

FIXED ASSET DEPRECIATION SCHEDULE

The Diocese uses the Straightline method of depreciation to calculate all depreciation of fixed assets. Depreciation is calculated by simply dividing the cost of an asset by the useful life of the asset. Useful life schedule for assets is listed below. Depreciation can be calculated and recorded monthly or annually. The journal entry will debit depreciation expense account 982 and credit accumulated depreciation account 190. Only items with an individual cost of \$5,000 or greater are depreciated. This does not include smaller items that total \$5,000. For example: The parish purchased 50 new chairs at \$100 each. This purchase would be expensed since the individual value is only \$100.

Autos	5 years
Buildings	40 years
Building Improvements	10 years
Columbarium	If permanent structure, use 40 years, if it can be moved and is not permanently placed, use 20 years
Computer and Telephone	3 years
Equipment	5 years
Furniture and Fixtures	7 years
HVAC	If the HVAC unit is the only HVAC unit in the building, then replacement cost over \$5,000 should be capitalized and depreciated over 7 years. If there are multiple units in a building and only one goes out, then it can be expensed.
Land Improvements	5 years
Leasehold Improvements	Term of lease
Roof Replacement	10 years. If there is an insurance claim, then you can only capitalize the difference between total cost and insurance received over \$5,000
Solar Panels	5 years