Capital Assets - Summary of Activity Disclosure

Example:

Agency Code: _0123_   Agency Title: _Any Agency_

90.40.38.A   Capital Assets - Summary of Activity Disclosure

Capital Assets

Increases in assets will be debit amounts and should be entered as positive numbers.
Decreases in assets will be credit amounts and should be entered as negative numbers.
Adjustments can be either debit or credit amounts. Examples of Adjustments include: transfers between agencies and/or accounts, impairments, and certain immaterial prior year corrections. Adjustments require an entry in the Comment field.

Account Code & Title	GL Code & Title	Beginning Balance from AFRS	DR Additions	CR Deletions	Adjustments	Calculated Ending Balance	Ending Balance from AFRS	Difference (Must be zero)	Comment
Example 1: Purchase of an asset in a proprietary fund type account.									
608 - Accident Account	*2410 Furnishings and Equipment*	*500,000*	*5,000*	*0*	*0*	*505,000*	*505,000*	*0*	
Example 2: Disposal of an asset in a proprietary fund type account.									
608 - Accident Account	*2350 Leasehold Improv*	*200,000*	*0*	*(200,000)*	*0*	*0*	*0*	*0*	
Example 3: Transfer of assets from a proprietary fund type account to Account 997 "General Capital Assets Subsidiary Account."									
608 - Accident Account	*2210 Buildings*	*28,000,000*	*0*	*0*	*(28,000,000)*	*0*	*0*	*0*	*Transfer of assets from Account 608 to Account 997*
997 – General Capital Assets	*2210 Buildings*	*0*	*0*	*0*	*28,000,000*	*28,000,000*	*28,000,000*	*0*	*Transfer of assets to Account 997 from Account 608*

Capital Assets - Summary of Activity Disclosure - continued

Depreciation/Amortization and Allowance for Depreciation/Amortization

Increases to depreciation/amortization expense are debits. If you have a credit to depreciation/amortization expense, please review and correct it in AFRS if appropriate, otherwise explain it below.
Increases to allowance for depreciation/amortization are credits. A debit to allowance for depreciation/amortization would be appropriate if there was a sale or disposal of an asset. If an asset is sold or disposed of, the asset GL code is credited and the allowance for depreciation/amortization GL code is debited. Adjustments can be either debit or credit amounts. Examples of adjustments include: transfers between agencies and/or accounts, impairments, and certain immaterial prior year corrections. Adjustments require an entry in the Comment field.

Account Code & Title	GL Code & Title	Beginning Balance from AFRS	DR	CR	Adjustments	Calculated Ending Balance	Ending Balance from AFRS	Difference (Must be zero)**	Comment
Example 4: Record depreciation expense and increase the allowance for depreciation in a proprietary fund type account.									
608 Accident Account	6511 Depreciation/ Amortization Expense*	0	50,000	0	0	50,000	50,000	0	
608 Accident Account	2420 Allow for Depreciation	(200,000)	0	(50,000)	0	(250,000)	(250,000)	0	
Example 5: Record depreciation expense and increase the allowance for depreciation in Account 997 "General Capital Assets Subsidiary Account."									
997 – General Capital Assets Subsidiary Account	6591 Depreciation/ Amortization Expense*	0	70,000	0	0	70,000	70,000	0	
997 – General Capital Assets Subsidiary Account	2420 Allow for Depreciation	(500,000)	0	(70,000)	0	(570,000)	(570,000)	0	
Example 6: Disposal of an asset and related allowance for depreciation in a proprietary fund type account.									
608 Accident Account	2360 Allow for Depreciation	(150,000)	150,000	0	0	0	0	0	

Example 7: Transfer of allowance for depreciation from a proprietary fund type account to Account 997 "General Capital Assets Subsidiary Account."

608 - Accident Account	*2220 Allow for Depreciation*	*(6,000,000)*	*0*	*0*	*6,000,000*	*0*	*0*	*0*	*Transfer of allow for depn from Account 608 to Account 997*
997 – General Capital Assets Subsidiary Account	*2220 Allow for Depreciation*	*0*	*0*	*0*	*(6,000,000)*	*(6,000,000)*	*(6,000,000)*	*0*	*Transfer of allow for depn to Account 997from Account 608*

Example 8: Immaterial prior year correction to allowance for depreciation. Prior year was over depreciated in Account 997 "General Capital Assets Subsidiary Account)."

997 – General Capital Assets Subsidiary Account	*2420 Allow for Depreciation*	*(110,000)*	*0*	*0*	*10,000*	*(100,000)*	*(100,000)*	*0*	*Prior period correction to Allow for Depn*

*Data from AFRS
** A minor difference may exist due to rounding.

Reconciliation of Depreciation/Amortization Expense to Allowance for Depreciation/Amortization

Debits to Depreciation/Amortization Expense should equal credits to Allowance for Depreciation/Amortization.

Total Depreciation/Amortization Expense debits from above:	*120,000*
Total Allowance for Depreciation/Amortization credits from above:	*(120,000)*
Difference (should be zero):	0

If there is a difference, provide an explanation below: