

What is a Fixed Asset Register?

A Fixed Asset Register has four main purposes:

- It forms a basis for completion of box 9 in the 'Annual Return'.
- It forms a basis for decisions on risk and insurance issues.
- It provides information on the age and potential lifespan of certain items.
- It provides assurance of the continued existence of Council's property.

The Register is adopted by the Council at the end of each financial year, however, is a working document which Council Officers update and amend, as necessary.

Scope of Asset Register

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 portable, attractive or of community significance.
- Other assets estimated or known to have a minimum purchase or resale value of one hundred pounds.
- Long term investments, shares and loans made by the Council.
- Assets held in trust.

The values indicated in the asset register will inform the 'total fixed assets' section of the Annual Return with the exception of assets held on trust.

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.
- Boundaries of land owned (e.g., fences, hedges, and gates).
- Floor or land surfaces and drainage.
- Plants and trees.

- Assets with a purchase or resale value of less than one hundred pounds (other than items listed as for inclusion on the asset register).
- Repairs.
- 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).

Valuation of Assets

Once recorded on the asset register, the value of assets must not change from year to year until disposal. Concepts of depreciation and impairment adjustments are not appropriate for local councils (Governance and Accountability for Local Councils: A Practitioner's Guide (England) 2021 para. 5.148)

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).

Where it is not possible to trace the purchase price of the asset, the insurance valuation should be applied. As a last resort, a nominal value of one pound may be applied. This should also be used for assets gifted to the Council.