# **ASSETMAN**

### ABOUT ASSETMAN

ASSETMAN is a Program which provides a quick and efficient way of keeping an Asset Register and doing Depreciation Calculations and Schedules. ASSETMAN produces all of the relevant information required for the preparation of Taxation Returns and Financial Accounts, including Journal Entries and Reconciliation work papers.

ASSETMAN incorporates an entirely new approach to the keeping of an Asset Register and producing a Depreciation Schedule. There is no year-end or month-end close-off and NO BALANCE FORWARD procedures. Anyone who uses LEASEMAN will be familiar with this principle. Reports are simply selected from "a date" to "a date" and ASSETMAN computes what the relevant activity has been before and during the nominated dates and then constructs reports accordingly.

### WHY DO YOU NEED ASSETMAN

Because the "Fixed Asset/Depreciation" program you currently use is not suitable for all situations: viz

- Its mandatory integration with a General Ledger Program creates a lot of extra unnecessary work in specific situations.
- It does not properly cater for current taxation legislation, viz Luxury Car Limit, Balancing Charges, Capital Gains Tax.Lease transfers.
- It does not enable you to keep, where required, two parallel records simultaneously, viz one for Accounting/Book Value purposes & the other for Taxation Value purposes.

OR you currently do not use a computer for Fixed Assets and Depreciation, and find that this work is very time consuming to do manually.

## ABOUT ASSETMAN

- The program lets you create and permanently maintain separate Asset registers for any number of Clients or Firms. Within each register virtually an unlimited number of Assets may be recorded.
- For each Asset register, it lets you quickly and easily enter the various details and parameters for all of the individual Assets which are applicable to that Firm. This information is stored permanently for reference in futures years. Where required, the program lets you assign each Asset a CLASSIFICATION like Furniture or Plant as well as a COST CENTRE. Assets can be sorted into these fields before printing Reports and doing calculations.
- For each Asset register it lets you maintain, where required, two parallel records simultaneously for both Accounting/Book Value and Taxation Value purposes. Duplication of data entry does not occur where these two parallel records are kept.

Alternatively, you can nominate that a register be used ONLY to record Book Value OR Taxation Value records.

- The program provides the work papers to enable you to easily reconcile the Asset Register records with the General Ledger records.
- User definable general ledger codes can also be created and stored.
- In the many instances where a firm only maintains one set of Asset and Depreciation records, you nominate that this Firm's register is for Taxation Value purposes only. This results in the Depreciation calculation for both the Financial Accounts and the Tax Return being the same.

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|-------------------------|--|
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#### - ASSETMAN -

In this case, the Taxation Value and the Book Value recorded in the Financial Accounts are the same. The program will therefore provide you with the work papers, to enable you to easily reconcile the Financial Accounts with the Taxation Depreciation records as all of the Reports discussed in this brochure can, where required, be produced from the Taxation Value records.

- ASSETMAN incorporates an entirely new approach to the keeping of an Asset Register and producing a - Depreciation Schedule. There is no year-end or month-end close-off and NO BALANCE FORWARD procedures. Anyone who uses LEASEMAN will be familiar with this principle. Reports are simply selected from "a date" to "a date" and ASSETMAN computes what the relevant activity has been before and during the nominated dates and then constructs reports accordingly.

This means that, prior period and future period Reports can be produced on demand. A period can be any time frame you nominate, but would normally be 4 weekly, monthly, quarterly, yearly, etc.

This feature means that you could be using ASSETMAN to calculate future Depreciation amounts for forward budgeting purposes, while simultaneously from the same dataset, doing the necessary calculations and Reports for previous period Tax Returns and Financial Accounts. This feature also enables you to do "what if" calculations and reports for future planning purposes viz what is the effect on future taxable income of replacing an item of plant in a year's time and the treating of the profit on disposal as a balancing charge.

- The program caters for the transfer of Leased Assets at the conclusion of their lease from a Lease register Program (viz LEASEMAN). For the Accounting/Book Value record, the Leased Asset is transferred at "Original Cost" & "Accumulated Depreciation" at the date of transfer (as per LEASEMAN journal entries). The "Original Cost" is then used as the basis for Depreciation calculations. In the Tax Value records, the Leased Asset is treated as an acquisition with the residual or payout figure, treated as the acquisition cost.
- When Assets sold are subject to CGT, the program enables you to easily calculate and schedulise the "indexed cost base" and "taxable gain" based on a CPI table (user updatable) stored by the program. The program enables you to produce a "Capital Profits Schedule" which is in an acceptable format for income tax purposes.
- The program caters for current legislative requirements, including, Balancing Charges, Capital Gains Tax & Luxury Car Limit.
- The Program provides the following OPTIONAL capabilities :
  - CLASSIFICATIONS each Asset can be assigned a classification code like Plant or Furniture. For each classification code default Depreciation rates and relevant user defined General Ledger codes are also stored.
  - -COST CENTRES each Asset can be assigned to a Cost Centre code (up to 14). This enables you to produce reports and do calculations for Departmental Accounting purposes.
  - SEARCHING lets you produce Reports based on a search of the alpha component of the asset record, irrespective of the primary coding used viz produce a listing of all TRUCK(S) etc.
  - PLANT REGISTER records viz recording details for location, insurance, serial number etc.
  - DEFAULT REPORT SETTINGS lets you store your common answers for the questions asked during Report production. This saves you time as the program can automatically use these preset answers when producing Reports.

## ASSETMAN REPORTS

ASSETMAN provides you with an extensive range of reports which are available on demand at the press of a button. Examples of some of these reports are shown on the following pages. The examples shown are a mixture of "Tax Accounting" Reports and "Book Value Accounting" Reports for the one asset ledger.

The reports can be run to the printer, the screen or a nominated disk file. If sent to a disk file, they can be, if needed, edited and included in other documents via word processing.

## **DEPRECIATION SCHEDULE - TAX ACCOUNTING**

This schedule is available in the formats recommended by the Tax Office. As an option, this report has been printed without sorting by classification or cost centre. Note that the Photocopier (which has been transferred form a lease register) has its cost as the residual value (10% of original cost) from the lease register. (Ref following example for "Book Value")

A B C PTY LTD
TAX DEPRECIATION SCHEDULE for the Period 01/07/97 to 30/06/98

| File number: 123-456-789     |                  |     |          |                       |                     |       |          | Taxpayer's Signature: |                         |                  |       |       |                   |        |
|------------------------------|------------------|-----|----------|-----------------------|---------------------|-------|----------|-----------------------|-------------------------|------------------|-------|-------|-------------------|--------|
| Ledger - 999<br>Description  | Original<br>Cost | %   | WDV      | Date                  | Disposals<br>Consid | Asses | Deduct   | Date                  | Cost                    | Tot Val<br>Deprn | %     | Prime | iation- <br>Dimin | WDV    |
| Ford Falcon - NGI416         | 20000            |     | 12500    |                       |                     |       |          |                       |                         | 20000            | 15.0  | 3000  |                   | 9500   |
| Backhoe (1)                  | 44000            |     |          | 01/11/97<br>lancing ( |                     | 6338  |          |                       |                         | 23454            | 22.5  |       | 1792              | -      |
| Computer                     | 45000            |     | 27028    |                       |                     |       |          |                       |                         | 27028            | 22.5  |       | 6081              | 20947  |
| Lathe                        | 10000            |     | 7750     | 30/03/98              | 14000               | 3554  |          |                       |                         | 7750             | 22.5  |       | 1304              | -      |
|                              |                  |     |          | Capital               | l Gains:            | 4000  |          |                       |                         |                  |       |       |                   |        |
| Photocopier (tfd from lease) |                  |     |          | -                     |                     |       |          | 01/09/97              | 1030                    | 1020             | 15.0  |       | 128               | 902    |
| Backhoe (2)                  |                  |     |          |                       |                     |       |          | 01/03/37              | 63000                   | 56662            |       |       | 8453              | 48209  |
| Backhoe (2)                  |                  |     |          |                       |                     |       |          | Charges:              | (6338)                  |                  | 22.5  |       | 6455              | 40209  |
| DMT ODEZIO                   |                  |     |          |                       |                     | Ва    | irancing | -                     |                         |                  | 15 0  | E0.67 |                   | 20022  |
| BMW - OPE719                 |                  |     |          |                       |                     | -     |          | 30/09/97              | 55000                   | 45000            | 15.0  | 5067  |                   | 39933  |
|                              |                  |     |          |                       |                     | Luz   | tury ite | n excess:             | (10000)                 |                  |       |       |                   |        |
| GRAND TOTAL                  | 119000           |     | 70732    |                       | 42000               | 13892 |          |                       | 102692                  | 180924           |       | 8067  |                   | 119491 |
|                              | Le               | ss: | Private  |                       |                     | 6338  |          |                       |                         |                  |       | 450   |                   |        |
|                              |                  |     | Capital  | ng Charge<br>Gains    | Applied             | 4000  |          |                       |                         |                  |       |       |                   |        |
|                              |                  |     | Net Adju | ıstment               | -                   | 3554  |          |                       |                         |                  |       | 7617  | 17758             |        |
|                              |                  |     |          |                       | =                   | L     |          |                       | Less Net Adjustment 354 |                  |       |       |                   |        |
|                              |                  |     |          |                       |                     |       |          |                       | Depre                   | ciation          | Claim |       |                   |        |

# DEPRECIATION RECONCILIATION REPORT

This report, which optionally follows the "Depreciation Schedule", reconciles the Opening and Closing Written Down Value by schedulising the totals of all additions, disposals, profits/losses, depreciation and other relevant items. It is shown here as it would follow the above schedule.

| TAX DEPRECIATION RECONCILIATION S         | SUMMARY |        |        |
|---|---------|--------|--------|
| For the Period 01/07/97 to 30/0           | 06/98   |        |        |
| Opening Written Down Value                |         |        | 70732  |
| Plus: Additions at Cost                   |         | 119030 |        |
| Less: Balancing Charges                   |         | 6338   |        |
| Luxury item not subject to dep            |         | 10000  |        |
|   |         |        |        |
|   |         |        | 102692 |
|   |         |        | 173424 |
| Less: Disposals - Considerations Received |         | 42000  |        |
| Less: Assessable Profits on Disposals     | 3554    |        |        |
| Less: Capital Profits on Disposals        | 4000    |        |        |
| Less: Balancing Charges Applied           | 6338    |        |        |
| Less: Luxury Item Adjust to Disposal      | -       |        |        |
|   |         |        |        |
|   |         | 13892  |        |
|   |         |        |        |
|   |         |        | 28108  |
|   |         |        | 145316 |
| Less: Losses on Disposals                 |         |        | _      |
| Depreciation Charged                      |         |        | 25825  |
| Closing Written Down Value                |         |        | 119491 |
|   |         |        |        |

# **DEPRECIATION SCHEDULE - BOOK VALUE**

File number: 123-456-789

The following schedule shows the Depreciation Schedule for "Book Value Accounting" for the same asset ledger as shown in prior report.

In this case, the classification sub-totalling option has been selected, but cost centre sub-totalling has not been selected.

A B C PTY LTD

| Ledger - 999<br>Description | Original<br>Cost |     |          |                     | Disposal<br>Consid |              | Deduct   |          |        | Tot Val<br>Deprn |      | -Depre | ciation- <br>  Dimin | _      |
|-----------------------------|------------------|-----|----------|---------------------|--------------------|--------------|----------|----------|--------|------------------|------|--------|----------------------|--------|
| Classification [1] - I      |                  | UI  | PMENT    |                     |                    |              |          |          |        |                  |      |        |                      |        |
| Backhoe (1)                 | 44000            |     | 22000    | 01/11/97            | 28000              | 8990         | )        |          |        | 44000            | 20.0 | 2990   |                      | _      |
| Computer                    | 45000            |     | 15000    |                     |                    |              |          |          |        | 45000            | 33.3 | 15000  |                      | -      |
| Lathe                       | 10000            |     | 9000     | 30/03/98<br>Capital | 14000<br>Gains:    | 1748<br>4000 |          |          |        | 10000            | 10.0 | 748    |                      | -      |
| Photocopier (tfd from       |                  |     |          |                     |                    |              |          |          |        |                  |      |        |                      |        |
| lease)                      |                  |     |          |                     |                    |              |          | 01/09/97 | 10300  | 10300            | 20.0 | 1710   |                      | 350    |
|                             |                  |     |          |                     |                    | Z.           | ccum Dep | (Lease): | (8240) |                  |      |        |                      |        |
| Backhoe (2)                 |                  |     |          |                     |                    |              | •        | 01/11/97 | 63000  | 63000            | 20.0 | 8354   |                      | 54646  |
| Classification Total        | 99000            |     | 46000    |                     | 42000              | 14738        |          |          |        | 172300           |      | 28802  | -                    | 54996  |
|                             |                  | :   |          |                     |                    |              |          |          |        |                  |      |        |                      | ====== |
|                             | Les              | s:  | Capital  | Gains               |                    | 4000         | )        |          |        |                  |      |        |                      |        |
|                             |                  |     |          |                     |                    |              |          |          |        |                  |      |        |                      |        |
|                             |                  |     | Net Adjı | ıstment             |                    | 10738        |          |          |        |                  |      | 28802  | -                    |        |
|                             |                  |     |          |                     |                    |              |          |          |        |                  |      |        |                      |        |
| Classification [2] - N      | MOTOR VEHI       | CLI | ES       |                     |                    |              |          |          |        |                  |      |        |                      |        |
| Ford Falcon - NGI416        | 20000            | 15  | 15000    |                     |                    |              |          |          |        | 20000            | 10.0 | 2000   |                      | 13000  |
| BMW - OPE719                |                  |     |          |                     |                    |              |          | 30/09/97 | 55000  | 55000            | 10.0 | 4129   |                      | 50871  |
| Classification Total        | 20000            |     | 15000    |                     | -                  |              |          |          | 55000  | 75000            |      | 6129   | -                    | 63871  |
|                             |                  | •   |          |                     |                    |              |          |          |        |                  |      |        |                      |        |
| GRAND TOTAL                 | 119000           |     | 61000    |                     | 42000              | 14738        | -<br>    |          | 120060 | 247300           |      | 34931  |                      | 118867 |
|                             |                  |     | Capital  | Gains               |                    | 4000         |          |          |        |                  |      |        |                      |        |
|                             |                  |     |          |                     |                    |              |          |          |        |                  |      |        |                      |        |
|                             |                  |     | Net Adjı | ıstment             |                    | 10738        | -<br>    |          |        |                  |      | 34931  |                      |        |
|                             |                  |     |          |                     |                    |              |          |          | _      |                  |      |        |                      |        |

Less Net Adjustment 10738
----Depreciation Claimed 24193

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## ASSET MOVEMENT REPORT

For a nominated period (normally a financial year), this report lists the details of the opening balance, additions, disposals, depreciation and the closing balance (at cost), accumulated depreciation and written down value, for each ASSET. This Report acts as a permanent working paper and the movement totals are agreed with the Financial Accounts.

A B C PTY LTD TAX ASSET MOVEMENT REPORT for the Period 01/07/97 to 30/06/98

| Ledger - 999<br>Description  |           | ening Balance<br>ost Accum Dep |        | ns/Transfers<br>Accum Dep |          |       | sposals<br>Accum Dep |     | Current<br>Deprec | I<br>I |                                     | losing<br>Accum |                                 |                                     |
|--|-----------|--------------------------------|--------|---------------------------|----------|-------|----------------------|-----|-------------------|--------|-------------------------------------|-----------------|---------------------------------|-------------------------------------|
| Classification [1] - F   | LANT & EQ | JIPMENT                        |        |                           |          |       |                      |     |                   |        |                                     |                 |                                 |                                     |
| Backhoe (1)  | 440       | 20546                          | 5      |                           | 4        | 14000 | 22338                |     | 1792              |        | -                                   |                 | -                               | -                                   |
| Computer   | 450       | 000 17972                      | 2      |                           |          |       |                      |     | 6081              |        | 45000                               | 2               | 4053                            | 20947                               |
| Lathe  | 100       | 000 2250                       | )      |                           | 1        | 10000 | 3554                 |     | 1304              |        | -                                   |                 | -                               | -                                   |
| Photocopier (tfd from  |           |                                |        |                           |          |       |                      |     |                   |        |                                     |                 |                                 |                                     |
| lease)   |           |                                | 1030   |                           |          |       |                      |     | 128               |        | 1030                                |                 | 128                             | 902                                 |
| Backhoe (2)  |           |                                | 63000  |                           |          |       |                      |     | 8453              |        | 63000                               |                 | 8453                            | 48209                               |
| I  | ess Balan | cing Charges:                  | (6338  | )                         |          |       |                      |     |                   |        | (6338)                              | )               |                                 |                                     |
| Classification Total   | 990       | 000 40768                      | 57692  |                           | <u>-</u> | 4000  | 25892                |     | 17758             | :      | 102692                              | 3               | 2634<br>====                    | 70058                               |
| Classification [2] - M<br>Ford Falcon - NGI416<br>BMW - OPE719<br>Classification Total | 200       |                                | 55000  |                           |          |       | <u>-</u>             |     | 3000<br>5067<br>  |        | 20000<br>55000<br>Luxu<br><br>75000 | ury It          | 0500<br>5067<br>em:<br><br>5567 | 9500<br>39933<br>10000<br><br>59433 |
|  | =====     |                                |        |                           |          |       |                      | === |                   |        |                                     |                 |                                 |                                     |
|  |           |                                |        |                           |          |       |                      |     | Less              | 3 Lı   | uxury S                             | Surcha          | rge                             | 10000                               |
|  |           |                                |        |                           |          |       |                      |     |                   | As     | s Per 1                             | Tax Re          | turn                            | 49433                               |
| GRAND TOTAL  | 119       | 000 48268                      | 112692 |                           | 5        | 4000  | 25892                |     | 25825             |        | 177692                              |                 | 8201                            | 129491                              |
|  |           |                                |        |                           |          |       |                      |     |                   |        | uxury S                             |                 |                                 | 10000                               |
|  |           |                                |        |                           |          |       |                      |     | :                 | As     | Per Ta                              | x Retu          | ırn                             | 119491                              |

## DISPOSAL ANALYSIS REPORT

When there is a disposal of an asset in a period, the "Asset Movement Report" is accompanied by the DISPOSAL ANALYSIS REPORT.

A B C PTY LTD TAX DISPOSAL ANALYSIS for the Period 01/07/97 to 30/06/98

| Ledger - 999 Description | Total<br>CR      | Consid<br>CR | Accum Dep<br>W/Back CR | Loss<br>CR | Profit<br>DR | Bal Chge<br>DR |
|--------------------------|------------------|--------------|------------------------|------------|--------------|----------------|
| Classification [1] - PI  | LANT & EQUIPMENT | r            |                        |            |              |                |
| Backhoe (1)              | 44000            | 28000        | 22338                  |            | -            | (6338)         |
| Lathe                    | 10000            | 14000        | 3554                   |            | (7554)       | -              |
|                          |                  |              |                        |            |              |                |
| Classification Total     | 54000            | 42000        | 25892                  | -          | (7554)       | (6338)         |
|                          |                  |              |                        |            |              |                |

## **JOURNAL ENTRIES**

Used for posting information to your General Ledger. Journal entries are produced for items such as Depreciation for the period, Transfers of profits and losses on disposals, Write back of the accumulated depreciation and other relevant details on disposals.

For this example, we have assumed that the Firm is only keeping one set of Asset records and these have been nominated as "Taxation Value" within ASSETMAN. The Journal Report, therefore records the necessary entries to the General Ledger, so that the Tax Value records will agree with the Financial Accounts.

The account coding is entirely user definable. In these examples, both cost centre and classification breakdown have been shown.

A B C PTY LTD
TAX JOURNAL ENTRIES for the Period 01/07/97 to 30/06/98

| Date: 30/06/98 Ref No:<br>Ledger - 999<br>Account Name    | Account<br>Number | DR                     | CR                         |
|---|-------------------|------------------------|----------------------------|
| Depreciation Expense DUDLEY FARM TAMWORTH SHOP            | 440/1<br>440/1    | 19616<br>6209<br>25825 |                            |
| Accumulated Depreciation PLANT & EQUIPMENT MOTOR VEHICLES | 720<br>730        |                        | 17758<br>8067<br><br>25825 |
| Loan Account Deprec. Expense (Private Use) DUDLEY FARM    | 440/1             | 450                    | 450<br>450<br>             |
| (Being Depreciation for the period 01/07/97 to 30/06/98)  |                   |                        |                            |

The following Journal Entry is for an asset (Backhoe (1)) which was sold with a balancing charge.

| Date: 30/06/98 Ref No:<br>Ledger - 999<br>Account Name | Account<br>Number | DR    | CR    |
|--|-------------------|-------|-------|
| Disposal of Backhoe (1) on 01/11/97                    |                   |       |       |
| Accumulated Depreciation PLANT & EQUIPMENT             | 720               | 22338 |       |
| Fixed Assets at Cost<br>PLANT & EQUIPMENT              | 620               |       | 22338 |
| (Being the write back of accumulated depreciation)     |                   |       |       |
| Fixed Assets at Cost<br>PLANT & EQUIPMENT              | 620               | 6338  |       |
| Profit on Disposal (Ass/Income) DUDLEY FARM            | 440/1             |       | -     |
| Profit on Disposal (Capital) DUDLEY FARM               | 110/1             |       | -     |
| Balancing Charge Applied PLANT & EQUIPMENT             | 620               |       | 6338  |
| (Being transfer of profit on disposal)                 | ,                 | c     |       |

## **JOURNAL ENTRIES - continued**

The following is the journal entry representing the sale of an item (Lathe) for which there was a capital gain.

| Date: 30/06/98 Ref No:<br>Ledger - 999<br>Account Name | Account<br>Number | DR   | CR   |
|--|-------------------|------|------|
| Disposal of Lathe on 30/03/98                          |                   |      |      |
| Accumulated Depreciation PLANT & EQUIPMENT             | 720               | 3554 |      |
| Fixed Assets at Cost<br>PLANT & EQUIPMENT              | 620               |      | 3554 |
| (Being the write back of accumulated depreciation)     |                   |      |      |
| Fixed Assets at Cost<br>PLANT & EQUIPMENT              | 620               | 7554 |      |
| Profit on Disposal (Ass/Income) DUDLEY FARM            | 440/1             |      | 3554 |
| Profit on Disposal (Capital) DUDLEY FARM               | 110/1             |      | 4000 |
| (Being transfer of profit on disposal)                 |                   |      |      |

#### CAPITAL GAINS REPORT

The item sold above had a capital gain of \$4,000 which needs to be indexed for Tax purposes. The following report does this automatically. The CPI figures are entered by you and permanently stored. (The CPI figure for sale has been estimated for this example). When the report is run, it picks the appropriate CPI figures for sale and purchase from the table and applies them to each applicable item.

|          | A B C PTY LTD |        |       |          |        |         |              |           |            |             |           |           |  |
|----------|---------------|--------|-------|----------|--------|---------|--------------|-----------|------------|-------------|-----------|-----------|--|
|          |               |        |       | TAX C    | APITAL | PROFITS | SCHEDULE for | the Perio | d 01/07/97 | to 30/06/98 |           |           |  |
| Ledger - | - 999         | Purch  | Orig  | Date of  | CP     | I at    | Indexed      | Sales     | True       | Tax Free    | Taxable ( | CPI       |  |
|          |               | Date   | Cost  | Sale     | Purch  | Sale    | Cost         | Price     | Profit     | Profit      | Profit    | Protected |  |
|          |               |        |       |          | ====== |         |              |           |            |             |           |           |  |
| Lathe    |               |        |       |          |        |         |              |           |            |             |           |           |  |
|          | 01            | /07/96 | 10000 | 30/03/98 | 197.0  | 210.2   | 10670        | 14000     | 4000       |             | 3330      | 670       |  |
|          |               |        |       |          |        |         |              |           |            |             |           |           |  |
|          | GRAND         | TOTAL  | 10000 |          |        |         | 10670        | 14000     | 4000       | -           | 3330      | 670       |  |
|          |               |        |       |          |        |         |              |           |            |             |           |           |  |

## **OTHER REPORTS** include

# - LIST ASSET REPORT

This report lists the details of all Assets entered for that Register. The report can either be in detail or summary format for coding purposes.

- A CALCULATION REPORT which shows audit trail components of depreciation calculation.