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ACCOUNTING

Effective Asset Management Means More Than Just Depreciation

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Mary Girsch-Bock • Feb. 13, 2015



Effectively managing fixed assets can be a challenge for anyone. Accurately tracking assets, calculating depreciation while also keeping track of continuous tax law changes can overwhelm just about any business. In an increasingly challenging tax environment, many businesses turn to their accountant to handle this complex task for them.

While smaller businesses may want to outsource asset and depreciation management as a convenience, it's rapidly becoming a necessity for those that need to track assets such as office equipment, buildings, fixtures, machinery, and vehicles and heavy equipment. Add to that list intangibles such as patents and copyrights, along with real property, and investment income, and suddenly even a highly functioning corporate tax department can find themselves overwhelmed.

CPA's and accountants know how important tracking assets is to a company of any size. Having the correct tools to adequately track that information is vital for anyone charged with keeping track of assets and depreciation schedules; whether that be a CPA providing these services to clients, or a business owner wishing to track their assets in house. Either way, fixed assets software is one of those tools; perhaps the most important one.

Fixed asset software allows firms to handle their client assets, tracking such necessary data such as where is the asset, who is currently using that asset, when is it due to be returned, and when is maintenance scheduled. The software also records the cost of each asset, and maintains an accurate depreciation schedule, important for accurate tax calculations. For some businesses, having an effective asset and depreciation management strategy can significantly impact their cash flow.

In this issue, CPA Practice Advisor reviewed three fixed asset management systems and looked at another. Click the links below to see the reviews.

- [BNA Fixed Assets DesktopPro](#)
- [CCH ProSystem fx Fixed Assets](#)
- [Thomson Reuters Fixed Assets CS](#)
- **Sidebar:** [WASP Barcode Technologies](#)

For the review, we looked at six areas: **Basic System Functions** – which covers everything from how easy (or not) can the product be installed, to available deployment methods. **Navigation** ease is also looked at as well. **Core Asset Management Features** looks at some of the product highlights – how many depreciation methods are available, does it offer unlimited transactions, are there

user-defined fields available for more in-depth asset and depreciation management. The Reporting section looks at available reports, customization capability, and formatting capabilities.

The **Import/Export** feature looks at how well a product integrates with other products and the ease (or difficulty) of importing or exporting data to third-party applications. The **Help** section looks at the tools provided to the user to make their life easier, such as free support, availability of a solid help function built into the product, and training options available. Finally, we summary the product and add general pricing guidelines; keeping in mind that the cost listed in generally a starting point and can vary widely.

On a side note, we also took a look at **WASP Barcode Technologies**, which offers a terrific mobile inventory management product that makes tracking physical assets quick and painless.

While these products can all work well for those offering asset and depreciation management to their clients, they can also be utilized by businesses wishing to get a better handle on their asset management in-house. Whatever the final purpose of the program, they all offer free demos to potential buyers, as well as solid help functionality; so important when purchasing a new software system – whatever the purpose.

The bottom line is that effective asset and depreciation management often plays a large role in reducing a business's tax burden, or helps to ensure that assets are properly accounted for. It's likely that one of these products can help accomplish one or both of those tasks.

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