Tangible Capital Assets

Policy No.: CS-FIN-7	**Council Resolution No.:** 122/2020
Department: Corporate Services	**Authority:** Council
Effective Date: March 9, 2020	**Revision Date:**
Review Date: March 2023	**Repealed Date:**
Supersedes: Tangible Capital Asset Guideline 08/07/21	
Related Procedure No.: CS-FIN-7	
Related Procedure Name: Tangible Capital Assets	

Purpose

To prescribe the accounting treatment for tangible capital assets so that users of the financial reports can discern information about the investment in property, plant, and equipment, and the changes in such investment. The principal issues in accounting for tangible capital assets are the recognition of the assets, the determination of their carrying amounts and amortization charges, and the recognition of any related impairment losses.

Policy Statement

1) It shall be the responsibility of the Chief Administrative Office to ensure that appropriate programs and activities are carried out to:
    a. Maintain a capital asset accounting system and process for land, land improvements, buildings, engineered structure, (machinery, equipment & furnishings) and vehicles.
    b. Ensure that all capitalization decisions are in accordance with legislative requirements and the Public Sector Accounting Board (PSAB).
    c. Develop and review yearly an amortization method and estimate of useful life of the remaining unamortized portion of the tangible capital asset on a regular basis and revise when the appropriateness of a change can be clearly demonstrated.
    d. Review all potential capital projects to determine any capitalization requirements.
    e. Regularly review accounting transaction to ensure compliance with this policy.
    f. Ensure that Capital Asset Listings are accurate, updated and complete as requires.
    g. Confirm existence, accuracy and completeness of assets on Capital Asset Listings.
    h. Ensure sensitive assets are tracked regardless of whether they meet capitalization thresholds.

i. Ensure all assets are appropriately safeguarded.

2) Administration shall establish procedures for this policy and shall be responsible to ensure the spirit and intent of the policy is adhered to.

Additional References

Municipal Government Act
Procurement Policy and Procedure
Public Sector Accounting Handbook

MAYOR — DATE: MARCH 25, 2020

CHIEF ADMINISTRATIVE OFFICER — DATE: March 25, 2020

Acting CAO.