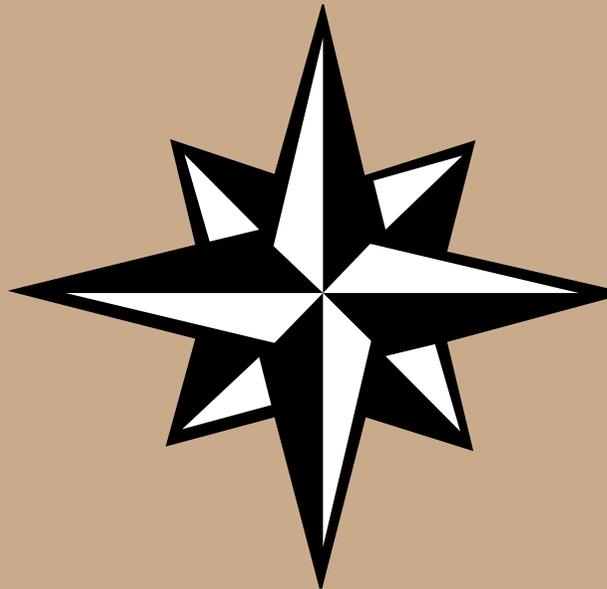


**CHI-STAR TECHNOLOGY<sup>SM</sup>**

# **Oracle Assets Release 12 Enhancements**

# High-Level Overview

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- Subledger Accounting
- Enhanced Mass Additions Interface
- Auto-Prepare Mass Additions
- Flexible reporting using XML Publisher
- Auto Depreciation Rollback
- Energy Sector Enhancements:
  - Asset Impairment
  - Depreciation Methods
    - Units of Production
    - Straight Line

# Subledger Accounting

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**This new enhancement allows clients to meet multi-GAAP, corporate, and fiscal accounting requirements. The tool, Accounting Methods Builder, allows you to determine the accounts, lines, descriptions, summarization, and dates of your journal entries.**

**Notes:**

**It seems that there is duplication when defining a system. With this new enhancement you define accounts, journal sources, and journal categories. When the subledgers are define they still require this same detail.**

**Question: What if a value is define incorrectly in one of the two places? What rule supercedes the other (I.e. Subledger Accounting or Account Generator) - question not yet answered on metalink.**

# Enhanced Mass Additions Interface

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New data fields have been added to the Mass Additions Interface table. There are over 40 new data fields. Here are some of the more critical fields added:

- Asset Life
- Depreciation Method
- Prorate Convention
- Bonus Rule Ceiling Name
- Depreciation Limit

**Notes:**

These new data fields will benefit data conversion by allowing the converted data to be brought into Oracle with the asset life information.

# Auto-Prepare Mass Additions

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**New API's are available to automate the Prepare Mass Additions process. There are default rules available, you can accept the defaults or choose to create custom rules. These API's will automatically process data and assign the required data attributes, such as:**

- **Depreciation Expense Account**
- **Asset Category**

**Default Rules:**

Asset Category – this is derived from the asset cost clearing account, as long as there is a one to one relationship between the account and asset category. This process will only impact items in the 'New' and 'On Hold' queue names.

Expense Account – this is derived from the clearing account combination and overlaying the natural account segment with the value of the natural account segment of the depreciation expense defined in the asset category. If the program cannot derive an expense combination, the queue name is set to 'On Hold'.

# Auto-Prepare Mass Additions (Continue)

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## Notes:

This should minimize the amount of manual efforts involved in the Prepare Mass Additions Process. Manual updating is still required – some fields may not be populated but are required.

Asset Category – a one to one relationship between cost clearing account and asset category – this will expand the COA of many companies.

Expense Account – the expense combination is going to be derived from a BS account. Oracle will simply overlay the natural account segment, replacing the cost clearing account with the depreciation expense account leaving all other segment values alone. If there are certain requirements for P&L accounts versus BS accounts, i.e. cost center required for P&L, this may present issues.

Per Oracle Location combination is not derived

Manual efforts are required to perform Merging, Splitting, Add to Assets, and Merge Then Split functionality.

# Flexible Reporting Using XML Publisher

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## XML Publisher will be utilized in R12 for asset transaction reports.

- Create Accounting – Assets
- Transfer Journal Entries to GL – Assets
- Journal Entry Reserve ledger Report
- Asset Additions Report
- Asset Transfer Report
- Asset Retirement Report
- Transaction History Report
- Asset Reclassification Report
- Mass Additions Create Report
- Mass Additions Posting Report
- Cost Adjustments Report
- Cost Detail Report
- Cost Summary Report
- Reserve Detail Report
- Reserve Summary Report
- Mass Revaluation Preview Report
- Revaluation Reserve Detail Report
- Revaluation Reserve Summary Report
- CIP Capitalization Report
- CIP Detail Report
- CIP Summary Report

You can design and control how the report output will be presented in separate template files. Publish in PDF format that can support colors, images, font styles, headers and footers, and other formatting. You can create new report templates, or modify existing templates to view your report output.

# Auto Depreciation Rollback

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In Release 12, you will no longer be required to run the Rollback Depreciation process in order to make corrections to assets. After running depreciation (not closing the period) when a correction/change is required, simply choose the asset to modify. Oracle will automatically rollback depreciation for this single asset. Make your modifications and when you re-run depreciation, Oracle will re-calculate depreciation based off of the modifications made to the asset.

The features to rollback depreciation and rollback journal entries that are in R11i are no longer available in R12.

## Notes:

This new feature should save time spent rolling back depreciation in order to make corrections.

# Energy Enhancements

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- **Asset Impairment** – this is basically an unplanned depreciation and will utilize this feature to perform asset impairments. Now the ‘impairment’ expense account may be derived from the asset category setup or manually entered.
- **Units of Production Depreciation** – Energy assets are generally structured into two levels, group and member assets, where the group asset is a collection of several members. Units of production are entered on the group asset for calculating depreciation and then allocated down to the member assets.
- **Straight-Line Depreciation** – Assets that depreciation using energy straight-line method may either depreciate at the member asset level or group asset level.
  - When at the member level, depreciation is calculated based on each member’s life and then summarized up to the group asset.
  - When at the group level, depreciation is calculated at the group asset level, the life of the group asset is used.

# Items not resolved in R12

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Release 12, was suppose to resolve the issue of transferring assets between depreciation books – this was not resolved in R12 and is still a manual process.

Third party tool (AssetCross) still required to automate this process in R12.

# Questions?

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