

## PATHWAYS ABILITIES SOCIETY

### **PROCEDURE: DEPRECIATION**

**Applies to:** All Personnel

Original Effective Date: September 9, 2005

Effective Date: December 23, 2014

Replaces Procedure Dated: December 14, 2012

1. The historical cost less the residual value of the asset is amortized over the estimated useful life on a straight-line basis.
2. A schedule of depreciation is updated monthly to incorporate the additions, deletions and calculate depreciation. Depreciation is based on the 50% rule; capital purchases attract only 50% of the normal depreciation rate in the year of acquisition. Depreciation for each asset category is based on the above percentages.
3. The historical cost and accumulated depreciation will be removed from the books and records on disposal of the asset. The difference between the net proceeds and the net book value on disposal is recorded as a gain or loss in the financial statements for the accounting period in which the disposal occurred.