90.30.35 Immaterial prior period adjustments and corrections

June 1, 2026

~~June 1, 2016~~

90.30.35.e

To adjust a receivable that was underestimated. For purposes of this example, assume that an agency recorded an estimated receivable in the amount of $20,000 and in the subsequent year received payment in full of $30,000. After liquidating the receivable for the amount received, the residual balance is adjusted through current year revenue. Refer to Subsection 90.20.20.e.

	Dr.	Cr.
Accounts Receivable (1312)	10,000	
Accrued Revenues (3205) (with appropriate source code)		10,000

90.30.35.f

To record an immaterial prior period adjustment to the General Capital Assets Subsidiary Account 997. Assume that the agency discovers that equipment cost is understated in AFRS by $10,000. Refer to Subsection 90.20.15.~~f~~e. If the agency discovers that the equipment cost is overstated, the entry would be reversed.

	Dr.	Cr.
Furniture and Equipment (2410)	10,000	
Capital Asset Adjustment (General Capital Asset Subsidiary Account Only) (6597) Subobject WF "Capital Asset Adjustment"		10,000

90.30.35.g

To record an immaterial prior period adjustment to the General Capital Assets Subsidiary Account 997. Assume that the agency discovers that the allowance for depreciation is understated in AFRS by $7,500. Refer to Subsection 90.20.15.~~f~~e.

	Dr.	Cr.
Depreciation/Amortization Expense (General Capital Asset Subsidiary Account Only) (6591) Subobject WA "Depreciation/Amortization"	7,500	
Allowance for Depreciation – Furnishings and Equipment (2420)		7,500

90.30.35.h

To record an immaterial prior period adjustment to the General Capital Assets Subsidiary Account 997. Assume that the agency discovers that the allowance for depreciation is overstated in AFRS by $8,500. Refer to Subsection 90.20.15.~~f~~e.

	Dr.	Cr.
Allowance for Depreciation – Furnishings and Equipment (2420)	8,500	
Capital Asset Adjustment (General Capital Asset Subsidiary Account Only) (6597) Subobject WF "Capital Asset Adjustment"		8,500

90.30.35.i

To record a capital asset immaterial prior period adjustment to a proprietary or fiduciary fund type account. Assume that the agency discovers that equipment cost is understated in AFRS by $10,000. Refer to Subsection 90.20.15.f. If the agency discovers that the equipment cost is overstated, the entry would be reversed.

	Dr.	Cr.
Furniture and Equipment (2410)	10,000	
Gains and Losses on Sales of Capital Assets (3213) Revenue Source 0418 "Gain or Loss On Sale of Capital Assets"		10,000

90.30.35.j

To record a capital asset immaterial prior period adjustment to a proprietary or fiduciary fund type account. Assume that the agency discovers that the allowance for depreciation is understated in AFRS by $7,500. Refer to Subsection 90.20.15.f.

	Dr.	Cr.
Depreciation/Amortization Expense (6511) Subobject WA "Depreciation/Amortization"	7,500	
Allowance for Depreciation – Furnishings and Equipment (2420)		7,500

90.30.35.k

To record a capital asset immaterial prior period adjustment to a proprietary or fiduciary fund type account. Assume that the agency discovers that the allowance for depreciation is overstated in AFRS by $8,500. Refer to Subsection 90.20.15.f.

	Dr.	Cr.
Allowance for Depreciation – Furnishings and Equipment (2420)	8,500	
Gains and Losses on Sales of Capital Assets (3213) Revenue Source 0418 “Gain or Loss On Sale of Capital Assets"		8,500