

## FP024 – Valuation of Non-current Assets

### 1. Intention

To set the conditions with relation to asset revaluation at fair value as per Australian Accounting Standard *AASB 116* and in accordance with regulation 17A of the *Local Government (Financial Management) Regulations 1996*.

### 2. Scope

This policy applies to Elected Members and employees of the Shire of Waroona.

### 3. Statement

As per regulation 17A of the *Local Government (Financial Management) Regulations 1996*:

A local government must revalue an asset of the local government –

- (a) Whenever the local government is of the opinion that the fair value of the asset is likely to be materially different from its carrying amount; and
- (b) In any event, within a period of at least 3 years but no more than 5 years after the day on which the asset was last valued or revalued.

Therefore the following schedule of revaluation will occur

- 2026/27 Revaluation of Land and Building
- 2027/28 Revaluation of Infrastructure

There will be no revaluations in the following 3 financial years and with valuations recommencing again in 2031/32.

### 4. Legislative and Strategic Context

The *Australian Accounting Standard AASB116*, the *Local Government Act 1995* and the associated subsidiary legislation provide the broad framework within which this policy operates.

### 5. Review

This policy is to be reviewed triennially.

### 6. Associated Documents

Nil.

<b>Division</b>	Finance
<b>Policy Number</b>	FP024
<b>Contact Officer</b>	Director Corporate Services
<b>Related Legislation</b>	AASB116 Local Government Act 1995 Local Government (Audit) Regulations 1996 Local Government (Financial Management) Regulations 1996

<b>Related Shire Documents</b>	Nil				
<b>Risk Rating</b>	Medium	<b>Review Frequency</b>	Triennially	<b>Next Review</b>	June 2027
<b>Date Adopted</b>	22/06/2004				OCM04/083

<b>Amendments</b>		
<b>Date</b>	<b>Details of Amendment</b>	<b>Reference</b>
25/06/2013	Amended to reflect new legislation.	OCM13/06/047
28/10/2014	Updated as part of major review.	OCM14/10/127
18/12/2018	Updated as part of major review.	OCM18/12/126
25/06/2019	Amended to reflect new legislation.	OCM19/06/060
22/06/2021	Updated as part of major review and reformatted.	OCM21/06/071
25/06/2024	Removed reference to previously made changes to Financial Management regulations in 2018. Minor amendments to Statement.	OCM24/06/090
<b>Previous Policies</b>		
FIN003 – Valuation of Non-current Assets		
3.1.2 – Valuation of Non-current Assets		