

Table of Key Changes and Comments to Asset Accounting Policy

No	Page	Item	Change/Comment
1		Global updates	Grammatical and language changes updated throughout the document to support full review
2	1	Asset Accounting Policy	Updated to <i>"Fixed Asset Accounting Policy"</i> (note: global changes made throughout document where applicable)
3	1	References	Heading changed to <i>"Other Useful Documents"</i> with order of bullet points list changed to group between documents and relevant legislation
4	1	Fixed Asset Guidelines	Updated to <i>"Fixed Asset Accounting Guidelines"</i> (note: global changes made throughout document where applicable)
5	1	AASB 13 Fair Value	Updated to <i>"AASB 13 Fair Value Measurement"</i> (note: global changes made throughout document where applicable)
6	1	References	Added additional related documents <i>"Acquisition & Disposal of Land & Assets Policy"</i> , <i>"Asset Management Policy"</i> and <i>"Asset Management Plans"</i>
7	2	Definitions	Section moved from page 6 to page 2 and heading changed to <i>"Glossary"</i> . All other sections in the original policy have been moved down one page.
8	2	Assets	Amended <i>"Future economic benefit"</i> to <i>"Present economic resource"</i>
9	2	Fixed Overhead	Removed
10	2	Practical Completion	Added <i>"The point at which the assets constructed within a capital project are available for use"</i>
11	3	Scope	Amended <i>"Furniture and Fittings"</i> to <i>"Equipment, Furniture and Fittings"</i> and <i>"Intangible Asset"</i> to <i>"Intangible Assets"</i>
12	3	Capital Expenditure	Added new bullet point <i>"Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management"</i>. Added new bullet point <i>"Project overhead allocation"</i> Amended <i>"Employee costs arising directly from the purchase of an asset"</i> to <i>"Employee costs arising directly from the construction or purchase of an asset"</i>. Removed section beginning <i>"For assets being constructed by council..."</i>
13	5	Portable And Attractive Assets (Minor Assets)	Amended <i>"Portable and attractive assets are expensed in the financial year in which they are acquired"</i> to <i>"Portable and attractive assets may be expensed in the financial year in which they are acquired"</i>
14	6	Work in Progress	Amended <i>"All the project costs incurred in realising an asset are to be accumulated and disclosed in a separate asset account known as Work in Progress or WIP"</i> to <i>"All the project costs incurred in realising an asset are to be accumulated and disclosed in a separate"</i>

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			asset balance sheet account known as Work in Progress (WIP)."
15	6	Work In Progress	Amended "At CoA, a "Project Handover Communication Form" is required as formal evidence that the project has been completed and the capitalisation of the WIP balance can occur. Handover should take place no later than six months after practical completion has occurred" to "At CoA, a "Project Handover Workflow" is required as formal evidence that the project has been completed and the capitalisation of WIP can occur. Handover should be completed no later than six months after practical completion. Additionally, CoA aims to achieve a KPI of finalising at least 70% of handovers within 10 weeks of practical completion"
16	6	Work In Progress	Removed section "Costs disclosed in the WIP account should be reviewed in line with the quarterly budget review process to ensure that only costs able to be capitalised are included" Replaced with "An annual review of WIP will be conducted at the end of year to ensure that all expenditure is of a capital nature and for ongoing projects."
17	7	Recognition (Capitalisation) Threshold	Amended "<i>For the CoA, assets with an economic life in excess of one year will only be capitalised where the cost of acquisition exceeds the recognition thresholds established by Council – currently \$5,000</i>" to "<i>For the CoA, assets with an economic life of more than one year will only be capitalised where the cost of acquisition exceeds the recognition threshold of \$5,000.</i>"
18	7	Revaluations	Amended "<i>All material asset classes are to be revalued on a regular basis</i>" to "<i>All material asset classes are to be revalued regularly, at intervals not exceeding five years</i>" Added "<i>A desktop revaluation will be performed annually between revaluations</i>" Removed section "<i>Green assets (such as trees) will not be revalued. They will be depreciated until fully expensed, however remain in the asset management system for maintenance purposes only</i>"
19	7	Revaluation Program	Entire section removed including Appendix
20	7	Depreciation	Amended "<i>Each asset in Council's asset register, excluding land assumed to have an unlimited useful life</i>" to "<i>Each asset in Council's asset register, excluding those deemed to have an unlimited useful life</i>"
21	8	Impairment	Updated "<i>As per Australian Accounting Standard AASB 116</i>" to "<i>As per Australian Accounting Standard AASB 136</i>"

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22	8	Impairment	Removed section <i>"An impairment loss will be recognised in the Statement of Comprehensive Income for the amount by which the asset's carrying amount exceeds its recoverable amount."</i> Replaced with <i>"An impairment loss is recognised as an expense immediately in profit or loss unless that asset is carried at a revalued amount. For revalued assets, the impairment loss shall be treated as a revaluation decrease to the extent that it offsets any revaluation surplus previously recognised for that class of asset, and movement recognised in the Statement of Other Comprehensive Income."</i>
23	8	Derecognition	Amended <i>"An asset is to be derecognised from CoA's asset register and recorded as a disposal whenever the following occurs"</i> to <i>"An asset is to be derecognised from CoA's asset register and recorded as a disposal when the asset no longer provides civic, strategic, commercial or community value in line with the Acquisition and Disposal of Land and Assets Policy"</i>
24	8	Derecognition	Bullet points removed