THE BAROSSA COUNCIL
NON-CURRENT ASSET ACCOUNTING POLICY

1 Purpose

1.1. The purpose of this Policy is to guide the accounting for Non-Current Asset in the accounts and Asset register of Council.

2 Scope

2.1 This policy applies to all accounting treatments for Council's Non-Current Assets.

2.2 This policy applies to Council and Employees of Council.

3 Policy Statement

3.1 Classification

Council's Non-Current Assets are classified in accordance with the Asset Classification Schedule referenced in this Policy. Where there is no direct or reasonable applicable classification category the Manager Financial Services in consultation with relevant officers will update the schedule with the approval of the Chief Executive Officer or allocate to an appropriate classification of best fit.

3.2 Capitalisation

Expenditure, or other transactions such as transfer of an Asset for no value, on an item which results in the creation of a future economic benefits over a period greater than one year and are solely controlled by Council are to be capitalised in accordance with this Policy where:

3.2.1 It is probable that the future economic benefits embodied in an Asset will eventuate, and

3.2.2 The Asset possesses a cost that can be measured reliably (as a monetary value) and its value at the time Council gains control over the Asset is more than:

Buildings *	
- Buildings (including Toilets)	$20,000
- Sheds, Pergolas, Cabins, Carports and Other Structures	$10,000
- Buildings at Componentisation	$50,000
Sealed Roads*	
- Reconstruction and Renewal Work	$20,000
Sheeted Roads	
- Resheeting, Major Patch Repair and Road Shoulders	$15,000
- Community Wastewater Management Systems (CWMS)	$ 5,000
- Footpaths, Kerbs and Carpark Surfaces	$10,000
- Stormwater and Drainage	$ 5,000
- Bridges, Floodways and Major Culverts	$15,000

-	Parks and Reserves Development	$ 5,000
-	Plant and Equipment (including all road registered items)	$ 5,000
-	Furniture and Fittings	$ 5,000
-	Core Software Programs	$15,000
-	Township Entrance Statements	$ 5,000
-	All Other Assets	$ 5,000

** These Assets are capitalised when replacing/renewing Assets that are >10% of the Current Replacement Cost.*

A comprehensive list of Asset groups contained within each Asset category is included in the Asset Classification schedule.

3.2.3 Where the value of individual Assets falls below the Asset threshold for capitalisation, but the Assets form part of a network or Asset group such as for park furniture on a reserve, consideration will be given to capitalising the individual Asset based on whether the aggregate value of those Assets exceeds the capitalisation threshold.

3.2.4 All capitalised Assets are to be recorded in Council's asset register and shall be properly identified, recorded, and classified. For each Asset, a determination shall be made of its total life, remaining useful life, cost for accounting purposes and method of Depreciation.

3.2.5 Asset details shall be kept in Council's asset register for all capitalised Assets. Accuracy of details supporting capitalised Assets shall be the responsibility of the relevant Director, Manager, or Officer responsible for the Asset.

3.2.6 The relevant officer shall ensure all necessary documentation and accounting information is provided to the Manager Strategic Assets within eight weeks of the Asset completion and not later than 15 July each year as it relates to the end of financial year.

3.2.7 Assets specifically excluded from capitalisation include directional and informational signage and trees and plantings except where these investments are associated with precinct and other significant developments of facilities and integral to the overall asset service at the location (for the avoidance of doubt this does not include regular asset replacement of trees or new plantings not associated with a broader precinct site development).

3.2.8 Land Under Roads is excluded from capitalisation.

3.2.9 Community buildings, structures and associated Assets (on Council owned land or Crown Land that is under the control of Council) that are managed under executed land only lease agreements will not be valued in Council's asset register and therefore will not be depreciated. Council will only recognise these Assets in the event of expiration/termination of the lease and the abandonment of the building and associated Assets unless the lease agreement specifies otherwise. In the event of a loss, it is recognised that Council may not necessarily replace the building and associated Assets. Council may still conduct insurance valuations as per terms of lease agreements currently in Councils' Lease and License Policy.

3.2.10 All Assets recorded in the fixed Asset register will be correctly entered and maintained according to the information management principles applicable such as their specific Asset Class, Asset Category and Asset Group.

3.2.11 The recognition of Assets in the asset registers and financial accounts of Council where applicable:

3.2.11.1 Are to be Componentised in accordance with the Asset Classifications schedule.

3.2.11.2 Shall be allocated via clause 3.3.3 – Table 1 below to reflect reasonably based allocation of costs associated with renewal or replacement of the Asset based on an estimation of the cost to provide the prior service basis and a portion where costs have been allocated to upgrading the Asset.

3.3 Renewal Versus Upgrade

3.3.1 Renewal is the replacement or refurbishment of an existing Asset (or component) with a new Asset (or component) capable of delivering the same service base as the existing Asset including any additional legislation or regulatory requirements.

3.3.2 A substantial amount of upgraded Asset work completed each year is partly renewing components of existing Assets. For normal work cycles, components of these Assets would need to be replaced when the Depreciation or consumption of them had reduced their remaining life to zero, but as they are being upgraded to a better service level, they are effectively replacing Asset components that would normally need to be replaced as/when due.

3.3.3 The following table provides guidance for the allocation of expenditure or other transactions to renewal and upgraded allocation where it bridges both clause 3.3.1 and 3.3.2, in that has an element of both traits. The table is not meant to represent each type of transaction but rather provide relevant guidance for the management of the asset register and financial disclosures.

Table 1

Type of Transaction	Basis of Allocation to Renewal / Replacement	Basis of Allocation to Upgrade / New
Rural Open Gravel Road to Sealed Road	Base preparation	Seal Cost
Sealed Road – Surface Level Change – 2 coat seal to Asphalt	Estimated Costs of Two Coat Seal, line marking and other ancillaries	Balance of Project Cost
Building and Other Structures – same service basis e.g., clubroom, office, shed, carport but expanded/upgrades area and amenity	Portion of costs for original footprint	Portion of costs for expanded footprint
Bridges, Floodways and Major Culverts - Upgraded	Portion of costs for original area of infrastructure	Balance of Project Cost
Stormwater – Drains, Pipes, Channels	Portion of costs for original flow management or area or size of pipe	Balance of Project Costs
CWMS Assets – Storage	Portion of costs for original footprint	Portion of costs for expanded footprint
CWMS Pipes	Portion of costs for original pipe replacement	Balance of Project Costs
CWMS Treatment Plant	Portion of costs for original plant capacity	Balance of Project Costs

Unmade Road being made to any service level	N/a	All Costs
Donated or Received Free of Charge	N/a	All Costs based or Valuation provided by developer or other organisation gifting the Asset
Where the Definition of Clause 3.3.3 not met and is therefore a new Asset	N/a	All Costs

3.4 Acquisition

3.4.1 Council's Assets may be acquired by purchase, construction, donation or received free of charge (as in the case of infrastructure Assets received from developers in new land divisions).

3.4.2 In all cases of acquisition by purchase or construction, the requirements of Council's relevant policies including the Prudential Management Policy and the Procurement Policy must be followed.

3.4.3 Assets acquired by Council shall be recorded in line with applicable Australian Accounting Standards (AASB) using the cost method of accounting which is the Fair Value given as consideration plus costs incidental to acquisition including architect's fees, engineering fees and all other costs incurred in preparing the Asset ready for use.

3.4.4 An Asset Acquisition Form or relevant documentation is required to be completed in all instances where an Asset is created, and it meets the definition of an Asset (excluding developer donated Assets received free of charge).

3.5 Internally Partially or Fully Constructed Assets

3.5.1 The cost of Assets constructed by the Council will include the cost of all materials used in construction, direct labour employed and, where relevant, an appropriate internal allocation amount to represent labour overheads and the use of Council's internal plant and machinery used on the project. Labour overheads will be based on outdoor labour hours worked and plant and machinery allocation will be based on usage.

3.5.2 Other directly attributable costs, including not limited to costs of employee benefits (including relevant Salary allocation) arising directly from the construction or acquisition of the item of property, plant and equipment, and professional fees. Refer AASB116 and AASB119.

3.6 Revaluation

3.6.1 After recognition as an Asset, an item of property, plant, and equipment whose Fair Value can be measured reliably shall be carried at a revalued amount, being its Fair Value at the date of the revaluation less any subsequent accumulated Depreciation and subsequent accumulated Impairment Losses. All infrastructure Assets, land and buildings shall be revalued on a regular basis such that the carrying value does not differ materially from that which would be determined using Fair Value at the end of the reporting period. If an item of property, plant and equipment is revalued, the entire class of property, plant, and equipment to which that Asset belongs shall be revalued.

3.6.2 Council considers it appropriate to establish revaluation thresholds that will result in Assets of a value greater than a certain level being revalued. In setting the thresholds Council will consider the number and value of existing Assets and their class and type within the total portfolio. The threshold will be set at a level where even if those Assets below the threshold were not revalued, the overall impact on the total portfolio would be immaterial.

3.6.3 Typically, Fair Value is taken as being the Current Replacement Cost owing to the specialised nature of the Assets and inability to purchase or sell them on the open market. The market approach is used where there is an active market. The income approach is usually used only with for-profit entities where the Asset generates income/profits then the Assets must be measured on either the cost or fair value basis. Market evidence should be used for determining valuations wherever such evidence exists. Where market evidence does not exist, Fair Value may need to be estimated by an income or Current Replacement Cost approach. Current Replacement Cost will be the basis of valuation of structures on Community Land. Structures erected or constructed on non-Community Land that have a market value will however need to be valued using a market-based approach.

3.6.4 The Asset officer responsible for the maintenance and accuracy of the data relevant to the Asset information in the Asset register shall with the Co-ordinator Asset Management be responsible for ensuring revaluations occur regularly in accordance with AASB13.

3.7 Leases

3.7.1 In accordance with AASB16 Leases, all leases (subject to the exceptions described below), will be capitalised by recognising a Right of Use Asset together with a liability for the present value of the lease obligation.

3.7.2 Depreciation will be calculated on the Right of Use Asset and interest will be calculated on the lease liability.

3.7.3 The value of the Right of Use Asset and the lease liability will include non-cancellable lease payments and payments for option periods which Council is reasonably certain to exercise.

3.7.4 The following leases will be excluded from capitalisation:

- Short Term Leases – leases for a period of 12 months or less
- Low Value Items – items which when new have value below the threshold e.g., laptops, tablets, computers, small items of furniture and equipment. This low value item is applied to an item, not to a group of items, and applies to the ‘as new’ value, not a second-hand value.

3.8 Assets Registers

Registers of all Assets shall be maintained and shall record individual Assets in sufficient detail as to permit their identification and control. The Assets registers shall be updated at least annually. The Assets registers shall be used for the purpose of revaluing and depreciating Assets and for stocktaking. A stocktake of all plant and equipment, including computer equipment, shall be conducted regularly.

3.9 Impairment

3.9.1 Assets whose future economic benefits are not dependent on the ability to generate cashflows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

3.9.2 All other Assets that are subject to Depreciation not included with section 3.9.1 are reviewed for impairment whenever events or changes in circumstances indicate that the Carrying Amount may not be recoverable. An Impairment Loss is recognised for the amount by which the Asset's Carrying Amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use). Where an Asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of Assets in Asset Revaluation Reserve, any excess being recognised as an expense.

3.10 Physical Resources

An item of Property, Plant and Equipment may be gifted or contributed to the Council. As per AASB116 the cost of the item is its Fair Value as at the date it is acquired.

3.11 Depreciation

3.11.1 Depreciation is the systematic allocation of the Depreciable Amount of an Asset over its useful life. The Depreciation method used shall reflect the pattern in which the Asset's future economic benefits are expected to be consumed by the entity. Straight line Depreciation is the method that most closely reflects the expected pattern of consumption of the future economic benefits embodied in the Asset.

3.11.2 Asset officers are responsible for reviewing the useful lives of Assets they have responsibility for annually and advising the Co-ordinator Asset Management of any changes.

3.12 Disposal of Non-Current Asset which has a value attached to it

3.12.1 Assets will be disposed of in accordance with Council's Disposal of Land or Other Assets Policy.

3.12.2 The Carrying Amount of an item of property, infrastructure, plant, and equipment shall be derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from de-recognition of an item of property, infrastructure, plant and equipment shall be included in profit or loss when the item is de-recognised.

4 Supporting Processes and Documents

4.2 Register of Capital Assets – Conquest
4.3 Lease Register (Section 4.10)
4.4 Asset Disposal Form
4.5 Asset Acquisition Form
4.6 Annual Review of Useful Life and Valuations (AASB116 section 50 and 51)
4.7 Asset Impairment Review Process (Section 4.7)
4.8 Stocktake of Plant and Equipment Process

5 Related Policies

5.2 Asset Management Policy
5.3 Asset Management Strategy
5.4 Disposal of Land or Other Assets Policy
5.5 Motor Vehicle Policy
5.6 Procurement Policy

6 Legislation and References

6.2 International Financial Reporting Standards (IFRS)
6.3 Accounting Standard AASB116 – Property Plant and Equipment
6.4 Accounting Standard AASB136 – Impairment of Assets
6.5 Accounting Standard AASB13 – Fair Value Measurement
6.6 Accounting Standard AASB108 – Accounting Policies, Changes in Estimates and Errors
6.7 Accounting Standard AASB1051 – Land Under Roads
6.8 Accounting Standard AASB141 – Agriculture
6.9 Accounting Standard AASB16 – Leases
6.10 Accounting Standard AASB 119 employee benefits
6.11 CPA Australia and the Australian Asset Management Collaborative Group - Guide to the valuation and Depreciation of not-for-profit and public sector physical Assets under accrual-based accounting standards
6.12 Australian Infrastructure Financial Management Guidelines – Update 2015
6.13 Framework for the Preparation and Presentation of Financial Statements – Australian Accounting Standards Board – December 2007
6.14 International Accounting Standards (IAS) Property, Plant and Equipment (paragraph 6)
6.15 South Australian Model Financial Statements – Local Government Association of South Australia
6.16 Councils Asset Class Revaluation and Condition Assessment Program
6.17 Local Government Act 1999

7 Review

7.1 This Policy will be reviewed by Council in consultation with the relevant stakeholders, within four (4) years or more frequently if legislation or Council's need changes.

8 Further Information

8.1 This Policy is available on Council's website at www.barossa.sa.gov.au. It can also be viewed electronically at Council's principal office at 43-51 Tanunda Road, Nuriootpa and all Council branches, during ordinary business hours. A copy of this Policy can be obtained at those venues upon payment of a fixed fee.

8.2 Complaints regarding this Policy or its application can be made to the Customer Service team on 8563 8444 or barossa@barossa.sa.gov.au at first instance, who will refer you to the most appropriate officer according to Council's *Customer Service Policy*.

9 Document Control

Corporate Plan Link:	6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements. 6.10 Embed a culture of continuous improvement across Council, with tools, processes and systems being used to achieve business efficiencies and customer service improvements. 6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.
Document Owner:	Chief Executive Officer
Document Control Officer:	Manager Financial Services

Audience:	External	**Approval Date:**	19/11/2024	**Review Due:**	20/06/2027

Version history

Version No.	Date	Description of Change
9.0	5/2023	Minor wording improvements, introduction of allocation rules for allocation to renewal/replacement versus upgrade and inclusion of Asset Classification Document as a schedule for easier use.
8.0	2/22	Minor descriptions and detail removed not required at policy level.
7.0	6/19	Full review of the Policy to simplify and improve its readability.
6.0	27/6/18	Revision of the useful lives for transport and bridges classes of Assets (4.16 – page 15) only. Full review to be carried out June 2019.
5.0	21/6/16	Revisions included the current accounting standards as required at the time.
4.0	16/6/15	Revisions included the current accounting standards as required at the time.
3.0	26/6/14	Revisions included the current accounting standards as required at the time. This revision also incorporates the Accounting for Trees Policy and the Accounting for Land Under Roads Policy which were previously two individual policies.
2.0	27/6/13	Revisions included the current accounting standards as required at the time.
1.0	15/11/11	This was a newly named policy – with revisions reflecting the current accounting standards required at the time. Prior to this version – the policy was called the Asset Management – Recording, Tracking and Disposal of Non-Current Assets.

10 Definitions

Asset	An Asset is a resource controlled by the Council as a result of past events and from which future economic benefits or costs are expected to flow or be incurred by the Council. For the purposes of this policy Assets refers to Infrastructure, Property, Plant and Equipment. This includes physical Assets that meet a pre-determined threshold and that are used during Council business over more than one accounting period.

Carrying Amount	Carrying Amount is the amount at which the Asset, or sum of the class of Assets, is recorded in the accounting records as at a particular date. In application to a Depreciable Asset, Carrying Amount means the net amount after deducting accumulated Depreciation.
Condition Assessment	Condition Assessment is the technical assessment of the operational and physical conditions of an Asset, using a systematic method designed to produce consistent, relevant, and useful information.
Componentisation	Componentisation relates to Assets that are made up of materially significant parts, which in turn have different lifecycles, must be depreciated separately.
Current Replacement Cost (CRC)	Current Replacement Cost is the purchase or construction cost of replacing an Asset with a technologically modern equivalent new Asset with the same economic benefits allowing for any differences in the quantity and quality of output and in operating costs. A valuation technique that reflects the amount that would be required currently to replace the service capacity of an Asset, also known as a cost approach
Depreciable Amount	Depreciable Amount is the cost of an Asset, or other amount substituted for cost, less its Residual Value.
Depreciation	Depreciation is an expense representing the consumption of an Asset overtime in providing services. It is recognised systematically for the purpose of allocating the Depreciable Amount of an Asset over its useful life.
Depreciable Asset	Depreciable Asset is an Asset having a limited useful life.
Fair Value	Fair Value is the price that would be received to sell an Asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date (as per definition set out in AASB13).
Impairment Loss	Impairment Loss is the amount by which the Carrying Amount of an Asset exceeds its recoverable amount.
Land Under Roads	Land Under Roads includes land under roadways and road reserves, including land under footpaths, nature strips and median strips.
Materiality	Materiality is defined in Australian Accounting Standards and is currently defined as: "Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make based on the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor."
Non-current Assets	Non-Current Assets are Assets that cannot be easily converted to cash or cash equivalents and are expected to generate economic benefits over multiple accounting periods. And for the purposes of this policy restricted to Assets held in Councils Asset register.
Residual Value (RV)	Residual Value is the estimated amount that an entity would currently obtain from disposal of an Asset after deducting the estimated costs of disposal, if the Asset was already at the age and in the condition expected at the end of its useful life.
Service Basis	Is the fundamental purpose and service provided from the provision of the Asset for instance a road is providing an economic and social service basis, a clubroom is providing a community, health, recreational service basis.

<u>Asset Classification Schedule</u>

Asset Class	Asset Groups/Types within Class	Type	Sub-Classification/ Component	Useful Life Range (years)	Capital	Operating (including maintenance)	Revaluation and Condition Assessment Cycle	Revaluation Methodology	Renewal versus Upgrade
Land Assets	Land	Land		N/A	No Capitalisation threshold is applied to the acquisition of land, interests in land or Assets acquired (e.g. from land developments)	Land Under Roads per AAS27A	Regular in-house investigation of the fair value. Every 3 years a full assessment is made to check if there needs to be a revaluation. In any event in the fifth year a full revaluation will be conducted	In-house investigation of the fair value if indicators show material change then an independent sample of 10% is applied to all Assets. Independent valuation using Market Fair Value Inputs as provided by the State Valuation Office for Council land	**See clause 3.3.3**
Building and Other Structures	Depots, Offices / Libraries, Aged and Disabled Services, Fire Service, Cemeteries, Halls, Community, Recreation, park/Garden, Sporting Reserve, CWMS, Car parks, Transfer Station, Bushgardens.	Buildings – Market Value		20 - 100	If determined as valued at Market Value according to table 4.5.6.4, no threshold applies. Upgrade and extensions to Asset	Reactive maintenance and repair	In-house investigation of the fair value every year	In-house investigation of the fair value, if indicators (using LGPI Capital Index) show material change then a sample of 10% is applied to all Assets. Independent valuation using Market Fair Value Inputs	
		Buildings - valued over $100,000 recorded at component level	Substructure	40 - 300	Upgrade, extensions, or replacement of component >= 10% of the component DRV or >= $50,000	Programmed maintenance Component replacement < 10% of the component DRV or < $50,000		In-house investigation of the fair value, if indicators (using LGPI Capital Index) show material change then a sample of 10% is applied to all Assets	
			Superstructure	20 - 300					
			Roofing	40 - 60					
			Town Hall solid	150					
			Flooring only						
			Internal Fit-out	20 - 25					
			Services	20 - 100					
		Buildings – not componentised and/or valued under $100,000 recorded as one Asset		20 - 100	New and Upgrade >= $20,000 Replacing Asset >= 10% of the DRV	Reactive maintenance and repair Programmed maintenance	Every 3 years a full assessment for the need of a revaluation is undertaken. In any event in the fifth year a full revaluation will be conducted. Separate components may have independent condition assessments conducted	Periodically a review of the Fair Value - Replacement Cost will be undertaken using the Rawlinsons Construction Manual for the current construction costs	
		Toilets - recorded as one Asset		20 - 100	New and Upgrade >= $20,000 Replacing Asset >=10% of the DRV	All other maintenance of any component of the building based on Decision Tree criteria			

		Sheds, Garages, Pavilions and Shipping Containers - recorded as one Asset		20 - 100	New and Upgrade >= $10,000 Replacing Asset >= 10% of the DRV	Reactive maintenance and repair Programmed maintenance	In the fifth year a full condition assessment will be conducted	A revaluation threshold to exclude low value immaterial Assets for revaluation purposes will be calculated based on the total Asset class	
		Pergola, Cabins, Carports, Gazebo, Shelters, and other Structures - recorded as one Asset		20 - 100	New and Upgrade >= $10,000 Replacing Asset >= 10% of the DRV	All other maintenance of any component of the building based on Decision Tree criteria			
Leasehold Improvements	Depots, Offices / Libraries, Aged and Disabled Services, Fire Service, Cemeteries, Halls, Community, Recreation, Park/Garden, Sporting Reserve, CWMS, Car parks, Transfer Station, Bushgardens.	Buildings		Term of the lease	New and Upgrade >= $20,000	Reactive maintenance and repair, programmed maintenance and repair, all other maintenance of any component of the building based on Decision Tree criteria	As these Assets are less than 5% of the base value of Assets, they do not require mandatory condition assessments and revaluations under the Accounting Standard	Replacement Cost	
Transport	Road – Earth, Pavement, Surface and Seal, Footpath, Kerbing, Car parks	Sealed Roads	Sealed Roads – Earth	Unlimited	If satisfying at least one of the following conditions: • All Resealing (other than patching that constitutes a segment of road) • All other reconstruction and renewal work >= $20,000 • Expenditure >= 10% of the DRV of the component Shoulders - all costs over $10,000	Reactive maintenance and repair to road Assets not meeting capitalisation criteria Programmed maintenance (partial sealed road surfacing <$10,000, pothole repair) not meeting capitalisation criteria Shoulders - maintenance all costs under $10,000 not associated with a reseal	Regular review to indicators (LGPI Capital Index) show a material change then a 10% sample will be selected and compared to the current construction costs. Where there is a material difference, apply the LGPI capital index to all transport Assets.	Independent valuation using Unit Rates to check against local build costs	
			Sealed Roads – Pavement (includes shoulders) - 2 components	1: 40– 200					

				2: Up to 750	• Any new Assets acquired (e.g., from land developments) Any line marking undertaken in conjunction with these works will be capital	Line Marking, road cleaning and sweeping as part of programmed maintenance Shoulder grading			
			Sealed Roads – Surface - 2 components	1: 10 – 50					
				2: Up to 150					
		Sheeted Roads	Sheeted Roads - Earth	Unlimited	If satisfying at least one of the following conditions: • Resheeting (other than patching that constitutes more than a segment of road) • Any expenditure relating to change in Asset type e.g., upgrade from unsealed to sealed road • Estimated work >= $15,000 • Projects requiring >= 200 tonnes of material	Reactive maintenance and repair to road Assets (pothole repair) not meeting capitalisation criteria Programmed maintenance (unsealed road grading) not meeting capitalisation criteria	Periodically an independent consultant will be engaged to provide unit rates for all Asset types within this class to carry out the revaluation.		
			Sheeted Roads – Pavement or Surface - 2 components	1: 12 - 50					
				2: Up to 500					
		Formed and Unformed Roads	Unformed Roads - Earth	Unlimited	Any new Assets acquired free of charge	Any work carried out will be expensed			
		Footpaths / Kerbs / Car park Structures	Carpark Surfaces - 2 components	1: 30 – 50	All new and upgrade work (regardless of cost) and replacement work >= $10,000 Any new Assets acquired (e.g., from land developments)	All repairs and maintenance, replacement, or upgrades that constitute <$10,000 Reactive maintenance to kerb and gutter Assets (repair, replacement of small lengths)			
				2: 150					
			Footpaths – 2 components	1: Up to 100					
				2: Up to 350					
			Kerb	50 - 100					
Bridges, Floodways and Major Culverts	Bridges, Floodways, Major Culverts and Footbridges		Road Bridge - 2 components	1: Up to 100	Construction work >= $15,000	All repairs and maintenance Replacement or upgrades that	Every year if indicators (LGPI Capital Index) show a material change an independent unit rate is applied to all Assets.	Independent valuation using Unit Rates to check against local build costs	**See clause 3.3.3**
				2: Up to 300					
			Footbridges - 2 components	1: Up to 100					

				2: Up to 300		constitute <$15,000 All bridge barrier replacement is deemed to be maintenance	Every 5 years a full revaluation is undertaken. In-house and/or engineering consultant to be engaged to undertake a condition assessment		
			Floodways, Major Culverts - 2 components	1: Up to 100					
				2: 250					
Community Wastewater Management Systems (CWMS)	Pipework, Wastewater Treatment Plant, Lagoon, Pumping Stations		CWMS – Pumping Stations	10 - 50	All construction / replacement work on existing Assets >= $5,000 Any new Assets acquired (e.g., from land developments)	Reactive maintenance to drainage Assets (pipe repair, pit repair, pit component replacement, drainage structure repair) Programmed maintenance (cleaning, inspections)	Every year if indicators (LGPI Capital Index) show a material change an independent unit rate is applied to all Assets. Every 5 years a full revaluation is undertaken Rolling condition assessment to be undertaken in-house and independent overview as needed. In any event in the fifth year every Asset type a sample condition assessment will be conducted	Independent valuation using Unit Rates to check against local build costs	
			CWMS – Lagoons - Components	40 - 100					
			CWMS – Wastewater Treatment Plant - Components	5 - 50					
			CWMS –Pipes – Gravity Main	60 - 80					
			CWMS –Pipes – Gravity Property Connection	80 - 100					
			CWMS –Pipes – Rising Main	65					
Stormwater and Drainage	Cross Drains, Stormwater Drains, Drainage Channels, Floodways		Swale Earth	Unlimited	All new and upgrade work (regardless of costs). All replacement work >= $5,000 Any new Assets acquired (e.g., from land developments)	Reactive maintenance (repairs, cleaning) Swales, drainage shaping where no material added Programmed maintenance (cleaning, inspections)	Every year if indicators (LGPI Capital Index) show a material change an independent unit rate is applied to all Assets Every 5 years a full revaluation is undertaken Rolling condition assessment to be undertaken in-house and independent overview as needed. In the fifth year every Asset type a sample condition assessment will be conducted	Independent valuation using Unit Rates to check against local build costs	
			Cross Drains	25 - 150					
			Drainage Channels	25 - 150					
			Stormwater Other Floodways	150					

Recreation	Recreation Infrastructure, Parks and Gardens Infrastructure, Sporting Reserve Infrastructure		Infrastructure - Various	15 - 200	All infrastructure expenditure including replacement >= $5,000 New Assets acquired (e.g., from land developments)	Reactive maintenance (repairs, cleaning) Programmed maintenance (painting, servicing)	As these Assets are less than 5% of the base value of Assets, they do not require mandatory condition assessments and revaluations under the Accounting Standard. This Asset class is revalued in a cycle program due to the Asset replacement and cost movements that occur for these Assets	Replacement Cost. A revaluation threshold of $10,000 exists that excludes low value Assets for revaluation purposes	
			Oval - earthworks	Unlimited	Initial build, earthworks full replacement	All earthworks maintenance			
			Oval - soil and turf	100-200	Initial build, and/or turf full replacement	All soil and turf maintenance			
Other Infrastructure	Fire Service, Cemetery, Community, Waste Management, Fence, Monuments and Statues, Bushgardens, Township Entrance Statements		Fences	40	All (expenditure >= $5,000 New Assets acquired (e.g., from land developments)	Reactive maintenance (fence repair, gate repair, graffiti removal, vandalism repairs) Programmed maintenance (painting, cleaning)	As these Assets are less than 5% of the base value of Assets, they do not require mandatory condition assessments and revaluations under the Accounting Standard	Replacement Cost	
			Monuments / Statues	100					
			Other Assets	10 - 200					
Plant and Equipment	Plant (Includes vehicles and machines), Community, Recreation, Equipment (Includes computers, printers)	Major Plant and Equipment	Plant and Machines*	3 - 20	All items of plant that are required to be registered and Individual Assets >= $5,000	Reactive maintenance Programmed servicing Expenditure < $5,000 for individual Assets	These Assets are held at cost and due to the nature of the Assets and the frequency of replacement it is not considered necessary to carry out revaluations or condition assessments	Replacement Cost	
			Vehicles (i.e. sedans, utes, vans, trucks etc)*	3 - 33					
		Minor Plant and Equipment	Other Equipment	Up to 15	Expenditure >=$5,000 for individual hardware Assets or Assets that can be easily grouped	Expenditure < $5,000 for individual Assets or Assets that can be grouped			
		Hill and Son Historic Pipe Organ	Other Equipment	300	Expenditure >= $20,000 for individual components of the organ	Expenditure < $20,000 for individual components, expenditure to maintain the functioning of the organ			

		ICT and Office Equipment and software (including one off licence fees)	Computer Equipment - Individual hardware Assets/Assets that can be easily grouped. Software systems - Purchase and/or significant upgrades of Core software systems **	5 - 33	Expenditure >=$5,000 for individual hardware Assets, or Assets that can be easily grouped Expenditure on software systems >=$15,000 One-off software licence fees >=$15,000; Significant development and/or upgrades to existing Core systems >+ $15,000	Expenditure <$5,000 for individual Assets or Assets that can be grouped Expenditure on software systems <$15,000 Annual software licence and maintenance fees			
Furniture and Fittings	Office and Library, Recreation, Parks and Gardens, Sporting Reserve, Community, Street Furniture, Road Traffic Devices, Main Street			10 - 25	Expenditure >=$5,000 for individual or Assets that can be easily grouped	Expenditure <$5,000 for individual Assets or Assets that can be grouped	These Assets are held at cost and due to the nature of the Assets and the frequency of replacement it is not considered necessary to carry out revaluations or condition assessments	Replacement Cost	
Right of Use Assets	AASB16 - Land, buildings, equipment			3-5	Expenditure >=$15,000 for individual items	Expenditure <$15,000 for individual items	These Assets are held at cost and annual review for NPV in line with AASB16	Not applicable	

* Residual Values may be applied to these Assets based on the knowledge of the relevant Asset officer

** Core software systems include: TechOne - Financials; Pathway - CRM, Development, Revenue/Receipting, Content Manager; Magiq - Budget/Review; Website ; Info - Agenda; Conquest - Assets; GIS;