

Fixed Asset Register

1. Fixed Asset Register

- 1.1 Local councils must maintain an asset register to ensure fixed assets are appropriately safeguarded and maintained.
- 1.2 The Fixed Asset Register has four main purposes:
 - It forms a basis for the completion of box 9 in the Annual Governance and Accountability Return (AGAR).
 - It forms a basis for decisions on risk and insurance issues.
 - It provides information on the age and potential lifespan of certain assets.
 - It provides assurance of the continued existence of Council's property.
- 1.3 The Register is adopted by the Council at the end of each Financial Year. It is, however, a working document that will be maintained by the Responsible Financial Officer throughout the subsequent Financial Year.

2. Scope of the Asset Register

- 2.1 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:
 - Land and buildings held freehold or on long term lease in the name of the Council.
 - Community assets.
 - Vehicles, plant and machinery.
 - Assets considered to be portable, attractive or of community significance.
 - Other assets estimated or known to have a minimum purchase or resale value of £100.
 - Long term investments, shares and loans made by the Council.
 - Assets held on trust – if any.
- 2.2 The values indicated in the asset register will inform the 'Total Fixed Assets' section of the AGAR (section 9).
- 2.3 The following items fall outside the definition for inclusion and are therefore **excluded** from the Council's asset register:
 - Land and buildings held on short term lease or rented
 - Land and buildings maintained or serviced, but not owned by the Council
 - Assets rented by or loaned to the Council
 - Stock items intended for resale
 - Stationery and other consumable items
 - Plants and trees
 - Cash, short term investments and other current assets
 - Intangible assets (e.g. trademarks, internet domain names, contingent assets, broadcast rights)
 - 'Negative' assets (e.g. provisions, borrowings, creditors and contingent liabilities)
- 2.4 Once recorded on the asset register, the value of assets must not change from year to year until disposal. Commercial concepts of depreciation, impairment adjustments, and revaluation are not required or appropriate for the 'Fixed' method of asset valuation. For reporting

purposes therefore, the original value of fixed assets will usually stay constant throughout their life until disposal (Governance and Accountability for Local Councils: A Practitioner's Guide (England) March 2020, para. 5.148).

- 2.5 All **Revenue Expenditure** (consumable) items worth less than £2,000 such as computers, printers, brush cutter, hand tools, chain saws etc. are to be included on the Council's inventory as an appendix to the Asset Register.

3. Procedure for Updating the Asset Register

- 3.1 The Responsible Financial Officer is required to update the Fixed Asset Register throughout the year, as and when assets are purchased or disposed of.