Kenilworth Town Council

Jubilee House, Smalley Place, Kenilworth, CV8 1QG

Telephone: 01926 859155

E-mail: kentc@kenilworth-tc.gov.uk

Town Clerk: Miss M S Field

FIXED ASSET POLICY

Date of Approval –16/07/2026

Review – July 2029

1. Introduction

1.1 Local Councils must maintain an asset register to ensure fixed assets are appropriately safeguarded. This includes items of a capital nature where values tend to be high and which have a useful life of more than one year.

2. Scope of the asset register

2.1 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
- Assets considered to be portable, attractive or of community significance

2.2 In accordance with good practice, the Council has set a de minimus level of £250 below which expenditure will not generally be capitalised. All expenditure above the de minimus level will be deemed capital expenditure and added to the fixed asset register.

2.3 The values indicated in the asset register will inform the 'Total Fixed Asset' section of the Annual Return.

2.4 The following items fall outside the definition for inclusion and are therefore excluded from the Council's asset register:

- Assets rented or loaned to the Council
- Assets owned by charitable trusts where the Council is the trusteetems held for resale, eg. stock
- Consumable items or items with a useful life of less than a year
- Cash and short term investments
- Intangible assets eg. Armorial Bearings (See Appendix A)

2.5 The asset register and schedule of disposals will be reviewed annually by the Finance Committee and then approved by Full Council.

3. Valuation of assets and the fixed asset register

3.1 Once recorded on the fixed asset register, the value of assets must not change from year to year until disposal. Commercial concepts of depreciation, impairment adjustments, and revaluation are not required nor appropriate for this method of asset valuation. (Governance and Accountability for Local councils: A Practitioner's Guide (England) 2025).

3.2 Assets must be valued by one of the following means based on available information:

- Actual purchase price (where known)
- Proxy (estimated purchase price) value, where actual purchase price is not known
- Nominal value of £1. This should be used for assets gifted or transferred to the Council

4. Valuation of assets for insurance purposes

4.1 The fixed asset register will be used to inform the insurers of Council assets.

4.2 For the purposes of insurance, the value to be used is the replacement value of the item, not the purchase price or market value.

4.3 The Council should ensure assets are valued accurately for insurance purposes to avoid under (or over) insuring. Assets should therefore be valued at least every five years to ensure the appropriate level of insurance is held.

5. Procedure for updating the register

5.1 The start point is the asset register in a particular financial year is that which has been agreed for the end of the previous financial year. The financial ledger should be reviewed for all purchases made during the year and these added to the Register as appropriate; any assets which have been gifted should also be identified. The value attributed to each item added to the Register should be in accordance with paragraph 3 above.

5.2 The financial ledger should also be reviewed for all asset sales or disposals made during the year; disposals should include assets which are no longer in use and which will not be used in the future. Any assets which fall in the categories above should be removed from the asset register and recorded in a schedule of asset disposals.

5.3 A 'stock take' of items on the Register should take place on a regular basis to physically verify that each asset exists; each item on the asset register should be so verified at least once every three years. A note should be recorded on the Register to confirm the verification of the appropriate asset; the note should include the date of verification and the identity of the person doing so. Any assets which cannot be located should be removed from the Register and recorded in the schedule of disposals.

Appendix A - Intangible Assets

Intangible assets such as Armorial Bearings, Digital domains – kenilworth-tc.gov.uk and visit.kenilworth.org, and the Kenilworth Revealed App are considered to fall outside the definition of fixed assets according to section 5.57 of the Governance and Accountability for Local Councils' Practitioner's Guide 2025. These have not therefore been included in our standard Fixed Assets Register.

Intangible assets can be recorded separately by a local council if they are deemed to hold a significant community or financial value.

This council records all intangible assets in a separate section of the register to ensure transparency but keeping physical fixed assets distinct for insurance and annual reporting purposes.

Where possible intangible assets will be recorded as:

a. Intangible Assets that incur a capital replacement cost if lost or damaged e.g. website
b. Intangible Assets that have no capital replacement cost