



Inventory and Asset Policy

	Date	Minute Reference	Amended
Adopted: (Reviewed 4 years)	July 2024	FC24-807d	New
Next Review	July 2028		

The Keene Hall, Watchouse Road, Galleywood, Essex CM2 8PT

An authority must maintain a register of all fixed assets and long-term investments they own/hold.

Term fixed assets mean the property, plant and equipment used by the authority to deliver its services.

Long-term investment arises where the authority invests money in anything other than a short-term investment.

Authorities may choose:

- a) appropriate minimum value for deciding between fixed assets and general consumables, which is to be minuted and reviewed at least annually.
- b) whether the item would be insured or not.

An asset register is the starting point for any system of financial control. Authorities need to apply a reasonable approach to asset valuation which is consistent from year to year. Where an authority changes its method of asset valuation it will need to restate the prior year's figure in line 9 of the AGAR.

Commercial concepts of depreciation, impairment adjustments, and revaluation are not required nor appropriate for this method of asset valuation.

Galleywood Parish Council has agreed that

- a) A total list of all gifted, consumables and assets will be maintained, and this will be referred to as the Inventory List.
- b) An Asset register will be maintained, and will include individual Items of £150 and above (excluding VAT)
- c) Council must agree what gifted assets will be insured and the value of these items must be professionally valued every five years. These items must also be recorded on the Asset register.
- d) The total value of the Asset register will match that of the insurance schedule to ensure that all assets as recorded are appropriately insured.
- e) The total value of an authority's assets recorded on the Asset register as of 31 March each year is reported at Line 9 on the authority's AGAR.
- f) Additions and disposals records should allow tracking from the prior year to the current. Obsolete assets that are no longer in use must be removed from the asset register and clearly recorded as such in a separate spreadsheet tab.
- g) The Asset Register will be reviewed at the annual council meeting.

The asset register should contain in its most simple form:

- name of the asset
- location of the asset
- date asset purchased/gifted
- actual purchase cost of acquisition (less VAT if this can be reclaimed)
 - Where an authority receives an asset as a gift at zero cost, for example by community asset transfer, it should be included with a nominal £1 value as a proxy for the zero cost.
 - The recorded value of the asset will not change from year to year, unless it is materially enhanced.
- insured cost which must be updated annually (to assist in forward planning for asset replacement).
- useful life estimate
- date and condition last physically vouched
- value held for investments
- any custodian information
- a three-year forecast of replacement/maintenance costs