

Ponsanooth Parish Council

Asset and Buildings Valuation policy

1. Ponsanooth Parish Council will use acquisition cost, including VAT for recording Assets and buildings in the Asset Register.
2. Ponsanooth Parish Council will adopt this policy on asset valuation based on 5.64 and 5.65 of the Joint Panel on Accountability and Governance Practitioners' Guide March 2022

5.64

"For authorities covered by this guide, the most appropriate and commonly used method of fixed asset valuation for first registration on the asset register is at acquisition cost. This means that the recorded value of the asset will not change from year to year unless it is materially enhanced."

5.65

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

3. The gross cost of the asset is to be recorded. If the full cost was not born by the Parish Council, this can be noted
4. The purpose of the Asset Register is to provide a starting point of financial control, 5.56 of the Joint Panel on Accountability and Governance Practitioners' Guide March 2022

5.56. An asset register is the starting point for any system of financial control over tangible assets as it:

- facilitates the effective physical control over assets
- provides the information that enables the authority to make the most cost-effective use of its capital resources
- supports the AGAR entry for fixed assets by collecting the information on the cost or 41 value of assets held
- forms a record of assets held for insurance purposes.

5. For Insurance purposes values are to be kept up to date including VAT, so in the event of a major claim the lost asset can be replaced.