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| **Purpose** | To ensure that the assets of name of service are managed in accordance with financial accounting practices that meet audit and Inland Revenue requirements. |
| **Scope** | Asset management applies to the Board of Trustees/Directors, staff and contractors of name of service. Staff for whom managing assets is relevant will be advised of the requirements of this policy/procedure on orientation to the service and ongoing as appropriate. |
| **References** | |
| **Standards and Guidelines** | [HDSS 8134:2008 Health and Disability Services Standards](http://www.health.govt.nz/system/files/documents/pages/81341-2008-nzs-health-and-disability-services-core.pdf)  Refer to your accountant for [accounting standards](https://xrb.govt.nz/Site/Accounting_Standards/Guidance.aspx)  Inland Revenue guidelines on [depreciation of assets](https://www.ird.govt.nz/forms-guides/title/forms-d/ir260-guide-depreciation.html?id=righttabs) |
| **Service Documents** | Separation of Financial Duties  Assets Register  Fraud and Theft  Sensitive Expenditure |

**Asset management processes**

**Yearly**

**Board appointed accountant**

Review of asset management plan

Replacement assets:

Setting budget for:

* replacement assets
* new assets

Match the expected useful life of each asset

Before an asset is purchased

Investigate most cost effective method:

* leasing or purchasing
* obtain quotes
* choose best value for money

Expected useful life:

Furniture/equipment - 10-15 years

Improvements - 10-20 years

Buildings - 18-40 years

Leased assets - 4 years

Motor vehicles - 5 years

Information/communication technology - 4 years

**Asset records**

**Yearly**

**delegated role**

**Ongoing**

* An audit will be undertaken to verify the existence of the asset against the register.
* An accurate record of all assets will be maintained on the assets register.
* Where the asset is unable to be located, an investigation will be initiated.
* A copy of the audited register will be filed with the annual accounts.
* Where indicated, the Fraud and Theft policy processes shall be followed.

Asset has become:

* obsolescent
* worn out
* surplus to requirements
* minimal in value.

**Disposal of assets**

**When the situation arises**

**Board or delegated role**

* All assets identified for disposal shall be valued.
* Assets shall not be sold at a discounted rate to staff if a greater value could be realised by disposing it by another method.
* Staff disposing of the asset shall not benefit from the disposal.
* There shall not be an actual or perceived undue benefit to the successful purchaser.

**Selling assets**

A report shall be prepared for the Board with reasons for the disposal, process, net disposal proceeds and any issues that may arise from the disposal.

# Consultation

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| Group/Role | Date |
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