

## 2.6 Asset Capitalisation Threshold

<b>Policy No</b>	2.6	
<b>Policy Name</b>	Asset Capitalisation Threshold	
<b>Responsible Directorate</b>	Finance & Administration	
<b>Responsible Officer</b>	Manager Finance	
<b>Council Adoption</b>	<b>Date:</b> 27/03/18	<b>Resolution No.</b> OC/18
<b>Reviewed/Modified</b>	Date:	Resolution No.
<b>Review Date</b>		
<b>Legislation</b>	<i>Local Government Act 1995</i>	
<b>Related Policies</b>		
<b>Related Organisational Directives</b>		

### Objectives

To assist with budget preparation and financial reporting of all Assets held within the Shire of Katanning

### Policy Statement

The following capitalisation threshold for each classification of property, plant equipment and infrastructure asset shall apply

### Guidelines

All asset purchases will be in accordance with the following Capitalisation threshold and Asset Classes;

<b>Asset Class</b>	<b>Capitalisation Threshold</b>	<b>Depreciation</b>
<i><u>Property, Plant &amp; Equipment</u></i>		
Buildings	\$5,000	2%
Land – ALL	N/A	
Furniture & Fittings	\$5,000	10%
Paintings & Sculptures	All	1%
Equipment	\$5,000	10-33.3%
Plant	\$5,000	10-20%
Motor Vehicles	All	25%
<i><u>Infrastructure</u></i>		
Roads	\$10,000	2.5-5%
Footpaths	\$10,000	2%
Drainage	\$10,000	2%
Bridges	\$10,000	2%
Parks & Ovals	\$10,000	5%
Other Infrastructure	\$10,000	2-5%

A register will be maintained for all Portable Equipment and Desirable items that fall below the Asset Capitalisation threshold. That the register is to be reviewed on an annual basis.