COLLABORATE 18
TECHNOLOGY AND APPLICATIONS FORUM FOR THE ORACLE COMMUNITY

Recording and Accounting for Capital Leases in Oracle EBS

Session ID:
10020

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April 25, 2018 @ 1:15 PM
Room -Breakers J

Remember to complete your evaluation for this session within the app!

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About the Presenter

Mike Kambesis is a senior-level Accounting professional who has focused his business acumen and project management skills for the past 19 years in implementing, optimizing and supporting Oracle Financial Applications.

His area(s) of expertise include fixed asset management, general accounting, forecasting/budgeting, financial statement preparation, consolidations, procure-to-pay and order-to-cash processes. He is an experienced leader in all aspects of the SDLC and has provided leadership for numerous full life-cycle implementations.

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About the O2 Works

O2 Works is one of the leading E-Business Suite services providers offering the most experienced teams of functional and technical consultants in the industry. Our hands-on resources average **19+ years of experience** focused exclusively on implementing, upgrading, integrating, and extending Oracle's E-Business Suite.

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Overview

- The intent of the presentation is to demonstrate the Oracle eBusiness Suite functionality used to record and account for leased assets for operating and capital leases.
- We will also review the conversion of the lease amortization payments to Oracle Accounts Payable and Payments for invoice and payment processing and the creation of the fixed asset.

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Discuss current developments with FASB, GAAP, etc.

1. Scope of impact

The Financial Accounting Standards Board (FASB) recently introduced a new set of lease accounting standards (ASC 842), which will begin to take effect later this year. Feedback from clients suggest that the new leasing standards will be the most significant change in years.

Agenda

- Create Lease Schedule
- Create Lease
- View Amortization table
- Creating invoice and payments
- Create and view accounting
- Transfer invoices to mass additions
- Create/View Asset
- Leased Asset report
- Tips and Best Practice
- Using the Lease schedule as Financial Calculator (calculate PV or Payment)
- Summary
- Questions

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Record the Payment Schedule of Lease

Lease Payments

Payment Schedule: Collaborate18
Interest Rate: 5.75 %
Compounding Frequency: Monthly
Lease Date: 01-SEP-2010
Currency: USD
Present Value:

Lease Payments

Line	Start Date	Amount	Number	Payment Type
1	01-SEP-2010	10,000.00	1	Balloon Payment
2	01-SEP-2010	1,000.00	48	Annuity
3	01-SEP-2010	25.00	1	Penalty
4	01-SEP-2010	10.00	1	Miscellaneous
5	01-SEP-2010	0.00	1	

View Amortization

Payment Type
Find %
Payment Type
Annuity
Balloon Payment
Bargain Purchase Option
Bargain Renewal Option
Guaranteed Residual Value
Miscellaneous
Penalty

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Responsibility - Fixed Asset Manager
Navigation –Setup>Asset System>Leases>Lease Payments

The first task is to create a payment schedule. The payment schedule requires an interest rate, compounding frequency, lease start date.

The payment type can be selected from the LOV. Options include annuity, balloon pmt, bargain purch option, bargain renewal option, guarantee residual value, misc, and penalty.

A **bargain purchase option** is a clause in a lease agreement that allows the lessee to **purchase** the leased asset at the end of the lease period at a price substantially below its fair market value.

'**Bargain Renewal Option**' A clause in a lease agreement that gives the lessee the **option** to **renew** or extend the original lease on an asset at rates well below market rates.

guaranteed residual value refers to an additional payment made by a lessee in property, cash, or both when a lease terminates. **Guaranteed residual values** are financial commitments made by the lessee, and factor into the calculation of the minimum lease payment

Calculate to get present value of lease payments

Lease Payments

Payment Schedule	Collaborate18	Lease Date	01-SEP-2010
Interest Rate	5.75 %	Currency	USD
Compounding Frequency	Monthly	Present Value	53,028.87

Lease Payments

Line	Start Date	Amount	Number	Payment Type	End Date
1	01-SEP-2010	10,000.00	1	Balloon Payment	01-SEP-2010
2	01-SEP-2010	1,000.00	48	Annuity	01-AUG-2014
3	01-SEP-2010	25.00	1	Penalty	01-SEP-2010
4	01-SEP-2010	10.00	1	Miscellaneous	01-SEP-2010

View Amortization | Calculate

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After creating a payment schedule, use the calculate (button) to determine the lease pmt schedule detail.

View Amortization Schedule

Amortization Schedule - Collaborate18

Line	Date	Payment	Interest	Reduction of Principal	Obligation
	01-SEP-2010				53,028.87
1	01-SEP-2010	10,000.00	0.00	10,000.00	43,028.87
2	01-SEP-2010	10.00	0.00	10.00	43,018.87
3	01-SEP-2010	1,000.00	0.00	1,000.00	42,018.87
4	01-SEP-2010	25.00	0.00	25.00	41,993.87
5	01-OCT-2010	1,000.00	201.22	798.78	41,195.09
6	01-NOV-2010	1,000.00	197.39	802.61	40,392.48
7	01-DEC-2010	1,000.00	193.55	806.45	39,586.03
8	01-JAN-2011	1,000.00	189.68	810.32	38,775.71
	Total:	15,035.00	781.84	14,253.16	38,775.71

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Once you have calculated a lease payment schedule, choose the View Amortization button to create an amortization schedule for the lease. The difference between the present value of the minimum lease payments and the total amount to be paid under the lease represents the interest expense that must be recognized over the life of the asset.

Enter Lease Details

Lease Details

Lease Number	Collaborate18.1	Description	Collaborate 18 Presentation
Lessor	GE Capital	Currency	USD
Lessor Site	DANBURY	Lease Type	Capitalized [ ]
Payment Schedule	Collaborate18	Payment Account	01-000-1570-0000-000 ( )
		Payment Term	Immediate

Capitalization Test

Cost to Capitalize	53,028.87	Test Result	Capitalized

☐ Transfer of Ownership

☐ Bargain Purchase Option

Economic Life

Lease Term in Months	48
Asset Life in Months	48

☑ Criterion Met

Present Value

Fair Value	55,000.00
Present Value	53,028.87

☑ Criterion Met

Payment Schedule

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Responsibility - Fixed Asset Manager
Navigation –Setup>Asset System>Leases>Lease Details

Lease detail must be added after the payment schedule is created. Details that must be provided are the lease number, lessor (must be valid supplier) and site, payment account.

Enter Lease Details (Continued)

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Operating vs Capital lease

A lease will be considered a capital lease if any of the following criteria is met:

1. Ownership of the asset transfers to the lessee at the end of the lease
2. A bargain purchase option exists
3. Term of the lease is more than 75% of the economic life of the leased asset
4. Present value of the minimum lease payments exceeds 90% of the fair market value of the asset at lease inception

Entering the FV automatically classifies the Lease Type

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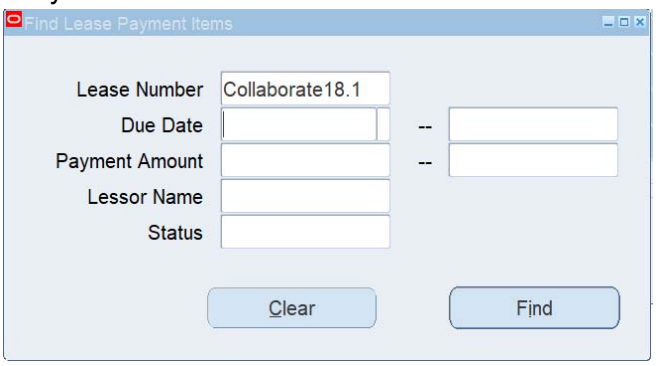
After entering the Fair Value, the type of lease is determined (capital vs operating).

Oracle Assets displays the result of the capitalization test in the Test Determination field. If the lease qualifies for capitalization, Oracle Assets automatically populates the Cost to Capitalize field with the lesser of the fair value of the asset or the present value of the minimum lease payments. This amount also appears as the Current Cost for the asset in the Books window when you perform an asset addition.

Issuing Lease Payments

- Query the 'Lease Number'



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Responsibility - Fixed Asset Manager
Navigation –Setup>Asset System>Leases>Lease Payments to Payables

Use the search criteria provided to find the lease number

Enter Lease Details

- Select the 'Export' field and Export (B) . Oracle Assets will submit 'Export Lease Payments to Payables' request

Export Lease Payments to Payables

Details

Export	Status	Due Date	Payment Amount	Lease Number	Lessor Name	Lessor Site	Invoice Number
☑	POST	01-SEP-2010	10,000.00	Collaborate18.1	GE Capital	DANBURY	FA-Collaborate18.(
☐	NEW	01-SEP-2010	1,000.00	Collaborate18.1	GE Capital	DANBURY	FA-Collaborate18.(
☐	NEW	01-SEP-2010	25.00	Collaborate18.1	GE Capital	DANBURY	FA-Collaborate18.(
☐	NEW	01-SEP-2010	10.00	Collaborate18.1	GE Capital	DANBURY	FA-Collaborate18.(
☐	NEW	01-OCT-2010	1,000.00	Collaborate18.1	GE Capital	DANBURY	FA-Collaborate18.(
☐	NEW	01-NOV-2010	1,000.00	Collaborate18.1	GE Capital	DANBURY	FA-Collaborate18.(
☐	NEW	01-DEC-2010	1,000.00	Collaborate18.1	GE Capital	DANBURY	FA-Collaborate18.(
☐	NEW	01-JAN-2011	1,000.00	Collaborate18.1	GE Capital	DANBURY	FA-Collaborate18.(
☐	NEW	01-FEB-2011	1,000.00	Collaborate18.1	GE Capital	DANBURY	FA-Collaborate18.(
☐	NEW	01-MAR-2011	1,000.00	Collaborate18.1	GE Capital	DANBURY	FA-Collaborate18.(

View Schedule | Save | Cancel | Export

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Select the lease payment to export to AP

Enter Lease Details

Export Lease Payments to Payables

Export	Status	Due Date	Payment Amount	Lease Number	Details: Invoice Number	Details: Account	Details: Payment Term	( )
☑	POST	01-SEP-2010	10,000.00	Collaborate18.1	FA-Collaborate18.	01-000-1570-0000-000	Immediate	
☐	NEW	01-SEP-2010	1,000.00	Collaborate18.1	FA-Collaborate18.	01-000-1570-0000-000	Immediate	
☐	NEW	01-SEP-2010	25.00	Collaborate18.1	FA-Collaborate18.	01-000-1570-0000-000	Immediate	
☐	NEW	01-SEP-2010	10.00	Collaborate18.1	FA-Collaborate18.	01-000-1570-0000-000	Immediate	
☐	NEW	01-OCT-2010	1,000.00	Collaborate18.1	FA-Collaborate18.	01-000-1570-0000-000	Immediate	
☐	NEW	01-NOV-2010	1,000.00	Collaborate18.1	FA-Collaborate18.	01-000-1570-0000-000	Immediate	
☐	NEW	01-DEC-2010	1,000.00	Collaborate18.1	FA-Collaborate18.	01-000-1570-0000-000	Immediate	
☐	NEW	01-JAN-2011	1,000.00	Collaborate18.1	FA-Collaborate18.	01-000-1570-0000-000	Immediate	
☐	NEW	01-FEB-2011	1,000.00	Collaborate18.1	FA-Collaborate18.	01-000-1570-0000-000	Immediate	
☐	NEW	01-MAR-2011	1,000.00	Collaborate18.1	FA-Collaborate18.	01-000-1570-0000-000	Immediate	

View Schedule | Save | Cancel | Export

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Select the lease payment to export to AP. After you select the lease for export the following program kicks off (export lease pmt to payables)

Issuing Lease Payments – Concurrent Request and Detail Output

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Requests

Refresh Data | Find Requests | Submit a New Request | Submit New Request Set

Auto Refresh (X) | Copy Single Request | Copy Request Set

Request ID ---------- Parent ----------

```
                    Export Lease Payments to Payables

Lease Number    Lessor Name         Lessor Site     Amount          Invoice Number          Status


Organization Name: Vision Operations

Collaborate18.1 GE Capital          DANBURY         10000.00        FA-Collaborate18.1-1    ==> Succeeded
+-----------------------------------------------------------------------------+
End of log messages from FND_FILE
+-----------------------------------------------------------------------------+
```

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The concurrent request output will provide the detail of the lease transferred to AP.

Run the Payables Open Interface Import

Submit Request

Run this Request

Copy

Name: Payables Open Interface Import

Operating Unit:

Parameters

Operating Unit:

Source: Oracle Assets — Create invoices from Oracle Assets

Group:

Batch Name: Collaborate18 Lease Payment 10-SEP-2010

Hold Name:

Hold Reason:

GL Date:

Purge: No

Summarize Report: No

OK | Cancel | Clear

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Next we run the 'payables open interface import'. Use Source = to Oracle Assets. If AP batch functionality is enabled, enter a batch name as required.

Review -Output from Payables Open Interface Import

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Report Date: 23-APR-2018 21:52
Page: 1

Payables Open Interface Import Report

Source Name: Oracle Assets
Group:

Hold Name:
Hold Reason:
GL Date:
Purge: No
Summarize Report N

Payables Open Interface Audit Report

Vision Operations

Supplier Number	Supplier Name	Invoice Number	Invoice Date	Invoice Currency	Invoice Amount	Line Number	Invoice Line Amount	Accounting Date
1001	GE Capital	FA-Collaborate18.1-1	01-SEP-10	USD	10,000.00	1	10,000.00	01-SEP-10

Total Invoices Imported: 1

Total Functional Currency Invoice Amount: 10,000.00

Report Date: 23-APR-2018 21:52
Page: 2

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Accounts Payable Invoice

Invoice Workbench (Payables Manager)

Batch Control Total | Batch Actual Total

Mike's Invoice Header

perating Unit	Type	Trading Pa	Supplier Num	Supplier Site	Invoice Date	Invoice Num	GL Date	Invoice	Invoice Amount	Tax Amount
sion Operations	Standard	GE Capital	1001	DANBURY	01-SEP-201	FA-Collaborat	01-SEP-2010	USD	10,850.00	850.00

1 General | 2 Lines | 3 Holds | 4 View Payments | 5 Scheduled Payments | 6 View Prepayment Applications

Mike's

Total: Gross 10,850.00 | Retained | Net 10,850.00

Num	Type	Amount	Default Distribution Account	GL Date	Track As Asset	Asset Book	Asset Category	PO N
1	Item	10,000.00	01-000-1570-0000-000	01-SEP-2010	✓	OPERATIONS CORPOI	VEHICLE-LEASED STA	
5	Item	0.00		01-SEP-2010				

Discard Line 1 | Distributions | Allocations

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Default distribution defaults from the account entered on the Lease details form.

Accounts Payable Invoice

Invoice Workbench (Payables Manager)

Batch Control Total | Batch Actual Total

Mike's Invoice Header

perating Unit	Type	Trading Pa	Supplier Num	Supplier Site	Invoice Date	Invoice Num	GL Date	Invoice	Invoice Amount	Tax Amount
sion Operations	Standard	GE Capital	1001	DANBURY	01-SEP-201	FA-Collaborat	01-SEP-2010	USD	10,850.00	850.00

1 General | 2 Lines | 3 Holds | 4 View Payments | 5 Scheduled Payments | 6 View Prepayment Applications

Mike's

Total: Gross 10,850.00 | Retained | Net 10,850.00

Date	Deferred End Date	Manufacturer	Model	Serial Number	Warranty Number	Inventory Item
		Collaborate MFG	Model - XYZ	#336320	Warranty #123	

Discard Line 1 | Distributions | Allocations

Actions... 1 | Calculate Tax | Tax Details | Corrections | Quick Match | Match | All Distributions

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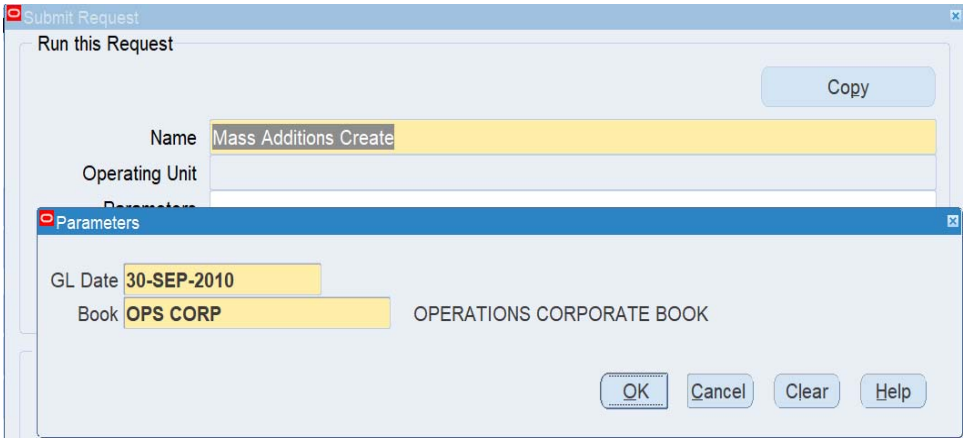
Additional information can be provided on the invoice in advance of transferring to FA (mfg., model, serial # and warranty).

Run ‘Mass Additions Create’ – Fixed Assets



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Run the Mass Adds program using the last day of the month as a parameter.

Conditions for transferring Asset lines to Accounts Payable

Conditions for **Asset** Invoice Line Distributions to be imported to Assets during the mass additions create process:

- The line is charged to an account set up as an Asset account
- The account is set up for an existing asset category as either the asset clearing account or the CIP clearing account
- The Track As Asset check box is checked. (It is automatically checked if the account is an Asset account)
- The invoice is approved
- The invoice line distribution is posted to Oracle General Ledger from Payables
- The general ledger date on the invoice line distribution is on or before the date you specify for the create program
- If you use the multiple organization feature, your Payables operating unit must be tied to the same ledger as the corporate book for which you want to create mass additions.

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As a review or for folks who are not currently interfacing asset lines from AP to FA, the following conditions must be met to interface lines…

Conditions for transferring Expense lines to Accounts Payable

Conditions for **Expensed** Invoice Line Distributions to Import into Assets:

- The invoice line distribution is charged to an Expense account
- Track as Asset is checked
- The invoice is approved
- The invoice line distribution is posted to Oracle General Ledger from Payables
- The general ledger date on the invoice line distribution is on or before the date you specify for the create program
- Your installation of Payables must be tied to the same ledger as the corporate book for which you want to create mass additions

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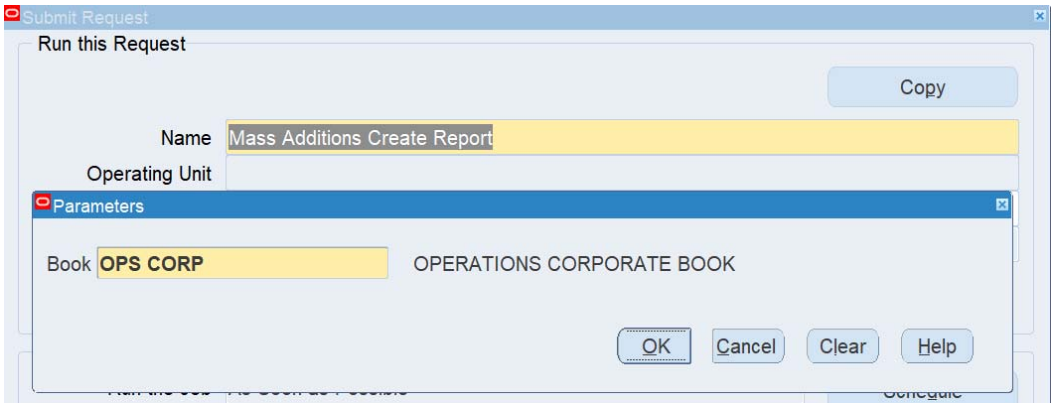
Conditions for transferring expense lines from ap to fa

Run ‘Mass Additions Create Report’ – Fixed Assets



Run the Mass Adds Create Report to view the status of your Mass Adds create program. This will help in providing the detail of lines transferred from AP to FA.

Output of ‘Mass Additions Create Report’

```
VISION ENTERPRISES                          Mass Additions Create Report                    Report Date:  23-A
Book:  OPS CORP                                                                                   Page:
Request Id:  7462592
Foreign Currency Code:  USD

AP     Asset            Vendor        Invoice              Invoice     Payables   Asset
Co     Account    Dpt   Number - Name Number          Line Date        Batch Name Description          Cost (USD)
------ ---------- ------ ------------- -------------- ---- ----------- ---------- ---------------- --------------- --
01     1570       000    1001 - GE     FA-Collaborate  1 - 1 01-SEP-2010           Capital Lease -      10,000.00
                         Capital

                                                                                                     --------------- --
                         Department 000 Totals:                                                          10,000.00

                                                                                                     --------------- --
                   Asset Acount 1570 Totals:                                                             10,000.00

                                                                                                     --------------- --
       AP Company 01 Totals:                                                                             10,000.00

                                                                                                     --------------- --
Currency Code USD Totals:                                                                                10,000.00

Report Totals:                                                                                           10,000.00
                                                                                                     ===============
```

The output of the mass adds create report provides distribution and invoice level information moved from AP to FA

Fixed Assets – Mass Additions

Mass Additions

Book	OPS CORP	Queue	ON HOLD
Transaction Type		Transaction Date	
Invoice Number	FA-Collaborate18.1-1	Line Number	1 [ ]
Category	VEHICLE-LEASED STANDARD	Group Asset	
Employee Name		Employee Number	
Expense Account		Location	
Date in Service	30-SEP-2010 ✓Depreciate	Cost	10,000.00

Source | Asset Details | Depreciation

Supplier Name	GE Capital	Supplier Number	1001
PO Number		Source Batch	
Project Number		Task Number	
Create Batch	7462592	Create Date	23-APR-2018
Source System	ORACLE PAYABLES	Invoice Date	01-SEP-2010
Clearing Account	01-000-1570-0000-000		
Comments			

Project Details... | Assignments... | Cancel | Done

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Responsibility - Fixed Asset Manager
Navigation –Mass Additions>Prepare Mass Additions

Assets can be viewed in Oracle Assets as soon as the Mass Adds program completes successfully.

Navigation – prepare mass adds

Fixed Assets – Mass Additions

Mass Additions

Book	OPS CORP	Queue	POST
Transaction Type		Transaction Date	
Invoice Number	FA-Collaborate18.1-1	Line Number	1 [ ]
Category	VEHICLE-LEASED STANDARD	Group Asset	
Employee Name		Employee Number	
Expense Account	01-000-7350-0000-000	Location	USA-CA-NOVATO-RED
Date in Service	30-SEP-2010	Depreciate	Cost 10,000.00

Source | Asset Details | Depreciation

Asset Number		Description	Capital Lease - Collabor
Tag Number		Asset Key	
Serial Number	#336320	Units	1
Asset Type	Capitalized	Parent Asset	
Manufacturer	Collaborate MFG	Model Number	Model - XYZ
Lease Number	Collaborate18.1	Warranty Number	Warranty #123
Lessor	GE Capital	In Use / In Physical Inventory	
Property Type		Ownership	Leased
Property Class		Bought	

Project Details... | Assignments... | Cancel | Done

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Assets can be viewed in Oracle Assets as soon as the Mass Adds program completes successfully.

Fixed Assets – Mass Additions

Mass Additions

Book	OPS CORP	Queue	POST
Transaction Type		Transaction Date	
Invoice Number	FA-Collaborate18.1-1	Line Number	1 [ ]
Category	VEHICLE-LEASED STANDARD	Group Asset	
Employee Name		Employee Number	
Expense Account	01-000-7350-0000-000	Location	USA-CA-NOVATO-RED
Date in Service	30-SEP-2010 Depreciate	Cost	10,000.00

Source | Asset Details | Depreciation

Method	STL	YTD Depreciation	
		Accumulated Depreciation	
Life Years	4	Prorate Convention	MID-MONTH
Life Months	0	Bonus Rule	
Depreciation Limit			
Type		Salvage Value Type	
Limit Amount		Salvage Value	
Percent		Salvage Value Percent	

Project Details... | Assignments... | Cancel | Done

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Assets can be viewed in Oracle Assets as soon as the Mass Adds program completes successfully.

Fixed Assets – Mass Additions

Mass Additions

Book	OPS CORP	Queue	POST
Transaction Type		Transaction Date	
Invoice Number	FA-Collaborate18.1-1	Line Number	1 [ ]
Category	VEHICLE-LEASED STANDARD	Group Asset	
Employee Name		Employee Number	
Expense Account	01-000-7350-0000-000	Location	USA-CA-NOVATO-RED
Date in Service	30-SEP-2010 ✓Depreciate	Cost	10,000.00

Source | Asset Details | Depreciation

Method	STL	YTD Depreciation	
		Accumulated Depreciation	
Life Years	4	Prorate Convention	MID-MONTH
Life Months	0	Bonus Rule	
Depreciation Limit			
Type		Salvage Value Type	
Limit Amount		Salvage Value	
Percent		Salvage Value Percent	

Project Details... | Assignments... | Cancel | Done

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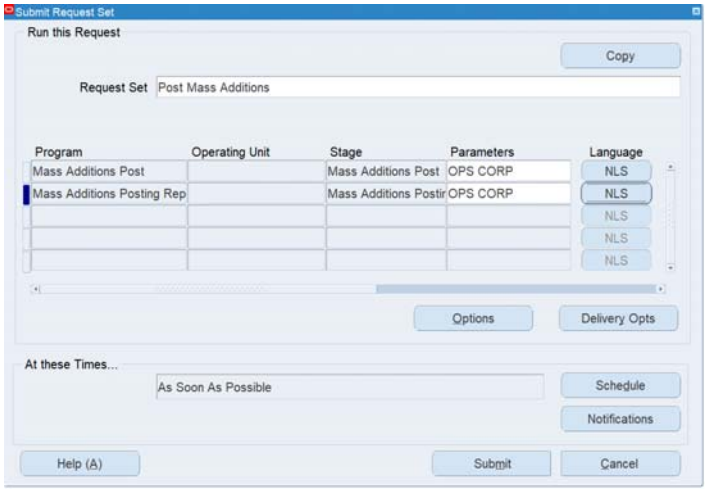
Assets can be viewed in Oracle Assets as soon as the Mass Adds program completes successfully.

Post Mass Additions



Responsibility - Fixed Asset Manager
Navigation –Mass Additions>Post Mass Additions

Post mass adds needs to be run after changes are made to the lines imported to FA and the status is changed to post.

Fixed Assets – Mass Additions

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```
VISION ENTERPRISES                          Mass Additions Posting Report                    Report Date
Book: OPS CORP                                                                                     Page
Request ID: 7462597
Transaction Type: Additions

Asset                                                                  Asset
Number          Description                 Co      Dpt            Account                     Cost Comments
--------------- --------------------------- ------- -------------- ------------ ------------------ ---------------
121567          Capital Lease - Collaborate 01      000            1550                 10,000.00


                                                                                  ------------------
Transaction Type Additions Total:                                                        10,000.00

                                                                                  ------------------
Report Total:                                                                            10,000.00


Total Lines Posted: 4
```

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Output from mass adds posting program

View Asset

Asset Details

Asset Number	121567	Description	Capital Lease - Collaborate
Tag Number		Category	VEHICLE-LEASED STANDARD [ ]
Serial Number	#336320	Asset Key	NONE
Asset Type	Capitalized	Units	1
Parent Asset		Description	
Manufacturer	Collaborate MFG	Model	Model - XYZ
Warranty Number			
Lease Number	Collaborate18.1	Description	Collaborate 18 Presentation [ ]
Lessor	GE Capital		
	In Use		
	In Physical Inventory		
Property Type	Personal	Ownership	Leased
Property Class	1245	Bought	New
Commitment		Investment Law	

View Subcomponents Done Cancel

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Assets can be viewed in Oracle Assets as soon as the Mass Adds program completes successfully.

Lease Asset Report

VISION ENTERPRISES — Leased Assets Report — Report Date: 24-AP
Book: OPS CORP — Page: 1
Company: 01
Category: VEHICLE-LEASED STANDARD

Lease Number	Asset Number - Description	Date In Service	Cost	Deprn Reserve	Net Book Value
Collaborate18.1	121567 - Capital Lease - Collabora	30-SEP-2010	10,850.00	0.00	10,850.00
	Lease Collaborate18.1 Totals:		10,850.00	0.00	10,850.00
Konica - 12Ab	KONICA-1 - Konika test mk	30-SEP-2010	108.50	0.00	108.50
	Lease Konica - 12Ab Totals:		108.50	0.00	108.50
L100	104204 - Leased Standard Car	01-SEP-2004	19,174.72	19,174.72	0.00
	LEASE RFT TEST - Company Car	30-SEP-2010	41,188.78	0.00	41,188.78
	Lease L100 Totals:		60,363.50	19,174.72	41,188.78
L156	100402 - Leased Vehicle	05-JAN-1998	36,550.00	36,550.00	0.00
	Lease L156 Totals:		36,550.00	36,550.00	0.00
Test2 lease	MKLEASED2 - Cap lease test desc	30-SEP-2010	81.38	0.00	81.38
	Lease Test2 lease Totals:		81.38	0.00	81.38
Category VEHICLE-LEASED STANDARD Totals:			107,953.38	55,724.72	52,228.66
Company 01 Totals:			107,953.38	55,724.72	52,228.66
Report Totals:			107,953.38	55,724.72	52,228.66

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Leased Asset Report

Final Tips, Best Practices, and suggested reading

- Talk with your Auditors ASAP to determine plans to verify Capital and Operating Leases are being recorded and accounted properly to meet new regulations
- EBS FA Community note titled 'what is the Oracle solution for FASB 842
  - https://community.oracle.com/message/13761096#13761096
- Link to Financial Accounting Standards Board (FASB 842)
  - http://www.fasb.org/jsp/FASB/Document_C/DocumentPage?cid=1176167901010&acceptedDisclaimer=true
- Create an asset account to track capital leases. Consider creating Asset Categories to capture capital leases by groupings.
- Payment terms equal to immediate
- If your Mass Adds are not transferring to FA, review the Conditions For Asset Invoice Line Distributions To Be Imported during the mass additions create process
- Consider using SLA to configure your JE's to produce the required results

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-When you add leased assets using the Detail Additions process, you can attach the assets to leases you have previously defined. You can assign multiple assets to the same lease.

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