WORTH PARISH COUNCIL

FIXED ASSET CAPITALISATION POLICY

INTRODUCTION

Worth Parish Council maintains a Fixed Asset Register to ensure all assets owned or controlled by the Council are properly recorded, safeguarded, and managed. The register supports sound financial management, risk control and statutory reporting.

This policy follows the *Practitioners Guide* issued by the Smaller Authorities Proper Practices Panel (SAPP), which sets out the proper practices for smaller authorities in England.

In accordance with proper practices fixed assets are recorded at their original purchase cost (excluding VAT). Once recorded, the value of an asset must not change from year to year until disposal.

The Register is approved by Council at the end of each financial year and is treated as a working document throughout the year with Officers updating its acquisitions, disposals and changes as they occur.

PURPOSE

A Fixed Asset Register has four main purposes:

(i) It forms a basis for completion of box 9 in the 'Annual Return.'
(ii) It forms a basis for decisions on risk management, financial planning and insurance issues.
(iii) It provides information on the age, condition and potential lifespan of certain items.
(iv) It provides assurance of the continued existence, location and ownership 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

~~Adopted July 2018~~
~~Reviewed Sep 2019~~
~~Reviewed Feb 2021~~
~~Reviewed Mar 2023~~

(ii) community assets (e.g. open spaces, play areas, street furniture)
(iii) vehicles, plant and machinery
(iv) assets considered to be portable, attractive or of community significance
(v) other assets estimated or known to have a minimum purchase or resale value of £250
(vi) long term investments, shares and loans made by the Council
(vii) assets held on trust (e.g. monies held on behalf of the Chairman's charity, if applicable)

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

DISPOSALS

An asset will be removed from the Register when it is

(i) Sold
(ii) Scrapped
(iii) Donated or transferred
(iv) Lost or stolen

Disposals must be authorised by the Council. Insurance schedules and risk assessments will be updated if applicable following disposal.

REVIEW OF THE POLICY
Subject to any new legislation, changes in Statute or case law which require immediate amendment; or the requirements of the Parish Council, this Policy will be reviewed every two years.

Adopted July 2018
Reviewed Sep 2019
Reviewed Feb 2021
Reviewed Mar 2023
Reviewed July 2026

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