 - Sales or Exchanges of Property Report	Lists amounts held longer than the capital gain threshold. The report is sorted by balancing segment into gains and losses, property class, asset account, and asset number. The report lists totals for gains or losses, and for each asset account, property class, and balancing segment.

Report Name	Description

The following table describes selected report parameters:

Name	Description
Book	Use this parameter to specify the book to be included for the reports.
Currency	Use this parameter to specify the currency to be included for the reports.
Fiscal Year	Use this parameter to specify the fiscal year for the reports.
From Period	Use this parameter to specify the starting period for a range of the reports.
To Period	Use this parameter to specify the ending period for a range of the reports.

Frequently Asked Questions

The following table lists frequently asked questions about the reports for the United States:

FAQ	Answer
How do I find these reports?	Schedule and run this report from the Scheduled Processes work area on the Navigator menu.
When do I use these reports?	Use these reports as per the regulatory reporting requirements of the United States tax law.
What information does the Gain From Disposition of 1245/1250 Property Reports print?	These reports calculate gain or loss amounts for sales of 1245 or 1250 property held longer than the capital gain threshold you entered for the book on the Create Book page. Personal property is section 1245 or 1250 business property under United States tax law. To use the 1245 or 1250 report, complete Part III of the United States federal tax form 4797 - Sales of Business Property and enter a capital gain threshold of one year. If you need different capital gains thresholds for different dates placed in service, such as the six month threshold for assets placed in service before January 1, 1988 in the United States, set up your asset category for the different date placed in service ranges with different thresholds. The reports only show assets that were sold, so assets without proceeds of sale do not appear. For items that were lost or stolen, run the Form 4684 - Casualties and Thefts Report.
How do I change the default report format?	To change from Oracle Business Intelligence Publisher (BI Publisher), edit the fixed asset catalog and choose the output format from the layout table in the view list.

Other Assets Reports

This topic includes details about the what-if analysis reports, property tax reports, and cash generating unit reports.

Overview

The other Assets reports include:

Report Name	Description
Property Tax Report	Lists the assets at a particular location as of the specified cutoff date. This information is used for property tax forms. The report is sorted by and groups totals for each balancing segment, location, asset account, and year acquired.
What-If Depreciation Analysis Report	Lists depreciation projections for the selected assets based on the specified depreciation parameters.
Hypothetical Depreciation Analysis Report	Lists depreciation projections for hypothetical assets based on the specified depreciation parameters.
Assets by Cash Generating Unit Report	Lists all assets by cash generating unit. The report extracts the details of all of the asset impairment transactions, such as asset number, cash generating unit, cost, net book value, accumulated impairment reserve, and year-to-date impairments from Oracle Assets.
Japanese Addition or All Asset Detail by Asset Type Report 132 Characters	Lists depreciable assets for Japan in detail by asset type in a 132 character-wide format.
Japanese Addition or All Asset Detail by Asset Type Report 180 Characters	Lists depreciable assets for Japan in detail by asset type in a 180 character-wide format.
Japanese Corporate Tax Reports Schedule 16 (1) Report	Lists the summary of depreciable assets for Japan in accordance with Corporate Tax Reports Schedule 16 for Japan.
Japanese Corporate Tax Reports Schedule 16 (2) Report	Lists the summary of depreciable assets for Japan in accordance with Corporate Tax Reports Schedule 16 for Japan.
Japanese Corporate Tax Reports Schedule 16 (4) Report	Lists the summary of depreciable assets for Japan in accordance with Corporate Tax Reports Schedule 16 for Japan.
Japanese Corporate Tax Reports Schedule 16 (6) Report	Lists the summary of depreciable assets for Japan in accordance with Corporate Tax Reports Schedule 16 for Japan.
Japanese Corporate Tax Reports Schedule 16 (8) Report	Lists the summary of depreciable assets for Japan in accordance with Corporate Tax Reports Schedule 16 for Japan.
Japanese Depreciable Assets Tax Summary Report	Lists a summary of depreciable assets for Japan by location as of January 1 for the selected fiscal year.

Report Name	Description

The following table describes selected report parameters:

Name	Description
Book	Use this parameter to specify the book to be included for reports.
Currency	Use this parameter to specify the currency to be included for reports.
From Asset Number and To Asset Number	Use these parameters to enter the asset number range for which you want to run the report.

Frequently Asked Questions

The following table lists frequently asked questions about the other reports.

FAQ	Answer
How do I find these reports?	Schedule and run this report from the Scheduled Processes work area on the Navigator menu.
When do I use these reports?	Use these reports to: • Review and analyze depreciation projections. • Review data based on depreciation parameters for hypothetical assets. • Review information for property tax forms. • Review and analyze depreciation projection for your current depreciation parameters. • Review and analyze the details of your asset impairment transactions.
What are the parameters required for the Hypothetical Depreciation Analysis Report?	You must enter a category, date in service, and cost when you submit this report.
Can I optionally enter an accumulated depreciation amount for the Hypothetical Depreciation Analysis Report?	Yes.
How do I submit the Hypothetical Depreciation Analysis Report?	You must submit this report using the What-If Analysis window.
How do I change the default report format?	To change from Oracle Business Intelligence Publisher (BI Publisher), edit the fixed asset catalog and choose the output format from the layout table in the view list.

Related Topics

- How Previous Year Tax Report Import Data Is Processed
- What-if Depreciation Analysis
- Perform What-if Depreciation Analysis on Existing Assets
- Perform What-if Depreciation Analysis on Hypothetical Assets

Assets Subject Areas, Folders, and Attributes

To create real-time analyses for Oracle Assets, you should be familiar with subject areas, folders, and attributes.

Subject Areas

To create an analysis, you begin by selecting a subject area from which you select columns of information to include in the analysis.

For example, to create an analysis of asset balances information, you begin by selecting a Fixed Assets - Asset Balances Real Time subject area.

Subject areas are based around a business object or fact. Assets has eight subject areas:

- Fixed Assets - Asset Depreciation Real Time
- Fixed Assets - Asset Transactions Real Time
- Fixed Assets - Asset Balances Real Time

Folders

Each subject area has one fact folder and a number of dimension folders.

- Fact folders contain attributes that can be measured, meaning that they're numeric values like assignment units. Fact folders are usually named after the subject area.
- Dimension folders contain attribute and hierarchical columns like the last period depreciated and the asset fiscal year name.

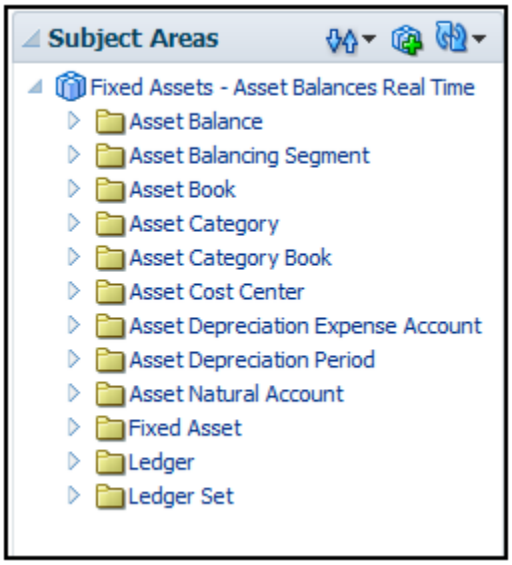
Some folders appear in more than one subject area, such as Asset Books. These are referred to as common folders or common dimensions.

Each folder within a subject area may have a different level of granularity. For example:

- Asset Balance has period-end balance attributes.
- Asset Book has subfolders and attributes within the subfolders.

Attributes

Finally, each dimension folder contains attributes (columns), such as book class and current fiscal year. This figure illustrates the structure of subject areas, folders, and attributes. The graphic shows the Fixed Assets - Asset Balances Real Time subject area, folders, and attributes.



The figure shows the following components:

- Subject area: Fixed Assets - Asset Balances Real Time
- Dimension - Presentation Folder: Asset Book
- Dimension - Attributes: Asset Book, Book Class, Depreciation Calendar and Current Fiscal Year
- Fact - Presentation Folder: Asset Balances
- Fact - Measures: Current Cost, Net Book Value, and Accumulated Depreciation Amount

Related Topics

- How Data Is Structured for Analytics