Parwich Parish Council

Asset valuation policy.

Policy for Asset valuation.

1. Introduction.

This policy describes the way in which asset valuations are prepared for the Asset Register. This determines the valuation used in the Annual Return.

2. Normal valuation.

When assets are acquired, they will normally be entered in the asset register at cost and this value will not be subject to revision. This is separate from the valuation used for insurance purposes which will be based on replacement cost.

3. Assets of unknown purchase cost.

A proxy cost may be substituted. The Council will normally obtain external professional advice on which to base the proxy cost. Where the cost of obtaining a professional external valuation is considered disproportionate in relation to the risk associated with using a previous estimate whose source is not recorded the estimate may continue to be used.

4. Revaluation.

Revaluation of assets will only be considered where historic values are deemed wholly unrepresentative. (e.g it is believed that they never reflected either the purchase cost or an appropriate proxy value). If revaluation takes place, then

- The decision, and reason for it, will be minuted.
- In that year's annual return, the previous year's total value will be revised on the same basis and the entry marked as "RESTATED".

5. Write-off.

Where assets are deemed to no longer have any value the register will reflect zero value and the year of write-off.

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Author. A Martin. Clerk.