

Sustead with Bessingham and Metton Parish Council – Asset Register Policy

1. Introduction.

Local Councils must maintain an Asset Register to ensure that fixed assets are appropriately safeguarded. This includes items of a capital nature where values tend to be significant and which have a useful life of more than one year (Financial Regulations, section 14)

2. Scope of the Asset Register

- i) The following items are included in the Parish 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 Council's name.
 - 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, loans made by the Council
 - Assets held on trust.
- ii) The values indicated on the Asset Register will inform the total fixed assets section of the Annual return with the exception of assets held on trust.
- iii) The following items fall outside the definition for inclusion and are therefore excluded from the Parish 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 or loaned by the Council
 - Stock items intended for resale
 - Stationery and other consumable items
 - Boundaries of land owned eg fences, hedges, gates
 - Floor or land surfaces and drainage, plants and trees
 - Assets with a purchase or resale value of less than £100 (other than items listed as for inclusion on the asset register)
 - Repairs
 - Cash, short term investments and other current assets
 - Intangible assets eg trademarks, internet domain names, contingent assets, broadcast rights
 - Negative assets eg provisions, borrowings, creditors and contingent liabilities.
- iv) A separate section of the asset register will contain a schedule of disposals

3. Valuation of Assets

- i) Once recorded on the Asset Register, the value of assets must not change from year to year until disposal. Concepts of depreciation and impairment are not appropriate for local councils.
- ii) Assets must be valued by one of the following means based on available information
 - Ideally apply the purchase price, net of vat if vat has been reclaimed;
 - Otherwise apply the purchase price gross of vat if vat has not been reclaimed or where the vat status of the purchase is unclear;
- iii) When it is not possible to trace the purchase price of the assets, the insurance value should be applied. As a last resort, a nominal value of £1 should be applied. This should also be used for assets gifted to the Council.
- iv) There is no guidance where land or buildings have been subject to substantial renovation and improvement to such an extent that the new market value bears no relation to the original purchase cost. In order to avoid renovation and improvement work being separately recorded on the asset register, and in these exceptional circumstances only, a market value supplied by a qualified surveyor may be entered.

4. Procedure for updating the Asset Register

- i) The start point is the Asset Register that has been agreed for the end of the previous financial year. The cashbook should be reviewed for all purchases made during the year. A discussion should be held to identify any assets that have been gifted to the Council. Any new assets which fall in category 2i) above should be added to the Asset Register with their values recorded at purchase price (net of vat if vat is being reclaimed) or at £1 if gifted to the Council
- ii) The financial accounts should also be reviewed for all asset sales made during the year. A discussion should be held to identify any assets that have been lost, disposed of or gifted by the Council. Any assets which fall in the categories stated at 2i) above should be removed from the Asset Register and recorded in the schedule of disposals. The Asset Register should record any assets loaned by the Council, including the person or organisation borrowing the asset, its location and the date the loan period ends
- iii) A 'stock take' of Asset Register items should occur to ensure that all asset register items can be physically verified. Any assets which cannot be located should be removed from the Asset Register and recorded in the schedule of disposal.
- iv) The Asset Register, schedule of disposals and this policy will be reviewed annually by the Parish Council and approved by the Council at the same time as the Annual Return.

Policy adopted 17th August 2026.