

Canadian Asset Amortization Tool

Canadian Asset Amortization Tool (CAAT) provides a historical record of capital assets and calculates amortization (depreciation) on those assets for financial statement purposes. CAAT also provides documentation on acquisitions, disposals and capital gains for use in the preparation of income tax returns. CAAT produces hardcopy reports suitable for use in your working paper file, for filing with corporate and personal tax returns and for supplying a client with information on their capital assets. Although it was developed primarily for use by the accounting professional, this software can be used by anyone who wants to record and produce this information.

Features

File Management: Client files are stored in individual Microsoft Access (.mdb) database files. Each client file can contain the assets for a single enterprise, or several related enterprises. Each enterprise is stored in its own "division" within the client file. As each asset record is created, it is assigned to the appropriate division.

Divisions can be identified as being for "tax only" purposes. Identifying a division as "tax only" inhibits the calculation of amortization for assets in the division. Reporting for tax only divisions is restricted to asset listings as well as listings of asset acquisitions and disposals.

- Locate and open client files using the physical file name, the client/company name, or division name.
- "Check-out" client files so that they can be used outside of the office. Files that have been checked-out, must be checked in before they can be opened by anyone else.
- Open and work with external client files created by your clients.
- Create a link to an external database that contains client information such as file numbers and client names. If your office already uses a software program that stores this information in an Access database, CAAT can be configured to display this information when a client file is being created. In this way, client file numbers and names can be kept consistent throughout the office. If your office uses a software program that utilizes another database format, you may be able create an Access database and link it to your client database.

Asset Management: Assets are assigned to a division when the asset record is created. If an asset's acquisition date is prior to the first day of the current fiscal period, an opening amortization amount can be calculated or manually recorded. The opening amortization amount can be changed until the first Year End Update has been performed.

Asset Groups are used to group assets according to asset type. Typical asset groups might include Land, Buildings, Equipment, etc. The Group Number and Sub-group Number given to each group establish the order in which groups appear on reports. Each group is given a default Amortization Method, Basis, Rate, and optionally a Residual Percentage and Tax Class.

New assets can also be assigned to a "parent asset", which in turn makes the new asset a "child asset". This can be useful in cases such as the addition of a front-end loader to a tractor. Parent-child relationships can also be established at the time of disposal of an asset. For instance, if the tractor in the above example was purchased with the front-end loader attached, the loader can be established as "child" of the tractor in order to facilitate the disposal of the front-end loader.

- Assets are assigned to one of the available asset groups when they are created.
- Assets inherit their amortization rate, method, etc. from their asset group. Each inherited trait can be overridden by the user.
- Asset records can be located using their description, asset group, tax class, acquisition date or parent-child relationship.

Calculations & Reporting: Amortization schedules can be produced at any time, without causing any updating of the client file. When all of the asset additions and disposals have been recorded for the year, amortization schedules can be prepared and reviewed. When the user is satisfied that the reports are correct, the "Year-End Update" can be processed.

The Year-End Update causes amortization transactions to be recorded for each asset record. The amortization transactions for an asset can be viewed at any time.

The calculated amortization for a given asset can be adjusted by recording an adjustment transaction.

The accumulation of amortization transactions also allows the user to "roll-back" a Year-End Update. The program accomplishes this by simply removing the appropriate transactions. It is even possible to "roll-back" several Year-End updates if necessary.

- A default set of reports can be specified for a client.
- Individual reports can be produced on demand, for any period of time.
- Reports sort options are available. This includes asset description, acquisition date, asset number and disposal date.
- Reports may be previewed before printing.
- Previewed reports can be exported in DOC, PDF, RTF, or XLS format.
- Custom Asset Listing tool allows for the creation of customized asset reports.

Administration: A password protected administration area is used to establish the operating parameters of the software:

- Identify the software licensee so that the licensee's name appears on reports that are provided to the licensee's clients.
- Specify the tax classes that will be available for use.
- Define the available ITC Codes and ITC Rates that may be used.
- Select from the list of available reports, those reports that will be included as default reports.
- Specify how many copies of each report are to be printed.
- Assign labels to the 3 user-defined fields.
- Establish a default set of asset groups. Each asset group has its own amortization method, amortization basis, amortization rate, and tax class.
- Define any number of client types and optionally specify flat billing rates and/or an asset record charge for each client type.
- Assign default reports and a default number of copies for each report, to each client type.
- View a list of those client files that have been "checked-out" of the office. The administrator can also force a previously checked-out file back to checked-in status. This is useful if a checked-out file has become lost.
- Add or change the password which prevents unauthorized access to the CAAT administration area.
- The contents of the administration area can be printed for documentation purposes.

Automatic Program Updates: The program update feature allows for the downloading of program updates without user assistance:

- Program updates are downloaded from our website by our automatic update agent software.
- CAAT users with many computers can reduce Internet traffic by designating 1 computer as the update server for all other CAAT users.