

FINANCIAL AUDITING AND CONTROL

FAC009

COURSE DESCRIPTION

Assets are economic resources or anything of value that is owned by the business and can be measured in monetary terms. Assets help in generating revenue for the business. In short, any business imaginable would need an asset of some kind or another to perform its basic operations, incur sales, generate revenue and ultimately survive in the industry.

Assets can be classified into various categories; however, most popular classification is done on the basis of duration held, current assets and fixed assets. Current assets include items that are either cash or can be converted into cash within a year.. On the other hand, fixed assets are of permanent nature.

Fixed assets are acquired into business with a view that they'll benefit the firm for many years to come and generally have life for more than a year. Assets are valuable and create value for the business. Businesses dedicate a huge amount of capital to acquiring and maintaining fixed assets. Fixed Asset accounting keeps a proper account of all fixed assets in business. This allows the management to get a fair and accurate standing of financial statements. Investing vigorously in fixed assets won't translate into success if the business doesn't acknowledge the best practices to manage it. Therefore, it becomes significant for managers to be well informed of the subject matter.

COURSE GOAL

To enhance the participant's knowledge, skills, and abilities necessary to recognize and record fixed assets in financial statements at net book value.

COURSE OBJECTIVES

By the end of this course, participant will be able to:

- Understand various concepts and terminologies related to fixed assets accounting and management.
- Explain the accounting for fixed asset expenditures.
- Apply depreciation methods to fixed assets.
- Explain how to account for the disposal of fixed assets.
- Comprehend how fixed asset management can be used to give maximum returns to the stakeholders of the business.

WHO CAN BENEFIT

- Fixed asset professionals/supervisors/account managers
- Financial managers
- Accountants
- Purchasing and facility supervisors/coordinators
- Budding entrepreneurs, start-up founders
- Departmental heads, managers, executives
- Financial analysts
- Internal auditors
- Investors
- Maintenance managers/assistants

COURSE DURATION

5 Working Days

COURSE OUTLINES

1. Introduction to Asset Accounting

- Asset reporting, financial reporting
- Classification of assets
- Asset inventory
- Need for fixed asset accounting
- Accounting for fixed assets
- Fixed Assets Budgets and Records

2. Asset Valuation

- Asset valuation approaches: Absolute value models, Relative value models
- Appraised value, book value
- Valuing repairs, maintenance, additions
- Valuation of land, building, etc.

3. Depreciation and Impairment

- Rationale for depreciation
- Factors affecting depreciation expenses- salvage value, acquisition cost
- Methods for calculating depreciation- straight-line method, written down method, etc.

4. Records and Maintenance

- Fixed asset tracking
- Asset lifecycle management
- Asset labelling
- Maintenance management

5. Disposal of Assets

- Retirement
- Sale
- Exchange

6. Fixed Asset Management

- Concept of fixed asset management
- Measuring fixed assets efficiency- turnover ratios
- Fixed asset life cycle management and life cycle costing

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