

**COST ACCOUNTING STANDARDS BOARD
DISCLOSURE STATEMENT
REQUIRED BY PUBLIC LAW 100-679**

**PART V - DEPRECIATION AND
CAPITALIZATION PRACTICES**

NAME OF REPORTING UNIT

**Item
No.**

Item description

Part V Instructions

Where a home office either establishes practices or procedures for the types of costs covered in this Part or incurs and then allocates these costs to its segments, the home office may complete this Part to be included in the submission by the segment as indicated on page (i) 4., General Instructions.

- 5.1.0** **Depreciating Tangible Assets for Government Contract Costing.** (For each of the asset categories listed on Page __, enter a code from A through H in Column (1) describing the method of depreciation (Code F for assets that are expensed); a code from A through C in Column (2) describing the basis for determining useful life; a code from A through C in Column (3) describing how depreciation methods or use charges are applied to property units; and a Code A, B or C in Column (4) indicating whether or not residual value is deducted from the total cost of depreciable assets. Enter Code Y in each column of an asset category where another or more than one method applies. Enter Code Z in Column (1) only, if an asset category is not applicable.)

Column (1)—Depreciation Method Code

- A. Straight Line
- B. Declining balance
- C. Sum-of-the years digits
- D. Machine hours
- E. Unit of production
- F. Expensed at acquisition
- G. Use charge
- H. Method of depreciation used under the applicable Internal Revenue Procedures
- Y. Other or more than one method 1/
- Z. Asset category is not applicable

Column (2)—Useful Life Code

- A. Replacement experience adjusted by expected changes in periods of usefulness
- B. Term of Lease
- C. Estimated on the basis of Asset Guidelines under Internal Revenue Procedures
- Y. Other, or more than one method 1/

Column (3)—Property Units Code

- A. Individual units are accounted for separately
- B. Applied to groups of assets with similar service lives
- C. Applied to groups of assets with varying service lives
- Y. Other or more than one method 1/

Column (4)—Residual Value Code

- A. Residual value is estimated and deducted
- B. Residual value is covered by the depreciation method (e.g., declining balance)
- C. Residual value is estimated but not deducted in accordance with the provisions of 48 CFR 9904.409 1/
- Y. Other or more than one method 1/

1/ Describe on a Continuation Sheet.