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NetSuite Fixed Asset Write Down: FAM Workflow by Book

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Executive Summary

A NetSuite fixed asset write-down is the last step of a decision chain, not the first. The Fixed Assets Management (FAM) module executes an approved value; it does not decide whether an asset is impaired. Oracle's documentation says writing down an asset "lets you enter a new net book value and post the difference to the general ledger" (docs.oracle.com), and it describes the feature as supported "for accounting methods only" (docs.oracle.com). The accounting judgment therefore has to arrive first, in writing, with a separate approved amount for each accounting book.

That judgment differs by framework. Under IFRS, IAS 36 requires assets to be carried at no more than recoverable amount (www.iasplus.com), where recoverable amount is the higher of fair value less costs of disposal and value in use (www.iasplus.com). Under US GAAP, a held-and-used asset group first faces a recoverability test on undiscounted cash flows (storage.fasb.org), and a loss is measured only if the asset also exceeds fair value (storage.fasb.org). US GAAP also prohibits restoring a recognized loss (storage.fasb.org), while IFRS permits reversals for assets other than goodwill (viewpoint.pwc.com). A multi-book account can therefore carry two legitimate, different write-down amounts for one physical asset. Note that the US GAAP links above point to FASB Statement 144, the pre-Codification text carried forward in ASC 360-10, and the IAS 36 depreciation point later in this article links to an Australian (AASB) adoption of the standard; confirm wording against ASC 360-10 and the IFRS Foundation text before quoting.

In FAM, the control point is the Asset Revaluation transaction. With Multi-Book Accounting enabled, the page lets the user "select which accounting books (linked to the asset) you want to revalue" (docs.oracle.com), and the system "creates journal entries to post the difference in value" (docs.oracle.com). Values are held in each book's base currency (docs.oracle.com), so each book needs its own tie-out. Oracle's documented procedure does not tell a controller how to prove the result, which is the gap this report fills with a reconciliation, an evidence matrix and a sign-off checklist.

The reconciliation is simple to state: pre-event register net book value (NBV), less the approved write-down, plus or minus other documented changes, equals post-event register NBV, matched by asset, book and currency to the general ledger, then checked against next period's depreciation. In the report's illustrative

example (hypothetical), a USD book writes down $150,000 and a EUR book writes down EUR 200,000 on the same line, and monthly depreciation falls from $9,166.67 to $7,422.48 and from EUR 10,416.67 to EUR 7,190.86 respectively, assuming straight-line depreciation over unchanged remaining lives.

Auditors will look for relevant and reliable evidence (pcaobus.org), and for testing of management's methods, data and significant assumptions (pcaobus.org). A trigger memo, valuation model, reviewer sign-off, book-specific approved values, FAM transaction reference, journal links and revised depreciation forecast form the minimum pack. Policy conclusions belong to qualified advisers; this report covers system mechanics and evidence design.

Introduction and Background

Controllers at mid-market groups often run a US GAAP primary book and an IFRS reporting book in one NetSuite account. When a production line is idled, a facility is exited or a forecast is cut, the question is rarely whether NetSuite can post a write-down. It is which approved amount belongs in which accounting book, who approved it, which FAM transaction recorded it, and how the next month's depreciation proves that the register and the ledger agree.

Three terms are often blurred. An **impairment test** is an accounting assessment under IAS 36 or ASC 360. A **FAM write-down** is a system transaction that records an approved reduction in NBV. A **revaluation** is the name of the FAM screen, and the word should not be read as permission to reverse a US GAAP impairment. Oracle defines a write-down as a form of depreciation that involves a partial write-off, and that definition is operational, not an accounting standard.

This report examines the workflow from signal to close evidence. It covers: the accounting assessment that must precede any entry; the IFRS and US GAAP differences that drive different approved amounts; the Oracle Asset Revaluation procedure by book; an illustrative two-book example; a reconciliation and audit evidence design; and the point at which specialist NetSuite help is worth the cost. Rules and figures are stated as of November 2026. Nothing here is accounting, tax or legal advice, and every approved amount should come from the company's accounting advisers and auditors.

FAM is an optional module: Oracle's FAM documentation states that "Fixed Assets Management is an optional module for sale" (docs.oracle.com), and that it is delivered as a managed bundle. The Multi-Book add-on lets you assign assets to multiple books, and each book can carry its own depreciation methods. Licensing and feature availability should be confirmed in the target account before any design work, because the steps described here should be tested in a sandbox account before use.

Key Changes: From Impairment Signal to Book-Specific FAM Transaction

Decision Map: Five Events That Look Alike

The first-page decision map is a sequence: a physical or economic signal, an accounting assessment, an approved amount by book, a FAM transaction, a journal and revised depreciation, and finally close evidence. Five events are routinely confused at the first step, and each routes to a different NetSuite action.

- **Impairment test:** an accounting analysis. Under IAS 36, assets are reviewed for indications of impairment (www.iasplus.com). Under US GAAP, an asset group is tested "whenever events or changes in circumstances" suggest its carrying amount may not be recoverable (storage.fasb.org). The test produces an approved amount, not a journal.
- **FAM write-down or revaluation transaction:** the system step that records the approved NBV reduction and posts the difference.
- **Disposal:** a separate process. In a multi-book account, "upon disposal, the asset is disposed in all associated accounting books" (docs.oracle.com), which is not what a book-specific write-down does.
- **Useful-life change:** a change in estimate. Under IAS 8, such changes are "accounted for prospectively" (www.iasplus.com), and IAS 16 requires residual value and useful life to be reviewed at least at each financial year-end (www.ifrs.org).
- **Foreign-currency translation:** not an impairment. IAS 21 recognizes translation differences "in other comprehensive income" (www.ifrs.org), and US GAAP treats a distinct operation's functional currency as "a matter of fact" (viewpoint.pwc.com).

A held-for-sale classification is a sixth path worth recognizing. IFRS 5 measures such assets at the lower of carrying amount and fair value less costs to sell (www.iasplus.com), and "the non-current assets are no longer depreciated" (www.iasplus.com). US GAAP has an equivalent measurement rule (storage.fasb.org). Held-for-sale accounting changes depreciation status, which a simple write-down does not.

Accounting Assessment Before the Transaction

Accounting policy is set by qualified advisers; NetSuite executes approved values. A defensible pre-transaction file contains the trigger evidence, the framework applied to each book, the model or valuation, a named preparer and reviewer, and the approved amount by book. Oracle's own page frames the action only after those inputs exist: the user enters a new NBV or write-down amount for a selected asset.

Under IFRS, IAS 36 applies to assets and also to groups that do not generate cash flows individually; the IFRS Foundation calls these cash-generating units (www.ifrs.org). A cash-generating unit (CGU) is "the smallest identifiable group of assets that generates cash inflows that are largely independent" (www.iasplus.com). Value in use is "the present value of estimated future cash flows" (www.iasplus.com) using a pre-tax discount rate. Cash flows are estimated in the currency in which they will be generated (www.ifrs.org), which matters for a foreign subsidiary's asset.

Under US GAAP, the unit of account is an asset group, the lowest level at which identifiable cash flows are largely independent (storage.fasb.org). Testing is event-driven rather than routine, and an impairment cannot be recorded "unless the asset first fails this recoverability test" (www.ey.com). Fair value in the measurement step is determined from a market participant perspective (kpmg.com).

IAS 36 versus ASC 360: What Differs

The two regimes should not be merged into one analysis. *Table 1* below separates the accounting judgment from the NetSuite action by book.

Dimension	IFRS reporting book (IAS 36)	US GAAP primary book (ASC 360)	NetSuite FAM action
Test structure	One step: loss when carrying amount exceeds recoverable amount	Two steps: undiscounted recoverability, then fair value measurement (viewpoint.pwc.com)	None. The test is outside FAM.
Measure	Higher of fair value less costs of disposal and value in use	Carrying amount less fair value after failing recoverability (storage.fasb.org)	Enter the approved NBV reduction for that book
Unit of account	Cash-generating unit	Asset group (storage.fasb.org)	Record is per asset and book; allocation across assets is an offline schedule
Reversal	Permitted except goodwill, capped at the carrying amount that would have existed (www.grantthornton.global)	Prohibited for held-and-used assets (storage.fasb.org)	FAM page documents write-downs only; treat reversals as a separate approved design, tested first
Depreciation afterward	Charge adjusted over the remaining life after reversals (standards.aasb.gov.au)	Adjusted amount is the new cost basis, depreciated over remaining life (storage.fasb.org)	Revised forecast must be recomputed and compared (docs.oracle.com)
Disclosure	Events, circumstances and key assumptions behind a loss	Description of the asset and the method for fair value (www.ey.com)	Provide register and journal evidence to the disclosure team

The table shows that only the third column changes system state, and that its inputs come from the first two. The table also exposes a design point: the unit of account for the test (a CGU or asset group) is usually broader than a single FAM asset record, so a loss measured for a group must be allocated to individual assets before it can be keyed. EY notes that a group loss is allocated "on a pro rata basis using the relative carrying amounts" (www.ey.com). That allocation schedule is a required exhibit, because the FAM screen cannot derive it.

Differences compound by framework. KPMG's executive summary says US GAAP recoverability cash flows are undiscounted (kpmg.com), whereas IAS 36 value in use is discounted. Property, plant and equipment also differ: US GAAP "generally utilizes historical cost and prohibits revaluations" (viewpoint.pwc.com), while IAS 16 permits a revaluation model carried "at fair value less accumulated depreciation and impairment between revaluations" (www.iasplus.com), in addition to the cost model (www.iasplus.com). Because "Impairment of PP&E is assessed under IAS 36" (www.iasplus.com), the IFRS book still needs an impairment conclusion even where a revaluation policy is in place.

A final accounting caution: the FAM feature name is revaluation, but the documented procedure in Oracle's single-asset page covers the write-down path. A US GAAP loss cannot be reversed because a screen carries that name (www.ey.com), and a company applying IFRS should have its advisers approve any reversal and its cap before anyone attempts one.

Book-Specific Mechanics: Currency, Methods and Tax

Multi-book FAM values are not interchangeable. Book-specific cost and NBV values are converted to the base currency of the book they're linked to, and the depreciation amount is calculated based on the converted amount. Under Parallel Currencies, all depreciation calculations are based on the base currency amount. The Depreciation History subtab holds secondary book values.

Methods can also differ by book: Oracle says you can set different depreciation methods per accounting book. This is what lets a US GAAP book and an IFRS book run, for example, a 10-year and an 8-year life on the same asset. The secondary book general ledger accounts are stored in a separate place from the primary book's, on the FAM Default Alternate Depreciation record (docs.oracle.com), so journal ownership has to be mapped book by book.

Tax methods deserve their own note. Oracle states that Asset Revaluation does not apply to alternate/tax methods that are not linked to an accounting book, and that alternate methods aren't linked to NetSuite journal postings. Tax depreciation methods are described as used for analysis purposes and do not generate financial transactions. In the United States, tax depreciation follows prescribed rules: "You must use the Modified Accelerated Cost Recovery System (MACRS) to depreciate most property" (www.irs.gov), and the IRS general depreciation system applies unless law or election requires otherwise (www.irs.gov). A book write-down does not by itself change those schedules. A book impairment therefore changes the book basis, and the gap against the tax base flows into deferred tax: IAS 12 defines temporary differences as differences between carrying amount and tax base (www.ifrs.org), and US guidance lists different book and tax depreciation as a source (viewpoint.pwc.com). Tax advisers, not the FAM write-down, decide the tax consequence. This also answers the common query about NetSuite FAM tax depreciation versus book depreciation: keep the methods separate (www.sixlakesconsulting.com), and treat a book write-down as a book event.

Walkthrough: Oracle's Asset Revaluation Screen, Book by Book

Setup Before the Transaction

Four configuration items should be confirmed before testing. **Accounts:** the asset type has a field to "select the account for the asset write-down expense" (docs.oracle.com), and a separate account that "tracks the accumulated depreciation (balance sheet)". **Credit side:** a General Preferences setting decides where the write-down credit lands: "Check this box to post write-down amounts to the depreciation account" (docs.oracle.com), while clearing it posts to the asset account. That choice affects what the register and ledger show afterward, so the accounting policy owner should confirm it. Whether previously recorded depreciation is eliminated on impaired assets under a new cost basis is a policy question for the accounting advisers. **Book links:** in accounts that are not multi-book, the system tags all records to the primary accounting book; in multi-book accounts, linked books and their accounts must exist before use. **Permissions:** FAM processes "such as Depreciation, Revaluation and Disposal run with client user permissions" (docs.oracle.com), so the posting user needs journal-creation rights.

Two blocking conditions are worth recording. Whether fully depreciated or disposed assets can be linked to an accounting book, and whether catch-up depreciation history is created when a book is linked, should be confirmed in a sandbox before relying on either assumption; this article does not cite Oracle documentation for

either point. Until confirmed, treat linking a second book after the fact as a data-migration task, not a write-down task.

Single-Asset Procedure

The documented path starts at **Fixed Assets > Transactions > Asset Revaluation**. The steps below combine Oracle's single-asset documentation with test notes.

- **Select the asset.** After selection, the page shows the revaluation amounts by accounting book and method. Records are arranged by accounting book, GL-posting tax methods and then non-GL-posting tax methods.
- **Select the accounting book.** The Accounting Books field is available only when Multi-Book Accounting is enabled. Choose only the books that have an approved amount.
- **Set the date.** The revaluation date must be on or after the Last Depreciation Date; if left blank, the system uses the date the revaluation is processed. A test case should confirm which accounting period a blank date resolves to at month end.
- **Enter the write-down.** Oracle says the amount is subtracted from the current net book value. The screen also accepts a new residual value, lifetime and method. Leave those unchanged unless the approval memo changes them.
- **Calculate.** "Click Calculate to compute the write-down amount based on the write-down percentage" (docs.oracle.com). Because the approved value is an amount, derive the percentage from the approved amount and confirm the computed figure matches it exactly. If you change the book selection or percentage, the page requires you to recalculate the write-down amount.
- **Process.** After processing, the system sends the user to the process status page, "where you can track the revaluation's status" (docs.oracle.com). The system creates journal entries to post the difference in value.
- **Approve the journal.** For custom journals, "you'll need to set the journal entry's status to Approved before it posts" (docs.oracle.com). Where journal approvals are required and the user cannot approve, an administrator must approve them before posting. Oracle also notes that the custom-journal feature is not available with Multi-book accounting: "you can't use this feature with Multi-book accounting" (docs.oracle.com). A multi-book test plan should confirm which approval path actually applies in the account.
- **Open the depreciation history.** The Depreciation History transaction type column records revaluation among other activity types (docs.oracle.com). This is the link from the asset to the journal.

One caution applies to a fully written-down asset. Oracle says that when the new lifetime equals the last depreciation period, the asset's status becomes Fully Depreciated (docs.oracle.com). A zero-NBV outcome should be tested with the intended lifetime values before it is used.

Components, Bulk Loads and Closed-Period Testing

Compound assets have components. Oracle says for compound assets, the write-down percentage applies to all components (docs.oracle.com), and the system writes a revaluation depreciation history record to each component. If a component has a different approved amount, the percentage should be set per component;

test it before relying on the default.

For many assets, the bulk CSV route has constraints: only component assets can be revalued and compound assets are not supported; a file with any validation error is not processed even if some rows are valid; and the file cannot exceed 10 MB (docs.oracle.com). These limits matter when an approved write-down covers hundreds of assets.

Closed periods need explicit testing because Oracle's revaluation documentation does not state a rule for them, and a controller should not assume that depreciation-posting behavior carries over to a revaluation journal. Run three cases in a sandbox: revaluation dated in an open period, in the most recently closed period, and with a blank date. Record the period of each resulting journal. Further, certain FAM actions reset forecasts: the system deletes the forecast amounts for all affected records when an asset reset runs, and Oracle states when you run certain FAM transactions or change the field mapping, the Asset Reset process is triggered. Whether revaluation triggers a reset on your version is a test item, because the forecast is part of the evidence pack. Finally, asset value editing is restricted: most fields are set to read-only to prevent asset editing, which is a control worth preserving rather than relaxing to make a write-down fit.

Worked Example: One Asset, Two Books (Hypothetical Example)

This section is a **hypothetical example**. All figures are invented for illustration. The numbers are chosen for arithmetic clarity, and the exchange rate and method choices are assumptions, not recommendations.

The Fictional Asset

Packaging line PL-7 sits in a German subsidiary with a euro functional currency. It was placed in service on 1 January 2024. Two books carry it:

- **US GAAP book (primary):** base currency USD, cost $1,100,000 (a fixed illustrative rate of 1.10 USD per EUR on the cost date), straight-line, 120-month life, zero residual value.
- **IFRS book (reporting):** base currency EUR, cost EUR 1,000,000, straight-line, 96-month life, zero residual value.

The review date is 31 October 2026, with 34 months of depreciation recorded. The company's advisers approve different write-downs: $150,000 in the US GAAP book after the recoverability test fails and fair value is measured, and EUR 200,000 in the IFRS book because recoverable amount is lower. The two amounts are not converted into one another, because they come from different tests (viewpoint.pwc.com).

Before and After

Table 2 below shows the calculation. Post-event depreciation assumes the approved amount is spread over unchanged remaining lives, consistent with the principle that the adjusted amount is depreciated over the remaining useful life (storage.fasb.org) and with IAS 36's description of adjusting the depreciation charge over the remaining life (standards.aasb.gov.au). FAM's actual output depends on the method and revision rule configured and must be compared with these expectations.

Item	US GAAP book (USD)	IFRS book (EUR)
Original cost	$1,100,000.00	EUR 1,000,000.00
Life and months elapsed	120 months, 34 elapsed	96 months, 34 elapsed
Monthly depreciation before	$9,166.67	EUR 10,416.67
Accumulated depreciation	$311,666.67	EUR 354,166.67
NBV before event	$788,333.33	EUR 645,833.33
Approved write-down	$150,000.00	EUR 200,000.00
NBV after event	$638,333.33	EUR 445,833.33
Remaining months	86	62
Monthly depreciation after	$7,422.48	EUR 7,190.86
Change in monthly depreciation	down $1,744.19	down EUR 3,225.81

The table shows that one physical event produces two different register outcomes. The IFRS book has the larger proportional drop in monthly depreciation because its write-down is larger in proportion to NBV. Neither figure can be converted to prove the other, so the tie-out must be done in each book's own base currency. If the advisers had instead changed the remaining life, the new life would have to be entered on the revaluation screen as an approved input, and the expected monthly figure would change accordingly.

Journal Ownership

The working expectation is that each book owns its own journal: the US GAAP book posting in USD from the asset type accounts, and the IFRS book posting in EUR to the secondary book accounts held on the alternate depreciation record. Treat this as an expectation to verify, not a documented fact. The debit side uses the asset type's write-down expense account. The credit side follows the General Preferences setting, either the depreciation account or the asset account. These accounts, and whether both books use the same credit-side setting, should be verified in a demonstration account, because Oracle's pages do not spell out the line-by-line debit and credit pairing.

Reconciliation and Close Evidence

The Reconciliation

The reconciliation has one equation per asset, per book:

Pre-event register NBV, less approved write-down, plus or minus other documented changes, equals post-event register NBV.

In the example, $788,333.33 less $150,000.00 equals $638,333.33, with no other changes. In practice, other changes include depreciation posted between the review date and the revaluation date, additions, disposals and manual edits. The Six Lakes FAM guide recommends that teams "reconcile the asset register to the

general ledger each period" (www.sixlakesconsulting.com) and "review manual changes to cost, life, method, and residual value" (www.sixlakesconsulting.com). RSM similarly lists reconciliations between the fixed asset register, general ledger and operational asset systems as part of a periodic review (www.rsm.global). Neither describes a book-specific write-down pack, which is the narrower workflow gap this report addresses.

Match the three layers by asset, book and currency:

- **Register layer:** the Asset Register "lists cost, accumulated depreciation, and net book value for each asset" (docs.oracle.com), and the Depreciation Schedule Net Book Value report "shows each asset's current value for the period". The Accounting Books filter is available only with Multi-Book Accounting, so run the reports once per book.
- **Journal layer:** the journal total for the write-down must equal the register change in the same book and currency.
- **Next-period layer:** the next depreciation run must equal the expected figure. Depreciation is re-run to depreciate assets after you revise their method or period, and it stops when the last depreciation period is reached. A mismatch is the signal that the lifetime, residual value or revision rule was not what the approval assumed.

Audit Evidence Matrix

Auditors apply evidence standards, not NetSuite conventions. PCAOB AS 1105 says audit evidence "must be both relevant and reliable" (pcaobus.org), that evidence from an independent knowledgeable source is more reliable (pcaobus.org), and that when company-produced information is used the auditor must "test the accuracy and completeness of the information, or test the controls over the accuracy and completeness" (pcaobus.org). A FAM register report is company-produced information, so the report parameters and the permissions that produced it belong in the pack. ISA 500 similarly asks the auditor to consider "relevance and reliability of the information to be used as audit evidence" (iaasa.ie).

For the estimate itself, AS 2501 describes testing "the methods, data, and significant assumptions used in developing the estimate" (pcaobus.org), and reasonableness of significant assumptions (pcaobus.org). If a valuation specialist is used, AS 1105 defines such a specialist as a person or firm "possessing special skill or knowledge in a particular field" (pcaobus.org), and ISA 500 requires the auditor to evaluate "the competence, capabilities and objectivity" of management's expert (iaasa.ie). *Table 3* below converts those expectations into an asset-to-journal matrix.

Evidence item	What it proves	Owner and source	Tie-out test
Trigger memo	A defined event or indicator prompted the review	Controller; business owner	Date precedes the test; indicator matches the framework
Valuation model and reviewer	The measurement is supportable	Valuation lead; independent reviewer	Assumptions and data tested (pcaobus.org); specialist competence (iaasa.ie)
Approved amount by book	One approved value per book and currency	Accounting adviser; approver	Amount equals the Calculate result on the FAM screen
Allocation schedule	Group loss assigned to asset records	Fixed asset accountant	Sums to approved amount; pro rata basis documented

Evidence item	What it proves	Owner and source	Tie-out test
FAM transaction reference	The system recorded the approved action	System administrator	Process status complete; revaluation shown in history
Journal links and approval	Posting matches the transaction and was approved	Accounting; journal approver	Journal ID from history; approval recorded where an approval path applies
Revised depreciation forecast	Future charge reflects the new basis	Fixed asset accountant	Next run equals expected; forecast regenerated if reset
GL tie-out	Register equals ledger by book	Financial reporting	Register NBV equals ledger net asset accounts per book
Disclosure review	Required facts are available	Financial reporting lead	Description and method for fair value (storage.fasb.org)

The matrix is intentionally asset-and-journal-centric. Its first three rows come from outside NetSuite, and without them the next six rows prove only that the system did what it was told. For companies subject to the SEC's internal-control interpretive guidance, management must maintain "evidential matter, including documentation" (www.sec.gov), which adds documentation expectations to the same pack. That guidance also notes that internal control "cannot provide absolute assurance due to its inherent limitations" (www.sec.gov), which is a reason for a second reviewer on large write-downs.

Close Sign-Off Checklist

- **Before posting:** approved amount by book in writing, trigger memo dated, allocation schedule balanced, accounting period open, posting user holds journal rights.
- **At posting:** book selection matches the approval, Calculate result agrees to the approved amount, status reaches complete, journal approved where an approval path applies (custom-journal approval is not available with Multi-book accounting, so confirm the path in a sandbox first).
- **After posting:** register NBV and ledger agree per book, depreciation history shows the revaluation, forecast regenerated.
- **Next period:** depreciation equals expectation, with variance explained.
- **Disclosure:** the disclosure team receives register extracts and the model, and the tax team receives the book-basis change.

Implementation Considerations and Process Changes

Controls to Add to the Month-End Close

Three process changes carry most of the value. First, make the approved-amount memo a required attachment to the FAM transaction, so that no one posts a value from a spreadsheet alone. Second, restrict the revaluation permission to a small group, and separate the person who calculates from the person who approves the journal, consistent with the way FAM runs under user permissions. Third, add a standing next-period depreciation check to the close checklist, because useful lives are often set at first recording and left

unchanged for years (www.rsm.global), and a write-down is a natural moment to revisit them. EY notes that when an impairment is recognized "it also may be appropriate to consider changing the asset's remaining useful life" (www.ey.com). That decision is for advisers, but the FAM entry must reflect it exactly.

When a Consultant Merits the Cost

Single-book, low-volume write-downs are generally manageable by an internal administrator following Oracle's procedure. Outside help becomes worth considering when one or more of these conditions apply:

- **Multi-book configuration is incomplete:** secondary book accounts, currencies or methods are not mapped, or assets must be linked to new books, where whether catch-up history is created should be confirmed in a sandbox.
- **Volume is high:** hundreds of components need revaluation and the CSV constraints apply.
- **Approval routing is unclear:** the account mixes custom journals and multi-book, which Oracle documents as incompatible.
- **Reconciliation needs automation:** a saved search or SuiteScript report that joins register, history and journal by asset, book and currency is cheaper than monthly manual matching.
- **Remediation:** historical write-downs were keyed through manual journals that never touched the register.

NetSuite implementation and administration partners perform this kind of multi-book configuration and reporting work. A neutral selection test is whether the partner will run the closed-period and approval cases in a sandbox and hand over the test evidence, not only the configuration.

Data Analysis and Evidence

The quantitative core of this topic is small and mostly arithmetic, because no public benchmark measures how often controllers write down FAM assets, and none is invented here. Four categories of verifiable figures exist.

Worked-example arithmetic (hypothetical). The US GAAP book moves from NBV of $788,333.33 to $638,333.33, a 19.0 percent reduction, and monthly depreciation falls 19.0 percent from $9,166.67 to $7,422.48 because remaining months are unchanged and the NBV falls. The IFRS book moves from EUR 645,833.33 to EUR 445,833.33, a reduction of 31.0 percent, and monthly depreciation falls from EUR 10,416.67 to EUR 7,190.86. Percentages are computed from the table above and are illustrative only.

System limits documented by Oracle. The bulk CSV is limited to 10 MB, applies to component assets only, and is rejected as a whole on any validation error. These are the numeric platform limits most relevant to this workflow.

Dates and effective-date context. FASB Statement 144, the origin of today's long-lived asset impairment model, took effect for fiscal years beginning after December 15, 2001 (storage.fasb.org). IAS 36's goodwill reversal rule is stable: "An impairment loss for goodwill is never reversed" (www.ifrs.org), and Grant Thornton states that IAS 36 prohibits any reversal on goodwill (www.grantthornton.global). Goodwill is outside FAM asset records, but it shows that reversal rules are asset-class specific.

Tax thresholds (as of November 2026). A book write-down is not itself a section 179 deduction, but controllers reconciling tax fixed-asset schedules often check expensing limits. Rev. Proc. 2025-32 sets the 2026 section 179 maximum at $2,560,000 (www.irs.gov). These limits are tax-year specific, so a tax adviser should confirm them.

Source discrepancies. Oracle's pages describe write-down behavior but do not state debit and credit lines, closed-period handling or reversal procedures. Where Oracle's documentation is silent on a point, this article marks it as a sandbox test item rather than presenting a conclusion.

Implications and Future Directions

Year-end review timing. Controllers planning year-end asset reviews can use the structure here as a template, with one memo, one approved amount and one FAM transaction per book. The need for book-specific values will grow as groups report under both frameworks, and disclosure requirements already ask for the description of the impaired asset and the method used to determine fair value.

Reversal policy as a design question. Because IFRS permits reversals subject to a cap (www.grantthornton.global) and US GAAP prohibits them for held-and-used assets, a future reversal in the IFRS book would not mirror the US GAAP book. FAM's documented procedure addresses write-downs, so companies should define in advance whether a reversal would be a controlled manual journal with register adjustments, or a supported FAM transaction verified in testing. Held-for-sale reclassification is a different matter, since US guidance allows reversals for assets held for sale up to the cumulative loss (www.deloitte.com).

Evidence automation. The matrix in Table 3 can be turned into a saved report. Because AS 1105 requires testing of the accuracy and completeness of company-produced information (pcaobus.org), a locked, version-controlled report definition is stronger evidence than ad hoc exports. PCAOB guidance also warns that more evidence of the same kind "cannot compensate for the poor quality" of evidence (pcaobus.org), so a larger spreadsheet is not a substitute for a reviewed model.

Standards change. Both standards bodies update their materials. Users should check the current IAS 36 and ASC 360 text before relying on any paragraph reference. The depreciation, currency and tax interactions in this report are stable, but a review of the current edition of each standard is a normal part of the annual close.

Frequently Asked Questions (FAQs)

What is the NetSuite FAM write-down workflow in one sentence? Obtain an approved amount per book, run Asset Revaluation for each affected book, process, approve the journal, and reconcile register to ledger.

Can NetSuite FAM write down an asset in only one accounting book? Oracle's multi-book page says the Accounting Book field lets the user select which linked books to revalue. Test that the unselected book remains unchanged before relying on it.

Does a NetSuite write-down journal replace the impairment test? No. The test is an accounting assessment under IAS 36 or ASC 360, and FAM records the approved result.

Can asset revaluation reverse a US GAAP impairment? The feature name does not change the standard: restoration of a recognized impairment loss is prohibited for held-and-used assets.

Does FAM write-down apply to tax depreciation methods? Oracle limits the feature to accounting methods and does not apply it to alternate or tax methods that are not linked to an accounting book.

Which depreciation book setup items affect a write-down? Base currency, per-book methods, secondary book accounts and the write-down credit-side preference.

What do auditors ask for at month-end close? The trigger memo, model and reviewer, approved values, system reference, journals, forecast and ledger tie-out described in Table 3, tested against relevance and reliability.

Conclusion

A NetSuite fixed asset write-down is a controlled translation step: an approved accounting judgment, expressed once per book, becomes a FAM transaction and a journal. The accounting framework determines the amount, IFRS through recoverable amount and US GAAP through recoverability and fair value, and the two can legitimately disagree. FAM records the approved value per linked book in that book's base currency.

The practical decision for controllers is therefore about evidence design. Confirm the approval before the transaction, select the book deliberately, calculate and process, and approve the journal. Then prove the outcome with a per-book reconciliation, a next-period depreciation check and a documented pack that an auditor can test. Items that Oracle's pages do not settle, including closed-period posting, credit-side account behavior and reversal handling, should be resolved in a sandbox and recorded. Organizations whose multi-book setup is incomplete, whose volumes are large, or whose approval routing is unclear can reasonably involve a NetSuite implementation partner, while accounting conclusions remain with qualified advisers and auditors.

Source links

Links cited in this article, in order of first appearance. Full addresses are provided for readers using extracted text.

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