

Depreciation

Fixed assets

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Fixed assets

Depreciation

See the schedule, post depreciation entries and review the value of your assets.

Intermediate · About 20 minutes · Version 1.0 · Updated 17 November 2026

Plan availability

Included in the **Enterprise** plan. Contact us if you want to upgrade.

Overview

Depreciation spreads an asset's cost over its life. When you register an asset, the system builds a **depreciation schedule**: a list of future dates and amounts. On each date, a journal entry is created.

Steps

View the schedule

1. Open the **Asset** record.
2. Scroll to the **Depreciation Schedule** table. Each row shows the date, the amount and the accumulated total.

Post depreciation

Depreciation entries are usually created automatically on the schedule date. To post one manually:

1. Open the asset.
2. In the schedule, find the row due, and click **Make Depreciation Entry**.
3. Open the journal entry, review it, and submit.

Review values

1. Open **Fixed Asset Register** to see each asset's cost, accumulated depreciation and **book value**.
2. Open **Asset Depreciations and Balances** for totals by category and period.
3. The same figures feed your balance sheet. See Financial reports.

Practical example

On the last day of each month, a journal debits *Depreciation Expense* and credits *Accumulated Depreciation – Motor Vehicles* for KES 40,000. The van's book value falls by that amount.

Important notes

- Post depreciation before closing the month or year.
- Check that the fiscal year exists for the schedule dates. See Currency, fiscal year and accounting periods.
- Do not edit a depreciation journal by hand. Cancel it and repost.

Common mistakes

- Skipping months, then having to catch up.
- Disposing of an asset without posting depreciation up to the disposal date.

Troubleshooting

If no depreciation entries appear, check that the asset is submitted and has an available-for-use date in the past, and that automatic depreciation is not turned off in **Accounts Settings**.

Next steps

Read Moving and maintaining assets.

Related documentation

- Asset categories
- Registering assets
- Financial reports