

# Fixed assets: Acquire to retire

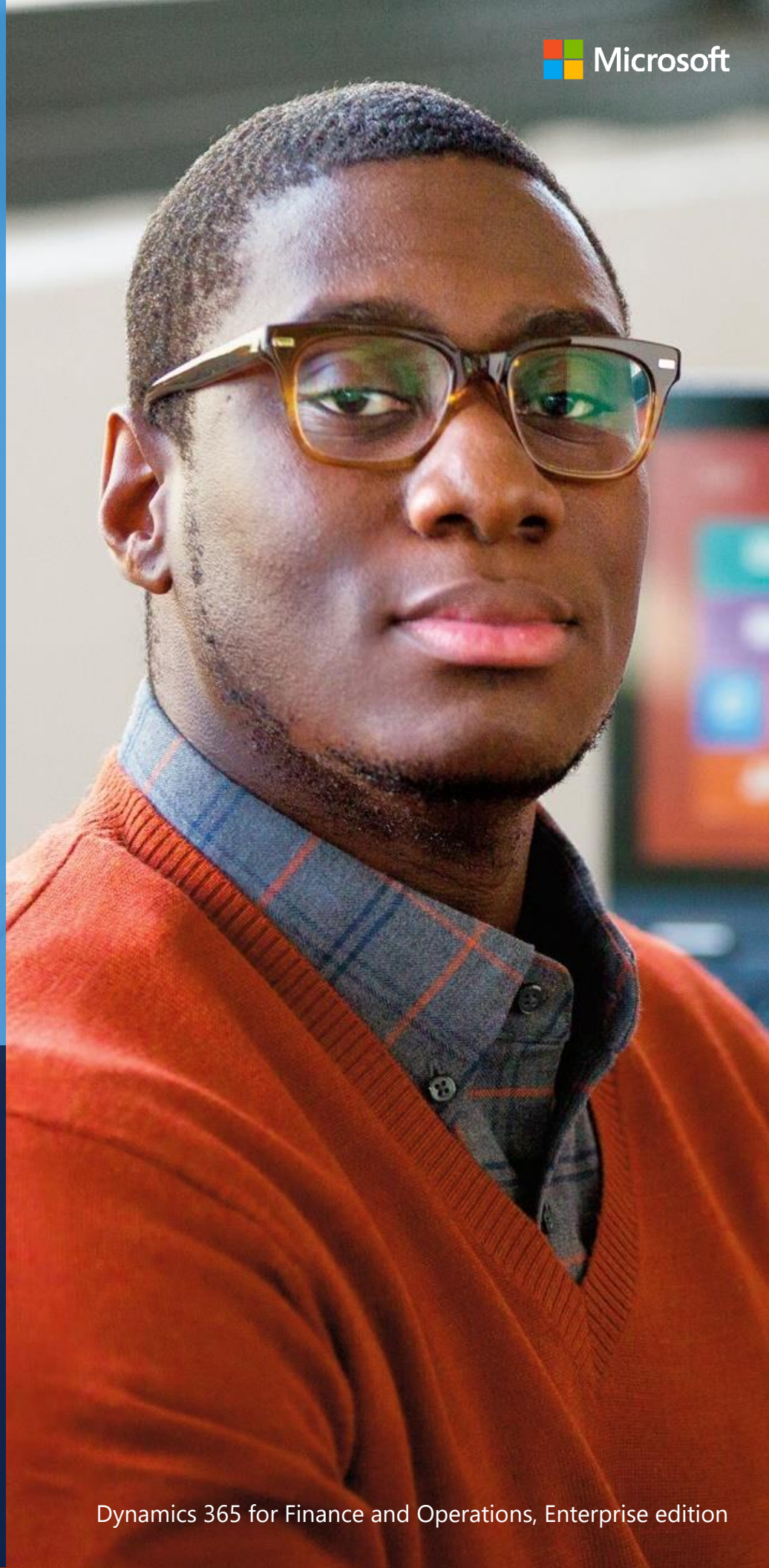
This document walks you through the financial lifecycle of fixed assets, and shows how this lifecycle is supported and managed in Microsoft Dynamics 365 for Finance and Operations, Enterprise edition.

Demo script

November 2017

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# Fixed assets: Acquire to retire

This document walks you through the financial lifecycle of fixed assets and shows how this lifecycle is supported and managed in Microsoft Dynamics 365 for Finance and Operations, Enterprise edition. Specifically, you will go through the steps to acquire a new company vehicle, complete a monthly depreciation run, transfer the asset to a new department, and finally, dispose of the asset.

## Important:

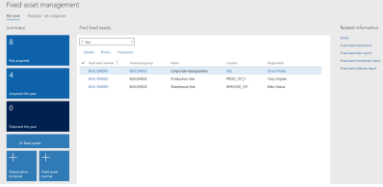
This demo script assumes that you are running data created from the demo data packages that were released with Microsoft Dynamics 365 for Finance and Operations, Enterprise edition 7.3. It is not intended for use with the demo data companies, such as USMF and DEMF, that also ship with the product. For more information about the demo data packages, see [Generate demo data by using packages](#).


### Notes, open items, and questions

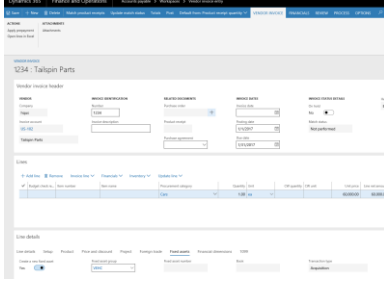
- **These data packages are required:** SystemAndShared, Financials - HQUS, and Financials - HQEU
- **Sign is as this user:** CASSIE. This user must have the **Accounts receivable clerk** and **Accounts payable clerk** roles.
- **Use this legal entity:** HQUS
- **Add this page to your favorites:** **Fixed asset management** workspace

### Additional setup that is required

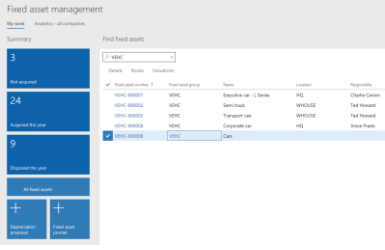
- 1 In the **HQUS** legal entity, post Fixed asset journals.
- 2 On the **Aggregate measurements** page, refresh the **AssetTransactionsMeasure** measurement.


Section	Demo steps	Talking points	Screenshot
Fixed asset workspace	<p>Open the <b>Fixed asset management</b> workspace.</p> <p>Under <b>Find fixed assets</b>, search for <b>BUIL</b>.</p>	<p>The <b>Fixed asset management</b> workspace gives an overview of fixed assets in the legal entity. You can see assets that haven't yet been acquired, assets that have been acquired during the current year, and assets that have been disposed of during the current year.</p> <p>You can search for a specific asset by fixed asset number, group, name, location, or person who is responsible. From the search results, you can access the fixed asset details, the financial books that are associated with the fixed asset, and the valuations for the fixed asset books. We will look at these items in more detail later in the document.</p> <p>You can also use the links in the <b>Related information</b> section to access the pages and reports that are most often used for your fixed asset processes. For example, you can open the depreciation proposal and the Fixed asset journal.</p>	

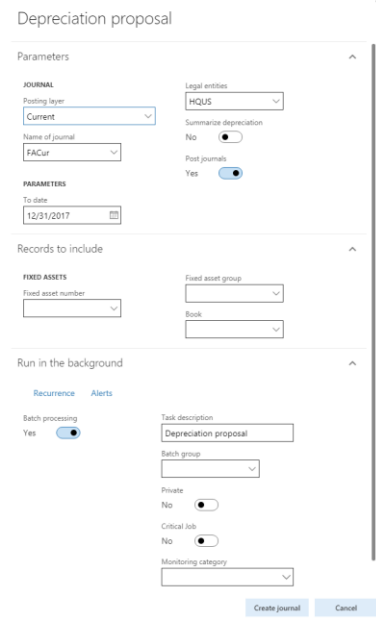
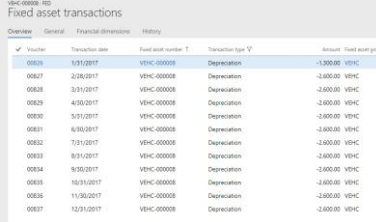
Section	Demo steps	Talking points	Screenshot
Fixed asset analytics	<p>In the <b>Fixed asset management</b> workspace, select the <b>Analytics – all companies</b> tab.</p> <p>Select the <b>VEHC</b> group.</p> <p>Select the <b>Valuations map report</b> tab.</p> <p>On the map, select the circle over Chicago.</p>	<p>The <b>Analytics – all companies</b> tab shows fixed asset information across all your legal entities. You can filter down to view the report for specific assets, such as the assets for a specific legal entity, book, or posting layer.</p> <p>When you first open the <b>Analytics – all companies</b> tab, the page shows the valuation of your fixed assets by fixed asset group. By selecting one of the groups, you can filter down the information on the other reports on the page. In this way, you can see the fixed asset book details that make up the summary amounts. You can also see historical views of acquisitions and disposals.</p> <p>The Valuations map is a visualization of your fixed assets and where they are located. The circles indicate the proportional value of the assets in each location.</p>	

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<p>Purchase a new fixed asset</p>	<p>Select <b>Accounts payable</b> &gt; <b>Workspaces</b> &gt; <b>Vendor invoice entry</b>.</p> <p>Select <b>New vendor invoice</b>, and set these values:</p> <ul style="list-style-type: none"> <li>• <b>Vendor:</b> US-102</li> <li>• <b>Number:</b> 1234</li> <li>• <b>Posting date:</b> 1/1/2017</li> </ul> <p>On the <b>Lines</b> FastTab, select <b>Add line</b>, and set these values:</p> <ul style="list-style-type: none"> <li>• <b>Procurement category:</b> VEHICLES &gt; Cars</li> <li>• <b>Quantity:</b> 1</li> <li>• <b>Unit:</b> ea</li> <li>• <b>Unit price:</b> 60,000.00</li> </ul> <p>Select <b>Financials</b> &gt; <b>Maintain charges</b>, and set these values:</p> <ul style="list-style-type: none"> <li>• <b>Charges code:</b> FEE</li> <li>• <b>Charges value:</b> 3,000.00</li> </ul> <p>Close the form.</p> <p>On the <b>Line details</b> FastTab, on the <b>Setup</b> tab, set these values:</p> <ul style="list-style-type: none"> <li>• <b>Item sales tax group:</b> ALL</li> <li>• <b>Sales tax group:</b> IL</li> </ul> <p>On the <b>Fixed assets</b> tab, set these values:</p> <ul style="list-style-type: none"> <li>• <b>Create new fixed asset:</b> Yes</li> <li>• <b>Fixed asset group:</b> Vehicles</li> </ul> <p>On the <b>Financial dimensions</b> tab, set the <b>Department</b> field to <b>022 (Sales and marketing)</b>.</p> <ul style="list-style-type: none"> <li>• Select <b>Totals</b>. The value will be (\$78,000).</li> <li>• Select <b>Post</b>.</li> </ul>	<p>The fully integrated <b>Fixed assets</b> module gives you several ways to acquire your assets. You can use a purchase order or vendor.</p> <p>The Fixed asset journal, the general ledger, and Accounts payable journals can be used to record the transaction. If you're constructing a capital asset, you can use Microsoft Project to track the construction, and then, at the time of completion, eliminate it directly to a fixed asset. Finally, there is a journal that lets you move an item from inventory to fixed assets.</p> <p>In this demo, you will use a vendor invoice to record the purchase of a vehicle. The vehicle has additional charges and taxes that will automatically be capitalized together with the vehicle amount.</p>	


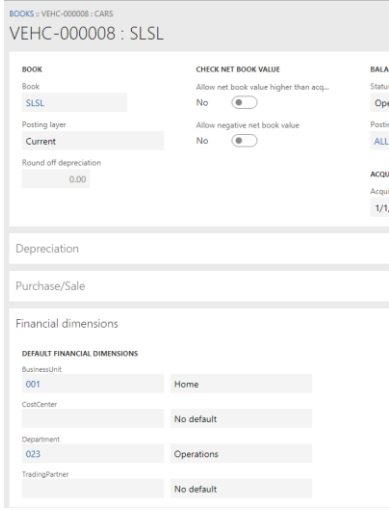


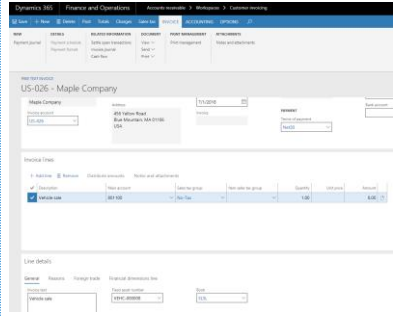
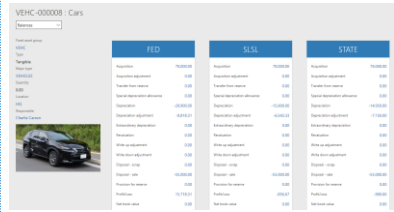
Section	Demo steps	Talking points	Screenshot
<p>Review fixed asset book details</p>	<p>Open the <b>Fixed asset management</b> workspace.</p> <p>Search for the new fixed asset, <b>VEHC</b>.</p> <p>Select <b>Details</b>.</p> <p>On the <b>Location</b> tab, set these values:</p> <ul style="list-style-type: none"> <li>• <b>Location:</b> HQ</li> <li>• <b>Responsible:</b> Charlie Carson</li> </ul> <p>On the <b>Image</b> tab, select <b>Upload new image</b>.</p> <p>Select the file for the picture of the vehicle.</p> <p>Select <b>Books</b>.</p> <p>Select <b>FED</b>.</p> <p>Select <b>SLSL</b>.</p> <p>Select the <b>Financial dimensions</b> tab.</p> <p>Close the page.</p>	<p>The new fixed asset was automatically created and acquired when you posted the invoice.</p> <p>On the fixed asset, you can specify additional information, such as the location of the asset, the person who is responsible for the asset, and an image of the asset.</p> <p>The <b>Books</b> page shows the details of the books that were automatically associated with the asset, based on the fixed asset group. You can see that the asset was acquired for both the SLSL and FED books. Therefore, the status of the asset is <b>Open</b>.</p> <p>For the SLSL book, which is posted to the general ledger, you can see that the financial dimension value from the vendor invoice was used as the default value for the fixed asset.</p>	

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<p>Review the fixed asset valuations across all books</p>	<p>On the <b>Fixed asset</b> page, select <b>Valuations</b>.</p> <p>On the <b>SLSL</b> card, select the <b>Acquisition</b> value, <b>78,000.00</b>.</p> <p>Close the transactions page.</p> <p>On the <b>Valuations</b> page, change the value that is selected in the drop-down list from <b>Balances</b> to <b>Profile</b>.</p>	<p>The <b>Valuations</b> page shows the valuation information for the asset across all its associated books. For each book, you can see the balances for each transaction type. The last balance is the net book value. You can drill down into each value to go to the original transaction information.</p> <p>You can also see the depreciation schedule for the asset across all books. You can see each period date, together with the depreciation amount for the period, the accumulated depreciation, and the net book value at that point in the life of the asset. For the FED book, you can also see when the primary method of depreciation will switch over to the alternative method.</p>	

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<p>Run and post depreciation across multiple companies</p>	<p>Open the <b>Fixed asset management</b> workspace.</p> <p>Select <b>Depreciation proposal</b>, and set these values:</p> <ul style="list-style-type: none"> <li>• <b>Posting layer:</b> Current</li> <li>• <b>Name of journal:</b> FACur</li> <li>• <b>To date:</b> 12/31/2017</li> <li>• <b>Legal entities:</b> HQUS</li> <li>• <b>Post journals:</b> Yes</li> </ul> <p>On the <b>Run in the background</b> tab, set the <b>Batch processing</b> option to <b>No</b>.</p> <p>Select <b>Create journal</b>.</p> <p>Select <b>Fixed assets &gt; Journal entries &gt; Create depreciation proposal</b>, and set these values:</p> <ul style="list-style-type: none"> <li>• <b>Posting layer:</b> None</li> <li>• <b>To date:</b> 12/31/2017</li> <li>• <b>Legal entities:</b> HQUS</li> <li>• <b>Post journals:</b> Yes</li> </ul> <p>On the <b>Run in the background</b> tab, set the <b>Batch processing</b> option to <b>No</b>.</p> <p>Select <b>Create journal</b>.</p>	<p>You now want to run depreciation for the asset for the rest of the year. For this demo, you will use the depreciation proposal.</p> <p>The depreciation proposal lets you run depreciation for a specific posting layer across all legal entities that have been configured. You can also post the journals after they are created. These options will save you significant time if you have fixed assets in many legal entities.</p> <p>You can also send this process to a batch, so that it can run in the background and not interrupt your daily work.</p> <p>You must run this process two times: one time for your corporate books and one time for your tax books.</p> <p>In the message center, you can see that the depreciation journals were created and automatically posted.</p>																																																																															
<p>Review depreciation postings</p>	<p>Open the <b>Fixed asset management</b> workspace.</p> <p>Select asset <b>VEHC-000008</b>.</p> <p>Select <b>Valuations</b>.</p> <p>On the <b>FED</b> card, select the <b>Depreciation value, -29,900.00</b>.</p>	<p>Now look at the <b>Valuations</b> page to see the effect of the depreciation run.</p> <p>The asset books show the depreciation that was posted. You can see the depreciation that was calculated and posted for each period.</p>	 <table border="1"> <thead> <tr> <th>Year</th> <th>Transaction date</th> <th>Fixed asset number</th> <th>Transaction type</th> <th>Amount</th> <th>Fixed asset group</th> </tr> </thead> <tbody> <tr><td>0008</td><td>1/31/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> <tr><td>0007</td><td>2/28/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> <tr><td>0008</td><td>3/31/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> <tr><td>0008</td><td>4/30/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> <tr><td>0008</td><td>5/31/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> <tr><td>0007</td><td>6/30/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> <tr><td>0008</td><td>7/31/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> <tr><td>0008</td><td>8/31/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> <tr><td>0008</td><td>9/30/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> <tr><td>0008</td><td>10/31/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> <tr><td>0008</td><td>11/30/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> <tr><td>0007</td><td>12/31/2017</td><td>VEHC-000008</td><td>Depreciation</td><td>-2,600.00</td><td>VEHC</td></tr> </tbody> </table>	Year	Transaction date	Fixed asset number	Transaction type	Amount	Fixed asset group	0008	1/31/2017	VEHC-000008	Depreciation	-2,600.00	VEHC	0007	2/28/2017	VEHC-000008	Depreciation	-2,600.00	VEHC	0008	3/31/2017	VEHC-000008	Depreciation	-2,600.00	VEHC	0008	4/30/2017	VEHC-000008	Depreciation	-2,600.00	VEHC	0008	5/31/2017	VEHC-000008	Depreciation	-2,600.00	VEHC	0007	6/30/2017	VEHC-000008	Depreciation	-2,600.00	VEHC	0008	7/31/2017	VEHC-000008	Depreciation	-2,600.00	VEHC	0008	8/31/2017	VEHC-000008	Depreciation	-2,600.00	VEHC	0008	9/30/2017	VEHC-000008	Depreciation	-2,600.00	VEHC	0008	10/31/2017	VEHC-000008	Depreciation	-2,600.00	VEHC	0008	11/30/2017	VEHC-000008	Depreciation	-2,600.00	VEHC	0007	12/31/2017	VEHC-000008	Depreciation	-2,600.00	VEHC
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<p>Transfer a fixed asset to a new department</p>	<p>Open the <b>Fixed asset management</b> workspace.</p> <p>Select asset <b>VEHC-000008</b>.</p> <p>Select <b>Details</b>.</p> <p>Select <b>Transfer fixed assets</b>, and set these values:</p> <ul style="list-style-type: none"> <li>• <b>Transfer date:</b> 12/31/2017</li> <li>• <b>Transfer comments:</b> Vehicle transferred to the Operations department.</li> </ul> <p>Under <b>Transfer to financial dimensions</b>, set these values:</p> <ul style="list-style-type: none"> <li>• <b>BusinessUnit:</b> 001 (Home)</li> <li>• <b>Department:</b> 023 (Operations)</li> </ul> <p>Select <b>Update</b>.</p> <p>Select <b>Transfer</b>.</p>	<p>It's the end of the year, and you've decided to move the car from the Sales and Marketing department to the Operations department. You can easily update the dimensions and move the value of the vehicle to the new department by using the Transfer functionality.</p> <p>You can also do a mass transfer if you must move many assets.</p>	
<p>Review the transfer details</p>	<p>Open the <b>Fixed asset details</b> page for asset VEHC-000008.</p> <p>Select <b>Books</b>.</p> <p>Select <b>SLSL</b>.</p> <p>Select the <b>Financial dimensions</b> FastTab.</p> <p>Select <b>Transactions</b>.</p> <p>Select <b>Asset transfer transaction</b>.</p> <p>Select <b>Details</b>.</p>	<p>You can see that the default financial dimensions on the SLSL book were updated by the transfer process.</p> <p>Among the transactions, you can see an asset transfer transaction where the acquisition and depreciation values were reversed out of the original Department dimension value and moved to the new Department dimension value.</p>	

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<p>Sell the fixed asset</p>	<p>Select <b>Accounts receivable</b> &gt; <b>Workspaces</b> &gt; <b>Customer invoicing</b>.</p> <p>Select <b>New free text invoice</b>, and set these values:</p> <ul style="list-style-type: none"> <li>● <b>Customer account:</b> US-026</li> <li>● <b>Date:</b> 6/1/2018</li> </ul> <p>On the <b>Invoice lines</b> FastTab, set the <b>Description</b> field to <b>Vehicle sale</b>.</p> <p>On the <b>Line details</b> FastTab, set these value:</p> <ul style="list-style-type: none"> <li>● <b>Fixed asset number:</b> VEHC-000008</li> <li>● <b>Book:</b> SLSL</li> </ul> <p>On the <b>Invoice lines</b> FastTab, set these values:</p> <ul style="list-style-type: none"> <li>● <b>Quantity:</b> 1.00</li> <li>● <b>Unit price:</b> 55,000.00</li> </ul> <p>Select <b>Post</b>.</p> <p>Select <b>OK</b>.</p>	<p>It's now June 2018, and you've decided to sell the car. You have a buyer who has agreed to buy it for \$55,000.</p> <p>For this transaction, you will create a free text invoice.</p> <p>When you selected the fixed asset, the <b>Main account</b> field was filled with the default value from the posting profile. You will now add tax and the unit price of \$55,000, and then post the invoice.</p>	
<p>Review the sale details</p>	<p>Open the <b>Fixed asset management</b> workspace.</p> <p>Search for asset <b>VEHC-000008</b>.</p> <p>Select <b>Valuations</b>.</p> <p>On the <b>SLSL</b> card, select the <b>Profit/Loss</b> value, <b>-856.67</b>.</p>	<p>Finally, take one last look at the <b>Valuations</b> page for the fixed asset.</p> <p>You can see that the disposal transaction was posted for both your books. The fixed asset has been moved off your books, and a profit and loss have been calculated. For your tax books, you have a profit of 15,718.31, and for your corporate books, you have a loss of 856.67.</p>	

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