



WOMBOURNE PARISH COUCIL

Fixed Asset Policy

Introduction

Local Council's must maintain an asset register to ensure fixed assets are appropriately safeguarded. Once recorded on an asset register at acquisition cost, the value of assets should not change from year to year until disposal. Concepts of depreciation and impairment adjustments are not appropriate for local councils.

The register is confirmed by the Council at the end of each financial year but is a working document over the following financial year, during which Council Officers will update and amend details as necessary.

The definition of fixed assets are property, plant and equipment with a useful life of more than one year used by the Council to deliver its services.

Purpose

A fixed asset register has four main purposes:

- i) It forms a base for completion of box 9 of the Annual Return
- ii) It forms a basis for decisions on risk and insurance issues
- iii) It provides information on the age and potential lifespan of certain items
- iv) It provides assurance of the continued existence of Council's property.

Items for inclusion

In order to ensure transparency and reasonableness, the following items are included in the Council's asset register, whether purchased, gifted or otherwise acquired, together with their holding location:

- i) Land and buildings held freehold or on long term lease in the name of the Council
- ii) Community assets
- iii) Vehicles, plant and machinery
- iv) Assets considered portable, attractive or of community significance
- v) Other assets estimated or known to have a minimum purchase or re-sale value of £250

Any fixed asset with an acquisition cost of less than £250 will be entered on the Council's inventory list maintained by the Clerk; this document will also be confirmed by the Council at the end of the financial year.

The Clerk may dispose of any items under the value of £250 from the Council's inventory so long as the inventory is updated to reflect the disposal.