

Assets Tracking & Management Project
OFFICE OF THE ACCOUNTANT-GENERAL OF THE FEDERATION
Federal Ministry of Finance



FGN Fixed Assets
Registration
Manual

for

Basic Fixed Asset Register Template



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Basic Fixed Asset Register Template

Instruction Manual

This basic asset register template enables you to compile a complete fixed assets register which incorporates an unlimited number of fixed asset classes and categories; facilitates recording additions & disposals; automatically calculates monthly and year-to-date depreciation charges and includes a comprehensive automated journal report. The template accommodates depreciation calculations based on the straight-line (SL), diminishing value (DV) and double diminishing value (DDV) calculation methods on a monthly or daily basis. However, the straight line (SL) method has been adopted for depreciating fixed assets of the FGN.

The Template consists of the following sheets:-

- i) **Content Table**
- ii) **Instruction Manual**
- iii) **MDA Index**
- iv) **Set-up**
- v) **Assets**
- vi) **Transact**
- vii) **Category**
- viii) **Class**
- ix) **Journals**

SET-UP

- You are to select your MDA's Budget Code (**D8**) and Name (**D10**) from the drop-down menu. The MDA's name will appear as a heading on all the other sheets. Refer to the MDA Details sheet to determine the name and code for your MDA.
- All values in cells **D12**, **D14**, **D16** & **D18** concerning the accounting period and depreciation are to be retained as given.
- The fixed asset classes and categories are based on the Economic Codes of the National Chart of Accounts and are to be maintained.
- If additional item is required, a request is to be sent to the help desk using the contact address provided at the bottom of this manual.

Assets -

- This sheet enables users to create a unique asset code for all fixed assets.
- User input is restricted to only the yellow column headings for entering asset identification number, asset description, asset type, asset category and depreciation basis.
- All the columns on the Assets sheet with yellow column headings require user input while the columns with light blue column headings contain formulas which should be copied for each new asset that is added to the sheet.
- The light blue column headings contain all the comprehensive, automated calculations that form part of the fixed asset register and is available to view input results only.
- The period for which the fixed asset register is compiled is determined by the review date that is specified at the top of the sheet.
- Each individual fixed asset must be added to the Assets sheet by assigning an asset number to it.
- The Assets sheet is essentially a fixed asset register which contains all the individual assets that form part of the fixed assets register.

Transact -

- All asset Transacts need to be recorded on this sheet.
- Asset Transacts are limited to acquisitions & disposals.
- User input is limited to entering the Transact date, Transact type, asset number, supplier, document number, Transact amount, asset lifetime, residual value and proceeds on disposal.
- The protected columns with light blue headings are read-only and contain the formulas that form the basis of all the calculations that are required in order to produce a comprehensive, accurate fixed asset register.

Category -

- This sheet contains a summary of the fixed assets, which is automatically populated based on the fixed asset categories defined on the Set-up sheet and inputs made in the Assets and Transact sheets.

- No user input is required on this sheet. If additional fixed asset categories are needed, a request is to be submitted to the help desk.

Class -

- Like the Category Sheet, this sheet contains a fixed assets summary which is based on the asset classes that are created on the Set-up sheet.
- No user input is required on this sheet.

Journals -

- This sheet contains an automated journal report for all fixed asset Transacts.
- The journal report can be compiled on a monthly or year-to-date basis and is based on the sample account numbers that are specified in the asset category set-up on the Set-up sheet.
- The journal report provides an insight into the accounting processes of the Template that will later be used to interface/integrate with the Fixed Assets Solution and the Government Accounting System.
- No user input is required.

Notes

- ✓ Each asset category contains a unique code in column A, is linked to an asset class in column B, contains a description in column C and contains an account number (sample) in each of the columns from column D to G.
- ✓ Each category created is included separately on the Category sheet and will be linked to one of the asset class codes in cells A22 to A29 by selecting the appropriate asset class code from the list box in column B
- ✓ The asset categories are sub classes of the main asset classes that appear on the financial statements according to their assigned economic codes.
- ✓ The sample account numbers in columns D to G of the set-up page are included in the automated journal report on the Journal sheet, which is based on the asset categories

- ✓ Statement of Financial Position (Balance Sheet)
 - ▶ Cost - the general ledger accounts that are entered in this column reflect the cost of each asset category and form part of the Statement of Financial Position
 - ▶ Accumulated Depreciation (Acc Depr) - the accounts in this column are the accumulated depreciation written off against each asset category and is also an item of the Statement of Financial Position.
- ✓ Statement of Financial Performance (Income & Expenditure)
 - ▶ Depreciation (Depr) - the total depreciation charges for each asset category is allocated to the accounts in this column and are reflected in the Statement of Financial Position.
 - ▶ Gain - the accounts in this column are part of the Statement of Financial Position when a gain or loss on the disposal of assets is made from the sale of assets.

Assets - Step by Step Set-up

Asset Number - All fixed assets must be added to the Assets sheet by assigning a unique asset code to the particular asset. The use of MDA acronym followed by hyphened digits is recommended (eg. OAGF-00001, OAGF-00002.....OAGF-99999)

- The acquisition of the asset then needs to be recorded on the Transact sheet after which the appropriate values will be reflected on the Assets sheet.

- Users therefore need to create asset codes for all their assets and record acquisition Transacts for all assets on the Transact sheet.

Asset ID Number - an asset identification number is required immediately after the asset number. Each asset will be labelled/ tagged using this unique number to facilitate physical verification of all the assets. The use of the class codes followed by numbers is recommended. (eg. MV-0001, FF-0001, LB-0001, LB-0002, etc)

Description - enter a comprehensive description of the asset in this column. The asset description should enable users to easily identify the asset and should assist users in distinguishing between similar assets.

Asset Type - select an asset type from the list box. This column is used to identify owned, leased, donated/granted, re-allocated, shared and inherited assets. Click to select the appropriate option, which, in most cases, is “owned”.

Note:

- The Assets sheet should not contain any blank rows between rows that contain data, otherwise the automated calculations will be compromised.
- All the columns with light blue column headings contain calculations which are based on the review date that is entered in cell E3. The date that is entered in this cell therefore determines which Transacts are included in the asset balance and depreciation calculations. It is therefore imperative that you enter the correct date in this cell when reviewing the fixed asset register.

Asset Category - select an asset category from the list box in this column. All the asset categories that are created on the Set-up sheet are available for selection. Each asset needs to be linked to an asset category which is linked to an asset class in the Asset Category section on the Set-up sheet.

Depreciation Basis - select a depreciation basis from the list box in this column. The SL (straight-line) is the default accounting policy and should be selected.

- The YTD periods are determined based on the year-end period that is selected in cell D12 on the Set-up sheet.
- All the YTD asset balances and depreciation calculations will therefore be calculated automatically based on the review date and the year-end period that has been specified.

Note:

The review date makes it easy to roll the template forward or back for any subsequent or previous month and all the template calculations are updated automatically. It can be used to benchmark data for different review periods.

Assets Sheet - information only columns

- The Assets sheet contains 39 calculated columns which all have light blue column headings. However, the first 19 blue-coloured columns are more relevant and are displayed while the rest have been hidden.
- The calculations in these columns are all based on the Transacts that are entered on the Transact sheet and some of the calculations are for information purposes only while others form an integral part of the fixed asset register.

The following columns are for-information-only:

Error Code - if there is a problem with the input in any of the user input columns, an error code will be displayed in this column. Refer to the Set-up sheet for a description of each error code and to the Error Code section of this instruction manual for more information about the reason for the error code that is displayed. Most problems are solved if the error code is understood and the recommended action followed.

Class - this column contains the asset class that the asset is linked to. The asset class is determined by the asset category that is selected in column E and each asset category is linked to a single asset class in the Asset Category section on the Set-up sheet.

Acquisition Date - the asset acquisition date is displayed in this column. After creating an asset number, an acquisition Transact needs to be recorded on the **Transact sheet** in order to record the acquisition of the asset. If an acquisition Transact has not been recorded for the particular asset, this column will contain an **"Add!"** message.

Historical Cost - the historical cost of all assets is displayed in this column. The historical cost is defined as the Transact amount of the acquisition Transact that is recorded on the **Transact sheet** for the particular asset.

Lifetime in Years - the lifetime that has been recorded on the **Transact sheet** for the particular asset.

Residual Value - shows the residual value that has been recorded on the **Transact sheet** for particular asset.

Disposal Date - if an asset has been disposed of, the date of disposal as per the **Transact sheet** will be displayed in this column. Note that a disposal Transact has to be recorded on the **Transact sheet** for all asset disposals.

Proceeds on Disposal - if an asset has been disposed of, the proceeds on disposal as per the **Transact sheet** will be displayed in this column.

Assets at Cost:

Opening Balance - the opening cost or gross carrying value of the asset at the beginning of the current financial period is included in this column.

Additions - if an asset has been acquired during the current financial period, the cost of the asset is included in this column. The cost of the asset is entered as the Transact amount when recording an acquisition type Transact on the **Transact sheet**.

Disposals - if an asset has been disposed of during the current financial period, the cost of the asset is included in this column as a negative value. This effectively means that the cost of the asset is removed from the fixed asset register on the date of disposal.

Closing Balance - the closing cost or gross carrying value of the asset at the end of the current financial period is included in this column.

Accumulated Depreciation:

Opening Balance - the opening accumulated depreciation balance of the asset at the beginning of the current financial period is included in this column.

Depreciation - the year-to-date depreciation which is calculated based on the depreciation basis which has been selected in column F.

Disposals - if an asset has been disposed of during the current financial period, the accumulated depreciation as at the date of the disposal is included in this column as a negative value. This effectively means that the accumulated depreciation of the asset is removed from the fixed asset register.

Closing Balance - the closing accumulated depreciation balance of the asset at the end of the current financial period is included in this column.

Carrying Value/Bookvalue:

Closing Carrying Value - the difference between the closing cost (or gross carrying value) of an asset and the closing accumulated depreciation balance is included in this column. The amounts in this column reflect the "book value" of an asset at the end of the financial period.

Income Statement Items:

Gain / (Loss) on Disposal - if an asset has been disposed of during the current financial period, the gain or loss on disposal as at the date of the disposal is included in this column. The gain or loss on disposal is calculated as the difference between the proceeds on disposal which is recorded on the Transact sheet and the net carrying value (book value) of the asset.

Current Month:

Depreciation - this column includes the depreciation charge for the current month. The appropriate month is determined by the review date that is specified in cell E3. Note that this column will only contain a value if the historical cost of an asset has not been fully depreciated.

Filter:

The Filter feature can be used to

- obtain totals based on the filter criteria that are specified by the user
- view the detailed fixed asset records that make up the summary totals on the Category and Class sheets.

IMPORTANT

THE COLUMNS WITH YELLOW CELL BACKGROUNDS REQUIRE USER INPUT AND THE COLUMNS WITH LIGHT BLUE CELL BACKGROUNDS CONTAIN FORMULAS WHICH SHOULD BE COPIED FOR ALL NEW ASSETS THAT ARE ADDED TO THE SHEET. THIS IS IMPERATIVE BECAUSE THE ACCURACY OF ALL TEMPLATE CALCULATIONS IS DEPENDENT ON RECORDING ASSETS CORRECTLY. AFTER ENTERING ALL THE REQUIRED DATA IN THE USER INPUT COLUMNS, MAKE ABSOLUTELY SURE THAT THE FORMULAS IN THE CALCULATED COLUMNS HAVE BEEN COPIED INTO ALL THE NEW ROWS THAT HAVE BEEN ADDED TO THE SHEET.

Recording Asset Transacts

All asset Transacts must be recorded on the Transact sheet. There are basically 2 types of Transacts that can be recorded namely acquisitions and disposals. An asset Transact can be recorded by entering the required data into the user input columns - the column headings of all user input columns contain a yellow cell background while the column headings with a light blue cell background indicate that these columns contain formulas which should be copied for all new Transacts that are added to the sheet.

Note:

- ✓ Recording an asset number on the Assets sheet will have no effect in terms of recording the cost of an asset in the fixed asset register.
- ✓ An acquisition Transact needs to be recorded on the Transact sheet for each fixed asset that is acquired before the appropriate asset values will be included in the fixed asset register on the Assets sheet and the summaries on the Category and Class sheets.
- ✓ All the contents on the Transact sheet should form part of a continuous cell range otherwise some Transacts may not be included in the template calculations.
- ✓ The Transact sheet should therefore not contain any blank rows between rows that contain data.

The following user input is required in the user input columns on the Transact sheet (the columns with yellow column headings):

Transact Date - enter the date of the Transact.

Transact Type - select the Transact type from the list box. The ACQ option should be selected for all asset acquisitions and the DIS option should be selected for all asset disposals.

Asset Number - select the appropriate asset number of the asset to which the Transact relates from the list box in this column. All the asset numbers that have been added to the Assets sheet will be available for selection. You therefore need to create an asset number for the appropriate fixed asset on the **Assets sheet** before you will be able to record any Transacts for the particular fixed asset.

Manufacturer/Supplier - enter the name of the manufacturer/supplier from which the asset has been acquired. If a disposal Transact is recorded, enter the name of the customer/buyer in this column.

Document Number - enter the document number of a supporting document which will enable you to trace the Transact back to its supporting documentation. This should be the number entered in GIFMIS or similar reference number where the transaction was pre-GIFMIS era.

Amount - enter the Transact amount in this column. For disposals, a nil amount should be entered.

Lifetime in Years - enter the estimated lifetime of the asset in years for all acquisition Transacts in this column. For disposals, enter a nil value in this column. Note that if an asset should not be depreciated, a nil lifetime needs to be specified in this column.

Residual Value - if the asset that is being acquired has a residual value, this residual value should be entered in this column. The residual value affects the depreciation calculations in that the residual value is deducted from the cost of an asset in order to calculate the total amount that will be depreciated over the lifetime of the asset. A nil value should be entered for all disposal Transacts.

Proceeds on Sale - if a disposal Transact is being recorded, enter the proceeds on the disposal of the asset in this column. The proceeds should equal the total amount that is received for the asset. If an asset is being scrapped, enter nil in this column. A nil value should also be entered for all acquisition Transacts.

Note:

The Transact sheet also includes 7 calculated columns - the column headings of all the calculated columns contain a light blue cell background. All of these columns contain formulas which should be copied for all new Transacts that are added to the sheet.

Error Code - if there is a problem with the input in any of the user input columns, an error code will be displayed in this column. Refer to the Set-up sheet for a description of each error code and to the Error Code section of these instructions for more information about the reason for the error code that is displayed.

Category - the asset category is looked up on the Assets sheet based on the asset number that is specified in column C. This column is included for information purposes only.

Transact Date ID - the formula in this column is based on the Transact date which is entered in column A.

Transact Amount - the formula in this column is based on the amount which is entered in column F.

Historical Cost -the formula in this column is based on the amount which is entered in column F for all acquisition type Transacts.

Current Lifetime - the formula in this column is based on the asset lifetime which is entered in column G.

Current Residual - the formula in this column is based on the residual value which is entered in column H.

Note:

- Only one acquisition Transact can be recorded for each asset because an asset can only be acquired once.
- If an asset is scrapped (which is recorded as a disposal) and subsequently needs to be added back to the fixed asset register, a new asset number should be used for this purpose.
- The recording of duplicate asset acquisitions will result in an input error in the Error Code column and may also result in inaccurate template calculations.
- All the depreciation calculations that form part of the fixed asset register are automated and there is no need to record any Transacts in order to record any monthly or annual depreciation amounts
- All the automated calculations in this template are based on the review date that is specified on the Assets sheet.
- The template allows for rolling back or forward to determine values for different periods by simply changing the review date on the Assets sheet.
- Pasting the copied formulas to all added rows is imperative because the accuracy of all template calculations is dependent on recording Transacts correctly.
- **After entering the required data in the user input columns, please make absolutely sure that the formulas in the calculated columns have been copied into all the new rows that have been added to the sheet.**

- All the column headings on the Transact sheet contain a filter selection arrow, which can be used to filter the data on the sheet in order to display only certain asset records on the sheet.
- The columns with yellow column headings require user input and the columns with light blue column headings contain formulas which should be copied for all new Transacts that are added to the sheet.

Error Codes

The following error codes may result from inaccurate input on the Assets and Transact sheets and will be displayed in the Error Code columns on the appropriate sheet. The heading of the affected input column will also be highlighted in orange in order to indicate that an error is present in the appropriate column:

- **E1** - this error code means that a duplicate asset number has been created on the Assets sheet. Delete the row that contains the duplicate asset number to resolve the error.

- **E2** - this error code means that the asset category that needs to be selected in column E on the Assets sheet is blank or does not exist. Select a valid asset category from the list box in order to resolve the error. Note that all the asset categories that are included on the Set-up sheet are included in the list box.

- **E3** - this error code means that the asset number that needs to be selected in column C on the Transact sheet is blank or does not exist. Select a valid asset number from the list box in order to resolve the error. Note that all the asset numbers that are recorded on the Assets sheet are included in the list box.

- **E4** - this error code means that the Transact type that needs to be selected in column B on the Transact sheet is blank or does not exist. Select a valid Transact type from the list box in order to resolve the error. Note that this error may also be displayed if you attempt to record a Transact for an asset that has been disposed of previously. Once a disposal is recorded for an asset (even if the asset has only been scrapped and not actually disposed of), any subsequent Transacts need to be recorded by using a new asset number.

■ **E5** - this error code means that more than one acquisition Transact has been recorded for the same asset. An asset can only be acquired once. If you therefore need to bring the asset back into the fixed asset register after perhaps recording a disposal Transact, a new asset number must be used.

■ **E6** - this error code means that an invalid Transact amount has been recorded for the selected Transact type. All Transact amounts should be recorded as positive amounts and a nil Transact amount needs to be entered for all disposal Transacts.

■ **E7** - this error code means that an invalid lifetime has been recorded for the selected Transact type. All asset lifetimes should be recorded as positive values and a nil value needs to be entered for all disposal Transacts. Note that you can also enter a nil value for asset acquisition type Transacts but this means that the asset will not be depreciated.

■ **E8** - this error code means that an invalid residual value has been recorded for the selected Transact type. All residual values should be recorded as positive values and a nil residual value needs to be entered for all disposal Transacts. Note that the residual value of an asset can also not be greater than the Transact amount that is entered in column F.

■ **E9** - this error code means that an invalid proceeds on disposal amount has been recorded for the selected Transact type. All proceeds on disposal amounts should be recorded as positive values and you only need to record an amount in this column if a disposal type Transact is recorded. Note that the proceeds on the disposal of an asset can never be less than nil (even if a loss is made on the disposal of an asset) because the proceeds equal the amount that is received after selling the asset. A nil value may however need to be entered if an asset is scrapped without any compensation being received.

■ **E10** - this error code means that a disposal type Transact has been recorded for the appropriate asset on the Transact sheet before an acquisition Transact has been recorded. The first step after adding an asset number to the Assets sheet should be to record an acquisition Transact for the asset on the Transact sheet even if the asset has been **inherited/re-allocated/donated**.

Note:

Input errors may result in inaccurate template calculations and it is therefore imperative that all errors are resolved before reviewing the fixed asset register balances and processing any general ledger journal entries.

Asset Category Summary

The Category sheet contains a fixed asset register summary for all the asset categories that are created on the Set-up sheet. Individual assets are linked to a fixed asset category by selecting a category in column E on the Assets sheet. No user input is required on the Category sheet.

To view the detailed fixed asset records that make up the totals on the Category sheet, you can apply a filter to the Category column on the Assets sheet by clicking the selection arrow next to the column heading and selecting the appropriate asset category. The totals above the column headings will equal the amounts that are reflected on the Category sheet.

The Category sheet is compiled based on the review date that is specified in cell E3 on the Assets sheet. If you therefore want to amend the reporting period for which the asset category summary is compiled, simply enter a new review date on the Assets sheet.

Asset Class Summary

The Class sheet contains a fixed asset register summary for all the asset classes that are created on the Set-up sheet. Individual assets are linked to a fixed asset class by selecting an asset category in column E on the Assets sheet.

Each asset category is linked to a separate asset class by selecting the appropriate asset class in the asset category set-up on the Set-up sheet. No user input is required on the Class sheet.

To view the detailed fixed asset records that make up the totals on the Class sheet, apply a filter to the Class column on the Assets sheet by clicking the selection arrow next to the column heading and selecting the appropriate asset class. The totals above the column headings will equal the amounts that are reflected on the Class sheet.

The Class sheet is compiled based on the review date that is specified in cell E3 on the Assets sheet. To display different reporting period for which the asset class summary is compiled, simply enter the desired review date on the Assets sheet.

Fixed Asset Journals

The Journals sheet contains an automated report of the recommended journal entries that need to be processed in order to account for all fixed asset Transacts in a general ledger. The general ledger journal entries on this sheet are compiled on an asset category basis because each asset category is linked to a general ledger account for each of the Transact types that are included in the template.

Note: The Journals sheet is compiled based on the review date that is specified in cell E2 on the Assets sheet. If you therefore want to amend the reporting period for which the automated journal report is compiled, simply enter a new review date on the Assets sheet.

The general ledger journal entries on the Journal sheet can be compiled on a month-to-date (MTD) or a year-to-date (YTD) basis by simply selecting the appropriate period from the list box in cell E2. All the journal entry amount calculations are automatically updated.

Each general ledger journal entry consists of four columns which contains two sets of accounts and amounts. The account numbers that are included on the Journal sheet are determined based on the general ledger accounts that are linked to each asset category on the Set-up sheet. In terms of the journal entry amounts, a positive value refers to a debit entry and a negative value refers to a credit entry.

There are 5 general ledger journal entries on the Journals sheet - the purpose of each of these journal entries can be summarized as follows:

▪ Depreciation - this is the total depreciation charge for the period which is typically allocated to the income statement and to accumulated depreciation accounts.

▪ Additions - this journal records fixed asset additions in the general ledger. Note that in most accounting systems, additions will be recorded through cashbook (bank) or trade creditors accounting systems.

▪ Disposals - Proceeds - this journal records the proceeds on the disposal of an asset in the general ledger. Note that in most accounting systems, the proceeds on disposal will be recorded through cashbook (bank) or trade debtors accounting systems.

▪ Disposals - Cost - this journal allocates the cost of a disposed asset to the appropriate profit or loss on disposal account that is specified for the asset category on the Set-up sheet.

▪ Disposals - Accumulated Depreciation - this journal allocates the accumulated depreciation of a disposed asset to the appropriate profit or loss on disposal account that is specified for the asset category on the Set-up sheet.

Important Notice

- 1. Use of Licensed Microsoft Office (Excel) strongly advised.**
- 2. Date and Regional Settings in Control Panel/System Settings must be correctly set to conform to the format dd-MMM-yy (e.g. 2-12-2012 should appear 2-Dec-12).**
- 3. This template remains the intellectual property of its owners and must not be published or distributed outside the scope of this authorisation.**

NOTE

A copy of this Guide is also on the Template Workbook (sheet 2)