



Asset Valuation Policy

Purpose and Context

The Town Council has assets totalling £1,840,413 for the year ended 31 March 2026. The Council has a duty to ensure that its assets are properly managed, controlled and recorded.

Policy Statement

The Town Council will maintain a Fixed Asset Register of all land; items of value in excess of £100 that it has purchased and items gifted to the Town Council. The Register is held in the Town Council Office. It will be updated at least annually. A record of assets and their corresponding value is required to provide information:

- to Councillors as to the assets under their control
- for decision making purposes
- for external reporting, insurance and audit purposes

The Fixed Asset Register

The Town Council's Fixed Asset Register contains the following information:

- Description of the asset
- Date acquired (if known)
- Location of the asset
- Cost of the asset (this may include a nominal amount of £1 if the asset was a gift to the Town Council) or insurance value if the cost of the asset is not known
- Any disposal amount received
- Reason for disposal

Method of Valuation

The Joint Panel on Accountability and Governance, Practitioners' Guide for 2025 states that all the fixed assets, long-term investments and debtor long-term loans the authority owns must be included on the Asset Register.

The term fixed assets mean the property, plant and equipment used by the authority to deliver its services. A long-term investment arises where the authority invests money in anything other than a short-term investment.

The asset value stated on 31 March each year includes all acquisition and disposal transactions recorded in the cashbook. Long term loan assets must be included at the amount originally advanced, less any subsequent repayments. The Council is responsible for applying a reasonable approach to asset valuation which is consistent from year to year.

The method of asset valuation adopted by the Town Council is set out below:

- Where the purchase price of the asset is known the purchase price will be recorded

- If the asset was gifted to the Town Council then the value will be recorded as £1
- If the purchase price is unknown then the insurance value will be used

Commercial concepts of depreciation, impairment adjustments, and revaluation are not required or appropriate for this method of asset valuation. Therefore, for reporting purchasing on the Fixed Asset Register the recorded value of fixed assets will stay constant throughout their life until disposal.

If it is determined that the Town Council should change the basis of valuation, the change will be applied consistently to all relevant classes of fixed assets.

Maintenance

The Town Council's assets will be inspected in line with best practice and maintained to a satisfactory standard.

Disposal of Assets

The authority to dispose of assets either by destroying, selling them or otherwise, will lie with the Town Council. Any revenue obtained from the disposal of an asset will in normal circumstances be credited to the cost centre which originally purchased the asset, for replacement of the item or to the general reserve if a replacement is not required.

This Asset Valuation Policy was considered and approved by Bingham Town Council on 16 May 2023

This Policy will be reviewed biannually and revised as necessary to reflect changes to the business activities and any changes to legislation.

POLICY REVIEW & UPDATES	DATE	MINUTE REF
Full Council	07 May 2024	23k
Finance, Policy and Resources	05 May 2026	14a