

Acton Burnell, Frodesley, Pitchford, Ruckley & Langley Parish Council

Fixed Asset Management Policy

1. Introduction

Acton Burnell, Frodesley, Pitchford, Ruckley and Langley Parish Council (ABFPR&L PC) has a duty to ensure that its investments in assets are properly managed, controlled and recorded.

The Parish Council will maintain a fixed asset register of items of value. The register will be held electronically by the Clerk and updated annually.

2. Recording of Assets

A record of fixed assets and their values is required to:

- Provide information to Councillors as to the assets under their control.
- Track and monitor the assets.
- Provide information for decision making purposes e.g., maintenance, disposal.
- Provide information for external reporting, insurance, and audit purposes.

3. Valuation

The criterion by which asset valuation will be decided for first registration on the Fixed Asset Register is at acquisition cost. Where the acquisition cost is unknown, an estimated value will be included. Where an item is gifted or has no discernible value an amount of £1 will be assigned.

The recorded value of the asset will not change from year to year until disposal of the asset at which time, the asset will remain on the Fixed Asset Register as a 'disposed asset' with a displayed value of "nil".

The commercial concepts of depreciation, impairment adjustment and re-evaluation are not required for this method of asset valuation.

4. The Fixed Asset Register

The Parish Council's Fixed Asset Register will contain the following information:

- A description of the asset, including the date on which it was acquired.
- The location of the asset
- The market value, where appropriate
- The replacement value for insurance purposes
- The disposal amount realised from the sale (if applicable)
- The reason for disposal
- The date of disposal

5. Financing of New Assets

The Parish Council will consider the acquisition of new assets and the maintenance requirements of its current assets on a regular basis, and at a minimum of once a year.

When the requirement for any new asset has been identified, the Parish Council will consider a range of funding sources including:

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- the Precept
- earmarked reserves
- a grant
- sponsorship
- a donation

The Parish Council will consider and investigate all requests from the electorate for the purchase of new assets or improved equipment, through consultation

6. Asset Inspection and Maintenance

All assets listed on the Fixed Asset Register will be inspected and reported on annually.

Assets are required to be maintained to a satisfactory standard to ensure serviceability, prolong usable life, and reduce the possibility of increased repair costs.

Asset maintenance action and costs will require the prior approval of the Council. No asset will be maintained beyond its reasonable useful life term.

7. Identification of Surplus Assets

As part of the annual asset review, the Parish Council will determine whether any current asset is surplus to needs and, if found to be so, will take appropriate action to dispose of the asset.

8. Sustainability

The Parish Council will consider ways to reduce the service costs of an asset, increase income from an asset and share assets or services for the benefit of the community wherever it is lawful, possible, and appropriate to do so.

9. Disposal

The authority to dispose of assets either by destroying or selling the item, will lie with the Parish Council. Any asset that is disposed of will remain on the Fixed Asset Register and will be listed at nil value.

10. Policy Adoption and Review

This policy will be reviewed annually.

		Document ref	Minute ref
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Date Reviewed:			
Date of Next Review:	May 2025		