

Assets

Category:	Finance	Version:	1
Date of Issue:	01-11-08	Contact:	Finance Officer

Purpose

To distinguish between asset and expense items for accounting purposes such as identification and valuation for insurance purposes, ATO depreciation and for keeping track of locations.

Policy

1. Items purchased or donated should be relevant to the goals and visions of Northey Street City Farm, as established by the Annual Visioning Sessions.
2. Any tangible item either purchased or donated to The Farm with a saleable value of \$1 000 or more will be treated as an asset or capital purchase.
3. Items purchased for less than \$1 000 are to be treated as an expense in the financial year of purchase.
4. An Asset Register is to be maintained by the Finance Administrator with items depreciated each year in accordance with standard ATO audit practices.
5. Assets are to be maintained in good working order and kept secure from fire, theft and damage.
6. Assets valued at \$1 000 or more that have either passed their useful life, or been damaged or superseded, may be sold, traded or donated under the authority of the Management Committee. Disposal of items valued under \$1 000 will be at the discretion of each team.

Procedures

1. Items bought or donated are to be valued at either the purchase price (excluding GST) or donation value. Those items valued at more than \$1 000 are to be recorded in the Asset Register spreadsheet held and maintained by the Financial Administrator.
2. New assets should not compromise The Farm's fundamental values or organic certification. Donated assets need to be assessed against The Farm's principles, however, the benefit of diverting items from landfill will hold significant value.
3. Requests to sell or donate an item valued \$1 000 or more will first be discussed at a team meeting appropriate to the item (e.g., Business Operations for computers, or Green Team for mowers) then recommendations will be made to Management Committee.

