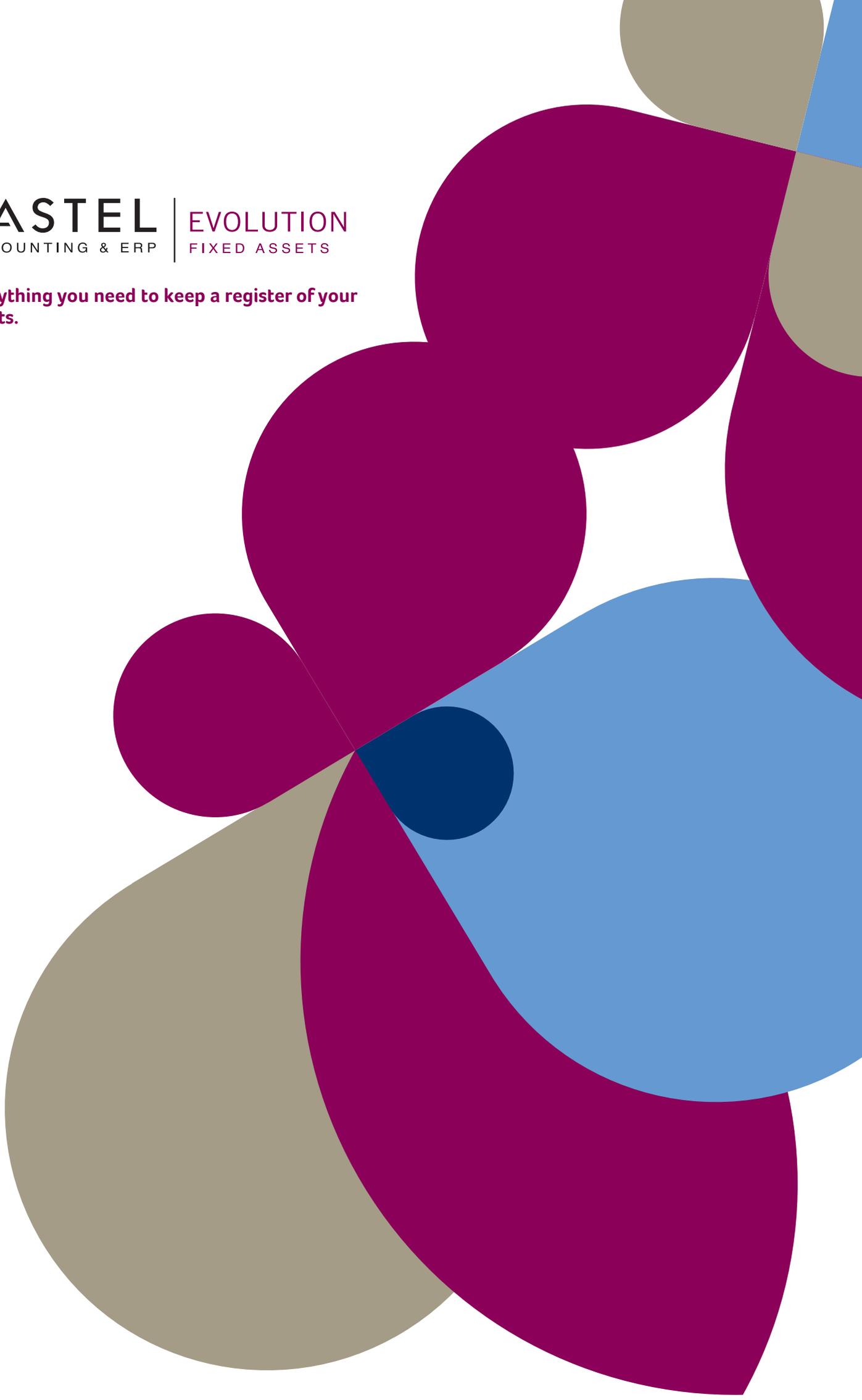


PASTEL | **EVOLUTION**
ACCOUNTING & ERP | FIXED ASSETS

Everything you need to keep a register of your assets.



PASTEL | EVOLUTION

ACCOUNTING & ERP | FIXED ASSETS

South African Company Law requires that businesses keep a register of their fixed assets as part of their accounting records. However, managing your company's fixed assets can be tedious and time-consuming.

Fixed assets are physical items such as desks, computers, cars and machinery which you acquire to run your business. As you use assets, they depreciate or become obsolete. You can legally expense depreciation in your accounts and for tax purposes.

Managing your fixed assets includes the following tasks:

- Tracking each asset's value, both from a tax and an accounting point of view.
- Depreciating assets correctly using an appropriate depreciation rate and method.
- Updating the replacement values of your fixed assets for insurance purposes.
- Accurately recording any sale, disposal or loss of assets.
- Maintaining an accurate Fixed Assets Register which records information such as date of purchase, date of disposal, purchase price, accumulated depreciation, net book value, profit or loss on sale etc.

The Pastel Evolution Fixed Assets module automates all of these processes. Once you provide the initial information, the system takes over and manages your assets for you.

One of the realities of fixed assets processing is that companies frequently change depreciation rules as legislation allows and as company policy changes. Some changes are retroactive to when you purchased the asset. Pastel Evolution Fixed Assets calculates its values dynamically from the start of each asset's life, which makes retroactive changes simple.

Framework™

Developed within the Pastel Evolution Framework, all components and modules in the Pastel Evolution range are fully integrated and share a common interface providing a consistent user experience. Microsoft®'s SQL Server Database ensures data integrity and maintains all your data in one central database.

Pastel Evolution Fixed Assets can be used in conjunction with the core Pastel Evolution Accounting system or can be purchased as a stand-alone product.

Stand-Alone or Integrated

One of the main reasons for a fixed assets package is to derive values from fixed asset activities and post these values into your General Ledger. You can accomplish this in three ways:

Method	Explanation
Directly into Pastel Evolution	You install Pastel Evolution Fixed Assets as an additional module seamlessly into the Pastel Evolution Accounting Suite. The system transfers information directly into the General Ledger module.
Directly into Pastel Partner	You install Pastel Evolution Fixed Assets as a stand-alone module and link it directly into Pastel Partner (Version 9 and higher). The system then creates a General Ledger batch in Pastel Partner.
Manually/Stand-alone	You install Pastel Evolution Fixed Assets as a stand-alone module, and enter General Ledger codes that correspond to your accounting system. You then derive the values to post to the General Ledger via the Pastel Evolution Fixed Assets reports.

Grouping Assets

Keeping physical track of assets is a tedious process. Some assets are identical such as chairs and desks. Some are unique (vehicles), and others look similar but are different inside (computers). Computers are an example of assets that are complex to manage.

They change constantly - you add memory, replace a hard drive and so on. Keeping track of these changes manually or on a spreadsheet is tedious at best, impossible at worst.

Pastel Evolution Fixed Assets lets you group and link assets in logical ways so that your asset records mirror your physical assets as closely as possible. You have the following capabilities:

Feature

Benefit

Multiple Units

You can group identical assets into one record - for example, 20 chairs. This simplifies the asset register considerably. You can sell or dispose of one or more units, and have the ability to split the asset into one or more separate assets at any time.

Master and Sub Assets

Sub assets allow you to group assets together. For example, adding an additional disk drive to a computer. If you create a separate asset for the disk drive, it becomes difficult to manage which disk drive is in which computer. Instead, you can create the disk drive as a sub asset of the computer asset.

Asset Type

You link each asset to an asset type. The asset type contains the book and tax depreciation methods for the asset, as well as General Ledger integration information. You define once how a particular type of asset such as desks, cars or computers work. When you add a new asset, you link it to an asset type and the system knows how to depreciate it!

Cost Centre, Department, Location

These are three optional analysis codes used to track where assets are physically in your company and who is responsible for them.

Management Features

Pastel Evolution Fixed Assets contains optional management features to assist you in managing your fixed assets:

Add New Asset

Feature

Benefit

Capital Expenditure Budgets

You can create capex budgets and process capex orders prior to creating an asset. The advantage is that you can report at any stage on "over" and "under" budget areas at any stage.

Suppliers

You can create supplier records. You use these for record keeping purposes if you purchase assets regularly from the same supplier.

People

You can create and use a database. You use this to track people within your company who are responsible for fixed asset duties. You can also use it for contacts at your suppliers.

Depreciation

Pastel Evolution Fixed Assets supports seven depreciation methods that cater for all your possible needs. The methods are:

- Equal Allowance
- Reducing Balance
- Units of Usage
- Plant and Machinery
- Immediate Write-off
- 0% Depreciation

Fixed Assets Processing

Tracking and Changing Depreciation

The primary function of Pastel Evolution Fixed Assets is to calculate book and tax depreciation. If you make a retroactive adjustment, the system calculates an adjustment per period. You can process adjustments in their respective periods or in the current period.

Changing the Value of an Asset

You can revalue an asset at any time. This could be an upward or downward revaluation. In line with legislative requirements, the system uses the new value to calculate book depreciation. For tax depreciation, the system always uses the original value.

Overriding Assets

Sometimes an asset's life changes dramatically from the original lifespan you intended. For example, it may suffer damage or it may have been overused. You use the Override Assets feature to specify how many periods of useful life remain for the asset. The system will then depreciate the remaining value equally over these periods.

Selling/Disposing of Assets

Assets do not keep forever. They wear out and cease to be of use or are sold. Pastel Evolution Fixed Assets handles all the calculations and postings required when you cease to use an asset.

Transferring Assets

You can analyse depreciation costs by asset type or cost centre. If you transfer an asset from one cost centre to another, the system leaves the accumulated depreciation in the old cost centre, and assigns future depreciation to the new cost centre. You can transfer individual assets, or you can perform group transfers of assets.

Blocking Assets

It can happen that you wish to suspend depreciation of an asset for a time. For example, you may have an expensive piece of machinery that you currently do not use. You have the ability to freeze the asset for a specified amount of time. During this period, the system does not calculate depreciation for the asset.

Fixed Assets Reporting

Pastel Evolution Fixed Assets contains optional reports to assist you in managing your fixed assets:

Report	What it does
Asset Details	This report lists asset details.
Book Depreciation	This report details book depreciation per asset.
Tax Depreciation	This report details tax depreciation.
GL Batch Report	This report details General Ledger account postings.
Book Sold	This report details book values for sold or scrapped assets.
Assets Purchased	This report details purchases.
Revaluations	This report details revaluations.
Tax Sold	This report details tax values for assets you sell or scrap.
Transferred	This report details the assets you transfer.
Asset Impairment Listing	This report details asset impairment values per asset.
Asset Consolidation Listing Report	This is a consolidated report of all assets including current values.

Annual Renewal Fee

Pastel Evolution Fixed Assets is subject to an annual renewal fee. This business model provides a number of important benefits including: updates, upgrades and first line telephonic and e-mail support. The compulsory annual renewal is payable on the anniversary date of registration of the application.

System Requirements

Hardware	Single User	Work Station	Server
Minimum Recommended	Pentium IV Intel Core Duo or equivalent	Pentium IV Intel Core Duo or equivalent	Pentium IV Xeon Dual/Quad Core
Memory			
Minimum Recommended	512MB 1GB or higher	512MB / 1GB 1GB or higher	2GB or higher 4GB or higher
Screen Resolution			
Minimum Recommended	800 x 600 1024 x 768	800 x 600 1024 x 768	800 x 600 1024 x 768
Operating Systems	Microsoft® Windows 2000 Pro, Windows XP Pro, Windows Vista, Windows 7 Server 2000, Server 2003, Server 2008 R2 (32 Bit and 64 Bit)		
Database Server	Microsoft® SQL Server 2008 R2 Express		
	Kindly note, if you have 11 users or more on your network, we strongly recommend you speak to your Pastel Evolution Business Partner regarding the system requirements recommended for your specific environment.		

Other System Requirements:

- DVD-Rom
- 256 Colour VGA or SVGA Video Graphics
- The online help requires Internet Explorer version 6 or higher, or a compatible browser
- Up-to-date network drivers, service packs and updates for your network and operating systems
- Windows 7 Home and Basic editions are not supported
- Windows 7 personal computer/notebooks need to ensure that the recommended RAM memory requirements and Video Graphics adapter are met

The above serves as a guideline. Hardware requirements may differ depending on the operating system and the version of SQL Server.

