
What We Own – Fixed Assets

Parish Councils must maintain an asset register to ensure fixed assets are appropriately safeguarded. Once recorded on the asset register at acquisition cost, the value of assets must not change from year to year until disposal. Concepts of depreciation and impairment adjustments are not appropriate for local councils.

A Parish Council's fixed asset register has four main purposes:

1. It forms a basis for decisions on risk and insurance issues.
2. It provides information on the age and potential lifespan of certain items.
3. It provides assurance of the continued existence of Council's property.
4. It forms a basis for completion of box 9 in the 'Annual Return.'

The asset register is updated by the Parish Council at the end of each financial year but is a working document it will be amended as necessary. The definition of fixed assets are property, plant and equipment with a useful life of more than one year used by the Council to deliver its services

The following items are included in the Chigwell Parish Council's asset register, whether purchased, gifted or otherwise acquired, together with their holding location:

1. land and buildings held freehold or on long term lease in the name of the Council
2. community assets
3. vehicles, plant and machinery
4. assets considered to be portable, attractive or of community significance
5. other assets estimated or known to have a minimum purchase or resale value of £250

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

1. land and buildings held on short term lease or rented
2. stock items intended for resale
3. stationery and other consumable items
4. plants and trees
5. assets with a purchase or resale value of less than £100 (other than items listed as for inclusion in the asset register)

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

1. the purchase price OR
2. the insurance valuation should be applied where it is not possible to trace the purchase price of the asset OR
3. a nominal value of £1 may be applied as a last resort. This should also be used for assets gifted to the Council.

The Asset register will be used to inform the insurers of Council assets. For the purposes of insurance, the value to be used is the replacement value of items and not the purchase price as per the asset register. Chigwell Parish Council's Insurance Schedule and the Parish Council's asset register are available from the Parish Clerk