



'Committed to Improving the Quality of Life in North Hykeham'

North Hykeham Town Council

Fixed Asset Policy

1. The Council has a duty towards the electorate to ensure that its Fixed Assets investments are properly managed, controlled and recorded. A record of assets and their values is required to:
 - provide information to Councillors as to the assets under their control;
 - provide information for decision-making purposes;
 - provide information for external reporting, insurance and audit purposes.
2. A Fixed Asset is defined as a purchase that cannot readily be converted into cash and that has a long-term economic use within the Council. Fixed Assets must have a value to the Council to be retained on the Fixed Asset Register.
3. A Tool Asset is defined as a purchase that has a medium to long term use within the Council. Tool Assets must have a value to the Council to be retained on the Tools Asset Register.
4. The Council will maintain a Fixed Asset Register of items of value in excess of £1,000 which is held by the Council. It will be updated when assets are added or removed.
5. The Council will maintain a separate Tools Asset Register which will record tools of a value greater than £99. The Tools Assets Register will be updated when assets are added or removed.
6. The Fixed Asset Register and the Tools Asset Register will record assets in columnar form under the sections of:
 - Date purchased;
 - Description of Asset;
 - Location of Asset;
 - Unique Asset Number or reference (to be physically recorded on the Asset if possible);
 - Cost of the Asset;
 - Invoice or other legal Reference to the Asset cost;
 - Council minute reference authorising the asset acquisition;
 - Current estimated market value;
 - Date of last current estimated market value;
 - Disposal date of Asset;
 - Cost or Income arising from disposal of asset;
 - Council minute reference authorising the asset disposal.

7. The Fixed Asset Register will be sub-divided into the following sections for ease of clarity and access:
 - Land and Buildings
 - IT and Communications Equipment
 - Vehicles
 - Furniture and Fittings
 - Miscellaneous Assets (not covered by the categories above)
8. The RFO shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the Council.
9. The Tools Asset Register will be sub-divided into the following sections for ease of clarity and access
 - Portable Power Tools
 - Hand tools
 - Garden Machinery
 - Miscellaneous Tools Assets (not covered by the categories above)
10. Exceptionally, some Fixed Assets may be aggregated if the individual assets cost less than £499, but are part of a purchase that is materially in excess of £499. (for example, the purchase of many computers, each individually under £499). The Clerk may add such purchases to the Asset Register at his/her discretion provided the information required under sections 6 and 7 above is available.
11. Assets may be considered for disposal when they no longer provide an economic value to the Council. The “Current Estimated Market Value” of the asset within the Asset Register may be taken as an indicator of “Economic value”.
12. Assets may only be removed from the Fixed Asset Register and Tools Asset Register by a resolution from the Finance and Policy Committee.
13. The Asset Register will be audited by the Finance and Policy Committee on a periodic but regular basis at least every six months. There will be a regular review of the “Current Estimated Market Value” of assets to be carried out by the Town Clerk of his/her staff. The “Current Estimated Market Value” of assets will be part of the annual audit by Finance and Policy Committee.