

Policy

Fixed Asset

1. Purpose

- 1.1 To allow the council to maintain a register of its fixed assets.

2. Fixed asset register

- 2.1 A fixed asset register is an important component in the control of the council's assets.
- 2.2 The register:
 - 2.2.1 facilitates effective physical control over assets
 - 2.2.2 provides information that allows the council to make the most cost-effective use of its capital resources
 - 2.2.3 helps to ensure assets aren't overlooked, underutilised or used inefficiently
 - 2.2.4 forms a record of assets held for insurance purposes
 - 2.2.5 supports the completion of the annual return entry for capital assets by holding the relevant information in one place.

3. Treatment of assets

- 3.1 A fixed asset is a physical item, e.g., land, buildings, equipment, plant and vehicles, purchased by the council, which has a cost of £1,000 or greater, has a useful life of more than one year and has a re-sale value before the end of its life.
- 3.2 A fixed asset is fully expended in the year of acquisition or disposal.
- 3.3 If the purchase cost of an asset is not known, an estimate will be applied.
- 3.4 The acquisition of a fixed asset requires a purchase order and procurement must be in accordance with the council's financial regulations.
- 3.5 If the basis of fixed asset valuation is changed, the change should be applied consistently to all fixed assets.
- 3.6 A fixed asset will be maintained to maximise its useful life.

4. Review

- 4.1 This policy will be reviewed in December 2027 or sooner if there are changes in legislation or best practice.

Implementation date: 11 December 2024

Review Date: December 2027

Mark Green
Deputy town clerk
December 2024