

Linked UNSW Policy	Property, Plant & Equipment
Responsible Officer	Director, Corporate Finance & Advisory Services
Contact Officer	Senior Manager, Capital Asset Management & Reporting, Corporate Finance & Advisory Services
Review	Every year
Effective Date	1 January 2014

Objective

This procedure outlines the annual stocktake process and the resultant accounting transactions determined in accordance with AIFRS, at a departmental level (i.e. Faculties, Schools & Divisions) in NS Financials.

2. Scope of Stocktake

2.1 Assets subject to stocktake i.e. items costing \$5,000 or more:

The following classes of Property, Plant & Equipment (PPE) are covered by annual stocktakes conducted by the Assets Management Unit (within Corporate Finance & Advisory Services):

1. Computer Equipment
2. Other Plant & Equipment
3. Motor Vehicles

The extent of stocktake is determined through a risk based approach whereby random physical inspections of assets are performed by the Assets Unit in accordance with risks or exceptions identified during the year.

2.2 Library holdings:

A rolling stocktake of library materials as per the Library Database is arranged by the University Library. The assets purchased by the Library are identified by the AM Unit through a review of the relevant GL accounts, and are processed in batches in the Assets Management System (AMS).

2.3 Other assets:

All other classes of PPE are physically verified as per policies during the revaluation exercise carried out by external valuers in conjunction with Corporate Finance & Advisory Services. Refer to procedure on 'Asset Revaluations' for details.

3. Procedure

3.1 Assets Management Unit: Tagging of University Assets

The Assets Management Unit issues stocks of asset tags to the business units (i.e. Faculties, Schools and Divisions), in advance of the purchase of an asset, who ensure proper custodial control over the asset tags. On receipt of an asset, the appropriate asset tag is affixed to the asset promptly. Assets below \$5,000 coded to asset profiles can also be tagged if the business unit wishes to track it.

A register of issued and unissued asset tags, complete with information of distribution to the business units, is maintained by the Assets Management Unit.

3.2 Assets Management Unit: Annual Asset Verification

Based on regular risk assessments, the Assets Management Unit will randomly select assets for physical verification during the year.

The physical asset verification conducted by CFAS is on a risk-based approach to incorporate a spot check of exceptions from the asset tracking reports such as

- High \$ value assets
- High rate of errors
- Small size high value equipments
- High value equipment per Faculty
- High rate of transfers

The Asset Administrator is required to arrange access and spot check assets on a regular basis.

All asset verifications are required to be documented.

The Assets Management Unit will forward the missing assets report to the relevant Faculty or Divisional Finance Managers for further investigation. The report is returned to the AM unit, together with comments on the status of the missing assets.

At least twice a year, the Assets Unit will forward the Faculty/ Divisional Assets Tracking Report to the Finance Managers. The asset managers in each business unit will update their asset tracking reports with any acquisitions, disposals, transfer, impairment or other updates to the asset register. Asset tracking reports for Faculties and Divisions will be consolidated by the Finance Managers and forwarded to CFAS.

Such confirmations or updates regarding the completeness, existence and valuation of the assets register are required periodically from the Faculty/ Divisional Finance Managers through the use of Asset Tracking Report.

If an asset is missing for three years or more, the relevant Schools/Divisions should request for a disposal via updating the asset tracking report. Refer to procedure on Property, Plant & Equipment for details on retirement of assets.

3.3 Faculties/ Divisions: Asset Tracking

The business units can use the Asset Tracking report to manage their assets and plan capex expenditure for future periods. Any changes to the assets register can be communicated to the Assets unit through the tracking reports.

Query for asset tracking report: F91_AM_AGING_COST_NBV_3

Another report (F91_PO_DEPT_TRACKING_3) is available to track the status of all Purchase Orders especially the assets purchases.

3.4 Corporate Finance & Advisory Services: Year-end adjustments & Reconciliation

The net book value (NBV) of assets highlighted as 'missing' subsequent to the stocktake, are adjusted, through relevant asset impairment expense accounts and the impairment provision account

3.5 Corporate Finance & Advisory Services: Adjustment for missing assets retired during the year

Assets that are listed as missing for three consecutive years are retired/ written off in line with the PPE procedure, and the resulting losses on disposal are recorded.

4. Operational aspects

4.1 Business Unit Managers: Monitoring assets

Finance managers and Business units must take measures to safeguard their assets, and are expected to assist the Assets Unit in locating assets identified as missing.

The value of the assets justifies the three year waiting period to locate a missing asset, before writing it off.

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