

Millington cum Givendale Parish Council

16th February 2016

ASSET REGISTER – ANNUAL REVIEW

1. Introduction

The Council are required to hold a register of their assets, to comply with the advice contained within "Governance and Accountability for Local Councils - A Practitioners' Guide (England) March 2014". Relevant extracts from the guidance are noted in Appendix 1. This includes details of all land and major property items owned by the Council. As Millington cum Givendale has so few assets every item is recorded on the register.

2. Formal Register

2.1 The Council created a register although it is not clear when this was done. Evidence from the minutes indicates that it has been reviewed on a regular basis. The purpose of the review is to reflect any additions/deletions during the year and also update asset valuations to reflect the costs quoted in the current insurance policy.

2.2 A copy of the original Asset Register is set out in Appendix 3.

2.3 A new electronic register has now been created. See Appendix 4.

2.3 Additions (since March 2015)

Projector	£250.00
Chainsaw Accessories	£58.81

2.4 Deletions (since March 2015) - None

3 Issues

3.1 Various bits of data are missing e.g. dates of acquisition and current value. Including determining whether an item with a proxy value of £1 needs an actual current valuation

3.2 A policy for determining current valuation need to be produced.

3.3 To comply with the Transparency Code (See Appendix 2) the acreage of land owned needs to be added.

3.4 There is conflict between the 'Governance and Accountability for Local Councils' & 'The Transparency Code' regarding what values should be on the register. The former is explicit that the register should only contain original values, whilst the Transparency Code requires both original & current value.

3.5 When allotments have been let, these have been added to the asset register but the underlying asset has not changed, e.g. see allotment at Swineridge. Clarification is required to determine whether this is appropriate.

3.6 Clerk's Filing Cabinet - this is not on the asset register so it is not clear if the council own this.

3.7 The location of the grass trimmer is not noted.

3.8 It is not clear whether asset values include or exclude VAT. (Additions include VAT)

4. Decision Required

- 3.1 Members are asked to review and approve the Register of Assets as at 1st March 2016 as set out in Appendix 4.
- 3.2 Members are asked to ensure all issues are resolved by March 2017

Judith Roberts
Clerk to the Council

APPENDIX 1

Governance and Accountability for Local Councils A Practitioners' Guide (England) March 2014 – Extracts

Accounting for Fixed Assets

3.66 This section covers the arrangements in respect of the acquisition, maintenance and eventual replacement of those items of a capital nature where values tend to be high and which have a useful life of more than one year. These items are usually described as fixed assets (or more frequently now as non-current assets) and comprise the sum of land, buildings, equipment, plant and vehicles etc.

3.67 Long-term investments (see paragraphs 2.29 to 2.37) are assets and must also be accounted for in the asset register. See paragraph 3.47 to 3.54 on how to report long-term investments.

3.68 Fixed assets acquired in any year must be added to the asset register for management purposes. For accounting purposes, however, acquisitions and disposals of fixed assets must be treated as any other purchase or sale and recorded as part of annual receipts or payments, expenditure or income.

3.69 Once recorded on the asset and investments register, the recorded value of assets and investments must not change from year to year until disposal.

Commercial concepts of depreciation, impairment adjustments, etc. are not appropriate for local councils. For reporting purposes therefore, the 'book' value of fixed assets will stay constant throughout their life until disposal.

3.74 Most assets will be first recorded in the asset register at their actual purchase cost. In some cases the purchase cost may not be known and a proxy cost should be substituted. A proxy cost is a value for the asset which is estimated by the council based on external advice. Councils may apply the insurance value of the asset at the time of first recording as a proxy. Whether actual or proxy cost is used, for accounting purposes the first recorded value of the asset will not change throughout its life.

3.75 Whatever asset valuation basis is applied, the method used (actual or proxy) should be recorded in the asset register. If for some reason the council decides that the basis of valuation is to be changed, the change should be applied consistently to all fixed assets. In such an event, the value shown in Box 9 of the annual return for the previous year should also be changed to the same new basis and clearly marked as 'RESTATED'. The council should provide a justification and explanation for the change to the external auditor.

3.76 In the special case where a local council receives an asset as a gift at zero cost, for example by transfer from a principal authority under a community asset transfer scheme, the asset should be included in the asset register at cost. However, it is strongly recommended to ensure that such assets are always disclosed in Section 1, Box 9 of the annual return councils should assign a nominal one pound (£1) value as a proxy for the zero cost. The use of the £1 proxy is particularly important in cases where a council operates an asset registration system that requires a positive value for every asset. Any costs of bringing gifted assets into productive use should be expensed as revenue items.

3.77 Many councils own assets that do not have a functional purpose or any intrinsic resale value (for example, a village pond or war memorial). These assets are often referred to as 'community assets'. Councils should record community assets in the assets register in the same way as gifted assets (see 3.76 above).

APPENDIX 2

Extract from ERNLLCA - Advisory Note 047 - Transparency Code

Details of land, buildings and assets held. Publication of the Asset Register will suffice and must include:

- Description (and size or acreage of land)
- Location
- Whether Council is owner or custodian
- Date of acquisition
- Cost at acquisition (or proxy value)
- Present value

APPENDIX 3

EAST RIDING AND NORTHERN LINCOLNSHIRE
LOCAL COUNCILS ASSOCIATION

ASSET REGISTER

Asset Reference number	Description of Asset and date of purchase	Location of Asset	Cost	Valuation	Asset disposed of
001	Piece of land designated for children's playground	off Clay Lane, Nunnington	—	£1	Dec. 2005
002	Piece of land designated for playground area	Top of Balls, Nunnington	—	£1	
003	Plantment 1 VENOMOUS PLANT ATTORNEY STATE 1A	Average Balls running along full from entrance to top of Balls at bottom end	—	£1	
004	Plantment 2		—	£1	
005	Grass Strimmer		£180	£30	
006	Metal Seat	At top of Church Lane	£160	£160	
007	Reservoir Site	Alongside Balls	—	£1	
008	Wooden Seat	Stawcliffe View		£50	

EAST RIDING AND NORTHERN LINCOLNSHIRE
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1 of 1

Asset Reference number	Description of Asset and date of purchase	Location of Asset	Cost	Valuation	Asset disposed of
009	Viewing Board August 2005	Sawwidge View	£422	£500	
010	Attainment 3 April 2007	Sawwidge View	—	£1	
011	Bunting Sept. 2009	Home of car willoughby - Chapel house, Milton	£137.50	£140	
012	Mini guitar Feb. 2011	Home of clerk. Garage of Alan Mark Fox	£419.99	£420	
013	Attainment 1b Sept 2012	Given side post running down full from reserved to attainment 2	—	£1	

Millington cum Givendale Parish Council - Asset Register

Ref	Item	Location	Owned/ custodian	Date acquired	Date disposed	Cost / proxy value at acquisition	Present value
001	Piece of land designated for children's playground	Off Clay Lane, Millington	Disposed		Dec 05	£1.00	N/A
002	Piece of land designated for amenity area, known as Swineridge View	Top of The Balk, Millington	Owned			£1.00	
003	Allotment 1a	Alongside The Balk on NE side, from the top of the field to the reservoir	Owned			£1.00	
004	Allotment 2	Alongside The Balk on NE side, at bottom end	Owned			£1.00	
005	Grass trimmer		Owned			£180.00	£30.00
006	Metal seat	Top of Church Lane, Millington	Owned			£160.00	£160.00
007	Reservoir site	Alongside The Balk on NE side, between allotment 1b and allotment 2	Owned			£1.00	
008	Wooden seat	Within Swineridge View	Owned				£50.00
009	Viewing board	Within Swineridge View	Owned	Aug 05		£422.00	£500.00
010	Allotment 3	Within Swineridge View, to SE side	Owned	Apr 07		£1.00	
011	Bunting	Home of Clr Willoughby	Owned	Sep 09		£137.50	£140.00
012	Mini gritter	Garage of resident Margaret Fox, Millington	Owned	Feb 11		£419.99	£420.00
013	Allotment 1b	Alongside The Balk on NE side, from the reservoir down to Allotment 2	Owned	Sep 12		£1.00	
014	Projector	Clerk's Home	Owned	Nov 15		£250.00	£250.00
015	Chainsaw Accessories	Home of Clr Willoughby	Owned	Jan 16		£60.00	£60.00