

## ASSET VALUATION AND REVALUATION POLICY

<b>Approval Level:</b>	EMT
<b>Policy Type:</b>	Organisation
<b>Approval Date:</b>	31/10/2023
<b>Review cycle:</b>	Four years
<b>Review Date:</b>	30/09/2027
<b>Responsible Officer:</b>	Manager Financial Strategy
<b>Owner:</b>	Financial Strategy
<b>Responsible Director:</b>	Corporate Performance
<b>Relevant Legislation/Authority:</b>	<i>Local Government Act 2020</i> Australian Accounting Standards Board (AASB) Standards
<b>DOCSETID:</b>	2580083

### 1. PURPOSE

The purpose of this policy is to specify the City's approach to the valuation of non-current physical assets, subsequent to initial recognition, in order to satisfy its obligations in accordance with relevant Australian Accounting Standards AASB 116, including method and frequency of revaluation. It provides direction for Council officers responsible for managing and accounting for Council assets.

Whilst appropriate revaluations are required for the City to satisfy its obligations under relevant Australian Accounting Standards, knowledge of current asset values is also essential for efficient and effective asset management.

Application of this policy will provide consistency to deliver comparable valuations from year to year for both financial reporting and asset management purposes.

The initial recognition of assets is provided for in the City's Asset Capitalisation Policy.

### 2. BACKGROUND

Financial management in asset-intensive organisations involves high asset values relative to the total organisation value. At the City of Greater Bendigo – this involves asset values of over \$2 Billion.

It is a requirement that all councils complete financial valuations of their assets at regular intervals. The City of Greater Bendigo values its assets at frequencies listed in [Appendix A](#) of this policy and assesses annually that the value hasn't moved materially. A primary outcome of this requirement is that the City's Balance Sheet will reflect the Fair Value of the City's portfolio of assets.

Knowledge of current asset values is essential for the efficient and effective management of assets. Asset valuation information can assist in making decisions regarding the allocation of resources to those assets.

Application of the Asset Valuation and Revaluation Policy, will drive consistent processes to produce comparable valuations from year to year for both:

- Financial Reporting; and
- Renewal Expenditure Forecasting.

This policy complies with relevant State Government Legislation and Guidelines and with Australian Accounting Standards, including:

- Local Government Act 2020 Part 4 – Planning & Financial Management
- Australian Accounting Standards Board (AASB) Standards:
  - AASB 116 Property, Plant and Equipment;
  - AASB 13 Fair Value Measurement;
  - AASB 136 Impairment of Assets;
  - AASB 1051 Land Under Roads;
  - AASB 138, Intangible Assets

### 3. SCOPE

The policy covers the financial valuation of non-current assets subsequent to initial recognition (initial recognition is stipulated as assets that have not previously been identified and valued in City asset management systems), including:

- The frequency of valuation;
- The method of valuation; and
- Roles and responsibilities of City Officers.

This policy excludes detailing specific valuation for insurances purpose requirements, however these valuations are able to be used for insurance purposes if alternative valuations are not available.

### 4. DEFINITIONS

**Fair Value** is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (See AASB 13 Fair Value Measurement.)

**Observable inputs** that are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumptions that market participants would use when pricing the asset or liability.

**Unobservable inputs** for which market **data** are not available and that are developed using the best information available about the assumptions that market participants would use when pricing the asset or liability

**Impairment loss** is the amount by which the carrying amount of an asset exceeds its recoverable amount.

## 5. PRINCIPLES

The policy will provide clear direction to City officers and Council in the valuation and revaluation of the City's infrastructure, property plant & equipment non-current assets.

This information is relevant to values provided in the City's Financial Statements, Asset Management Plans and Long Term Financial plan. This policy will assist with managing, valuing and reporting on City assets.

## 6. POLICY

### 6.1 Policy Commitment

The City will undertake periodic revaluation of all non-current assets owned or managed by the City in accordance with relevant Australian Accounting Standards and best practice asset management.

This Policy will direct City officers who are charged with accounting for the City's assets and related purposes.

#### **In implementing this policy, the City will:**

- Review annually the need for revaluation of City owned or controlled non-current asset classes, based on the materiality of valuation movement;
- Require valuations in accordance with this policy, ensuring that each Asset Class is re-valued in a consistent manner and with appropriate frequency;
- Apply the valuation method for each Asset Class as specified in Appendix A -Condition and Valuation Table, in this Policy;
- Require that the frequencies of condition assessments, for each Asset Class, are conducted in accordance with Appendix A -Condition and Valuation Table, in this Policy;

### 6.2 Frequency and method of valuation

In implementing this policy the City will:

- Review financial valuation of City owned or controlled non-current asset classes, as at 30 June each year, including assessment of impairment, and maintain supporting documentation for audit purposes;
- Conduct Asset Revaluations in accordance with Appendix A -Condition and Valuation Table, in this Policy;
- Adopt Asset Standard Lives in accordance with Appendix A -Condition and Valuation Table, in this Policy;
- Apply the adopted valuation method and frequency for each Asset Class, as per Appendix A -Condition and Valuation Table, in this
- Ensure that condition assessments for each Asset Class are conducted in accordance with Appendix A -Condition and Valuation Table, in this Policy;
- Ensure that corporate systems record current asset values for reporting in audited financial statements within the Annual Report.

### 6.3 Fair Value Measurement

The fair value of an asset is the amount for which an asset could **be constructed**, or purchased, between knowledgeable, willing parties in an arms-length transaction in the current financial market. Therefore, it is the best estimate of the price reasonably obtainable in the market at the date of valuation. The modern equivalent value of an asset is determined by reference to its highest and best condition and, as such, results in the highest value.

**AASB13** establishes a fair value hierarchy that categorises into three levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority **to unobservable inputs (Level 3 inputs)**.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date e.g., shares.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly e.g., land and non-specialised buildings.
- Level 3 inputs are unobservable inputs for the asset or liability e.g., roads and bridges.

## 7. ROLES AND RESPONSIBILITIES

The following key roles, positions and groups have defined functions as follows:

### **City:**

Responsible for:

- stewardship of community services and associated sustainment of infrastructure assets; and
- providing resources for policy implementation.

### **Chief Executive and Executive Management Team:**

Responsible for:

- Asset Valuation and Revaluation Policy approval.

### **Manager Engineering:**

Responsible for coordination of:

- Managing and keeping the corporate Asset Management System up to date;
- Validation of asset inventory and condition data;
- Calculation of all relevant unit rates used to determine the City's assets replacement cost;
- Valuation and assessment of impairment for all Council infrastructure assets and specialised buildings. The primary method used to assess impairment is through regular condition assessments, per Appendix A.

### **Asset Managers:**

Responsible for:

- The collection of asset inventory and condition data;
- Assisting with the calculation of all relevant unit rates used to determine the City's assets replacement cost;

- Assist in the Valuation and assessment of impairment for all Council non-infrastructure assets, including land, non-specialised buildings, antiques & artworks, statues & monuments, water rights and native tree plantations;

**Manager Financial Strategy:**

Responsible for coordination of:

- Corporate financial valuation process;
- Managing and keeping the corporate Finance System up to date;
- Valuation and assessment of impairment for all Council non-infrastructure assets, including land, non-specialised buildings, antiques & artworks, statues & monuments, water rights and native tree plantations;
- Issuing instructions to the Valuer(s) for non-specialised buildings, with details then utilised by Financial Strategy to ensure condition levels are incorporated as required for reporting; and
- Reporting Fair Value in the financial statements, including impairment.
- Liaison with external auditors.

## **8. RELATED DOCUMENTS**

Employees are encouraged to access the related internal documents which are available on the intranet and/or external resources which are available as per the below.

These include:

Internal:

This Policy is to be read in conjunction with the following Council documents:

- Council Plan (Mir Wimbul) 2021-2025
- City of Greater Bendigo Asset Plan 2022-2032
- Asset Management Policy
- Asset Capitalisation Policy
- Asset Management Plans

External:

This Policy is to be read in conjunction with the following External documents:

- *Local Government Act 2020*
- Australian Accounting Standards Board (AASB),
- Department of Treasury and Finance: Financial Reports and Guidance Notes

Further information or advice on this policy should be directed to Financial Strategy

## **9. ADMINISTRATIVE UPDATES**

It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this, such a change may be made administratively. Examples include a change to the name of a Business Unit, a change to the name of a Federal or State Government department, and a minor update to legislation which does not have a material impact. However, any change or update which materially alters this document must be made through consultation with the staff Consultative Committee and with the approval of EMT or where required, resolution of Council.

## 10. DOCUMENT HISTORY

<b>Date Approved</b>	<b>Responsible Officer</b>	<b>Unit</b>	<b>Change Type</b>	<b>Version</b>	<b>Next Review Date</b>
<i>May, 2014</i>	<i>Manager Finance</i>	<i>Finance</i>	<i>Original</i>	1.10	<i>May, 2017</i>
<i>Dec., 2017</i>	<i>Manager Financial Strategy</i>	<i>Financial Strategy</i>	<i>Review (significant)</i>	2.00	<i>Sept., 2021</i>
<i>October 2023</i>	<i>Manager Financial Strategy</i>	<i>Financial Strategy</i>	<i>Review (minor update)</i>	3.00	<i>Sept., 2027</i>

## APPENDIX A – CONDITION AND VALUATION TABLE

Asset Group <sup>1</sup>	Asset Category <sup>4</sup>	Asset Component <sup>2</sup>	Asset Class <sup>5</sup>	Recognised (Y/N) <sup>6</sup>	Valuation Method		Condition Assessment		Revaluation Frequency (Years)	Adopted Asset Life	Depreciation Method
					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
AQUATIC FACILITIES	Swimming Pools (Excl. Buildings & structures, drainage networks & carparks)	Pool Structure (Shell)	Buildings	Y	DRC	Condition	3	33	2	80	Condition-Based
		Pool Pumps & Water Treatment Systems	Buildings	Y	DRC	Condition	3	33	2	25	Condition-Based
		Water Slides	Buildings	Y	DRC	Condition	3	33	2	30	Condition-Based
BRIDGES & MAJOR CULVERTS	Bridges (Incl. footbridges & boardwalks)	Super-Structure	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
		Sub-Structure	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
		Abutments	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
	Major Culverts	Super-Structure	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
		Sub-Structure	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
		Endwalls/Wingwalls	Bridges	Y	DRC	Condition	3	33	1	100	Condition-Based
CULTURAL OBJECTS & COLLECTIONS	Antique Objects & Collections	Antique Furniture and Antique/Cultural Items	Antiques/Artworks	N	MV	N/A	N/A	N/A	N/A	N/A	Not Depreciated
	Artworks	Internal & External Artworks	Antiques/Artworks	Y	MV	N/A	N/A	N/A	3	N/A	Not Depreciated
	Statues, Monuments & Plaques	Statues & Monuments	Monuments, Statues & Fountains	Y	MV	Age	N/A	N/A	5	100	Straight-Line



Asset Group <sup>1</sup>	Asset Category <sup>4</sup>	Asset Component <sup>2</sup>	Asset Class <sup>5</sup>	Recognised (Y/N) <sup>6</sup>	Valuation Method		Condition Assessment		Revaluation Frequency (Years)	Adopted Asset Life	Depreciation Method
					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
		Plaques	Monuments, Statues & Fountains	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Fountains & Water Features	Drinking Fountains	Monuments, Statues & Fountains	Y	DRC	Condition	3	N/A	5	100	Condition-Based
		Water Features	Monuments, Statues & Fountains	Y	DRC	Condition	3	N/A	5	100	Condition-Based
<b>FLOOD MITIGATION/ WATER SUPPLY (Incl. under AM Plan 'H')</b>	<b>Flood Mitigation &amp; Water Storage</b>	Retardation Basin & Dam Walls,	Drainage	Y	DRC	Condition	3	N/A	3	200	Straight-Line
<b>PATHWAYS</b>	<b>Rigid Pathways</b>	Concrete/Brick/Bluestone/Paver P/Ways	Pathways	Y	DRC	Condition	3	33	1	50	Condition-Based
	<b>Non-Rigid Pathways</b>	Asphalt/Spray Sealed Pathways	Pathways	Y	DRC	Condition	3	33	1	25 - 50	Condition-Based
		Unsealed Pathways	Pathways	Y	DRC	Condition	3	33	1	25	Condition-Based
		Miscellaneous Paved Areas	Pathways	Y	DRC	Condition	3	33	1	25 - 50	Condition-Based
<b>PLANT &amp; EQUIPMENT</b>	<b>Plant and Equipment</b>	Plant - Heavy	Plant and Equipment	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line
		Plant - Light	Plant and Equipment	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line
		Fleet & Light Vehicles	Plant and Equipment	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line
		Other Equipment	Plant and Equipment	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line



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Asset Group <sup>1</sup>	Asset Category <sup>4</sup>	Asset Component <sup>2</sup>	Asset Class <sup>5</sup>	Recognised (Y/N) <sup>6</sup>	Valuation Method		Condition Assessment		Revaluation Frequency (Years)	Adopted Asset Life	Depreciation Method
					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
	Furniture and Office Equipment	Furniture & Office Equipment	Office Equipment, Furniture & Fittings	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line
		Software (licensed)	Office Equipment, Furniture & Fittings	Y	HC	Age	N/A	N/A	N/A	1 - 20	Straight-Line
PROPERTY, BUILDINGS & STRUCTURES	Buildings (Incl. buildings at airport, livestock exchange, landfill, aquatic facility sites and poppet heads)	Structure – Long Life (Heritage)	Buildings	Y	DRC	Condition	3	33	2	150	Condition-Based
		Structure – Long Life (Other)	Buildings	Y	DRC/MV	Condition	3	33	2	100	Condition-Based
		Structure – Short Life	Buildings	Y	DRC/MV	Condition	3	33	2	50	Condition-Based
		Roof	Buildings	Y	DRC	Condition	3	33	2	50	Condition-Based
		Building Services (Mechanical)	Buildings	Y	DRC	Condition	3	33	2	25	Condition-Based
		Fit Out	Buildings	Y	DRC	Condition	3	33	2	25	Condition-Based
		Poppet Heads	Buildings	Y	DRC	Condition	3	33	2	100	Condition-Based
	Structures (incl. shade sails, obelisk, tanks & tank stands, scoreboards)	Miscellaneous Structures	Buildings	Y	DRC	Condition	3	33	2	20	Condition-Based
	Land	Land - Freehold	Land	Y	MV	N/A	N/A	N/A	2	Indefinite	Not Depreciated
		Land - Controlled	Land	Y	MV	N/A	N/A	N/A	2	Indefinite	Not Depreciated



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					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
		Land Under Roads - Roads pre 1/7/2008	Land	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Land Under Roads - Roads post 1/7/2008	Land	Y	MV	N/A	N/A	N/A	1	Indefinite	Not Depreciated
		Easements	Land	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RECREATION & OPEN SPACE	Irrigation/ Water Supply	Irrigation	Land Improvements	Y	DRC	Age	N/A	N/A	3	25	Straight-Line
		Stand Pipes	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	20	Straight-Line
	Landscaping (Incl. garden beds, trees, nature reserves and non-sporting surfaces)	Miscellaneous Landscaping	Land Improvements	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Lighting - Public & Street	Miscellaneous Lighting (incl. flood lights, up-lights, etc)	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	25
	Public Lighting (Incl. Security Lighting)		Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	25	Straight-Line
	Street Lights - Heritage		Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	25	Straight-Line
	Street Lights - Decorative		Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	25	Straight-Line
	Miscellaneous Land Improvements	Fences & Gates	Land Improvements	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Optic Fibre Cable	Land Improvements	Y	DRC	Age	N/A	N/A	3	20	Straight-Line



Asset Group <sup>1</sup>	Asset Category <sup>4</sup>	Asset Component <sup>2</sup>	Asset Class <sup>5</sup>	Recognised (Y/N) <sup>6</sup>	Valuation Method		Condition Assessment		Revaluation Frequency (Years)	Adopted Asset Life	Depreciation Method
					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
		Other Land Improvements (Incl. livestock exc. fences/ structures, electrical & plumbing networks)	Land Improvements	Y	DRC	Age	N/A	N/A	3	20	Straight-Line
		Retaining Walls	Land Improvements	Y	DRC	Condition	3	N/A	3	50	Condition-Based
		Wharves & Jetties	Land Improvements	Y	DRC	Condition	3	N/A	3	80	Condition-Based
		Pontoons	Land Improvements	Y	DRC	Condition	3	N/A	3	80	Condition-Based
	Play Spaces	BMX Tracks	Land Improvements	Y	DRC	Condition	3	N/A	3	20	Condition-Based
		Play Grounds	Public Furniture & Fixtures	Y	DRC	Condition	3	N/A	3	20	Condition-Based
		Skate Parks	Public Furniture & Fixtures	Y	DRC	Condition	3	N/A	3	20	Condition-Based
	Public Furniture & Fixtures	Barbeques	Public Furniture & Fixtures	Y	DRC	Condition	3	N/A	3	25	Condition-Based
		Benches, Tables & Picnic Sets	Public Furniture & Fixtures	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Bins - Residential	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	1	15	Straight-Line
		Bins & Surrounds	Public Furniture & Fixtures	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Bus Shelters	Public Furniture & Fixtures	Y	DRC	Condition	3	N/A	3	30	Condition-Based
		Christmas Decorations	Public Furniture & Fixtures	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A



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					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
		Guardrailing	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	30	Straight-Line
		Signs - Township & Boundary	Public Furniture & Fixtures	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Traffic Calming Devices	Public Furniture & Fixtures	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		Traffic Lights/Signals	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	40	Straight-Line
	<b>Sports Fields and Courts</b>	Playing surface (Grassed)	Land Improvements	Y	DRC	Condition	3	N/A	3	25	Condition-Based
		Playing surface (Synthetic)	Land Improvements	Y	DRC	Condition	3	N/A	3	25	Condition-Based
		Playing surface (Asphalted)	Land Improvements	Y	DRC	Condition	3	N/A	3	25	Condition-Based
		Spectator Areas – Concrete & Sealed	Land Improvements	Y	DRC	Condition	3	N/A	3	25 - 50	Condition-Based
		Sports Lighting	Public Furniture & Fixtures	Y	DRC	Age	N/A	N/A	3	25	Straight-Line
	<b>SEALED ROADS</b>	<b>Sealed Roads</b> (Incl. airport runways & taxiways, roads at livestock exchange, on-road parking and bike lanes)	Wearing Course - Asphalt	Sealed Roads	Y	DRC	Condition	3	33	1	25
Wearing Course – Spray Seals			Sealed Roads	Y	DRC	Condition	3	33	1	15	Condition-Based
Pavement – Sub-Arterial (Incl. E/Works & Formation)			Sealed Roads	Y	DRC	Condition	3	33	1	50	Condition-Based
Pavement – Collector and Local (Incl. E/Works & Formation)			Sealed Roads	Y	DRC	Condition	3	33	1	80	Condition-Based
Wearing Course - Asphalt			Sealed Roads	Y	DRC	Condition	3	33	1	25	Condition-Based



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					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
	<b>Sealed Carparks</b> (Incl. carparks at airport & livestock exchange, off-road parking)	Wearing Course – Spray Seals	Sealed Roads	Y	DRC	Condition	3	33	1	15	Condition-Based
		Pavement (Incl. E & F)	Sealed Roads	Y	DRC	Condition	3	33	1	100	Condition-Based
	<b>Kerb and Channel</b>	Kerb and Channel – All Types	Sealed Roads	Y	DRC	Condition	3	33	1	50	Condition-Based
	<b>Tramway Facilities</b>	Tram Tracks	Sealed Roads	Y	DRC	Condition	3	N/A	3	50	Condition-Based
<b>STORMWATER DRAINAGE</b>	<b>Stormwater Drainage</b> (Incl. drainage systems at airport, livestock exchange, landfill and aquatic facility sites)	Pipes	Drainage	Y	DRC	Age	N/A	N/A	1	100	Straight-Line
		Pits & Endwalls	Drainage	Y	DRC	Age	N/A	N/A	1	100	Straight-Line
		Minor Culverts (Urban)	Drainage	Y	DRC	Age	N/A	N/A	1	100	Straight-Line
		Open Channel Drains (Lined Only)	Drainage	Y	DRC	Age	N/A	N/A	1	25	Straight-Line
		Gross Pollutant Traps	Drainage	Y	DRC	Age	N/A	N/A	1	100	Straight-Line
		Drainage Pumps & Housings	Drainage	Y	DRC	Age	N/A	N/A	1	25	Straight-Line
<b>UNSEALED ROADS</b>	<b>Unsealed Roads</b>	Wearing Course	Unsealed Roads	Y	DRC	Condition	3	33	1	15	Condition-Based
		Earthworks & Formation	Unsealed Roads	Y	GRC		N/A	N/A	1	Indefinite	Not Depreciated
		Wearing Course	Unsealed Roads	Y	DRC	Condition	3	33	1	50	Condition-Based

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					Fair Value Method <sup>7</sup>	If DRC Age-based or Cond-Based	Condition Assessment Frequency (Years)	What % Condition Inspection Annually			
	Unsealed Carparks	Earthworks & Formation	Unsealed Roads	Y	GRC		N/A	N/A	1	Indefinite	Not Depreciated
	Floodways	Concrete Floodways (Incl. E & F)	Unsealed Roads	Y	DRC	Condition	3	33	1	100	Condition-Based
		Sealed Floodways – Spray Seals	Unsealed Roads	Y	DRC	Condition	3	33	1	15	Condition-Based
		Sealed Floodways – Pavements (Incl. E & F)	Unsealed Roads	Y	DRC	Condition	3	33	1	100	Condition-Based
<b>WATER RIGHTS</b>			Water Rights	Y	MV	N/A	N/A	N/A	1	N/A	N/A
<b>PLANTATION TIMBER</b>			Forestry Plantation	Y	NPV	N/A	N/A	N/A	1	N/A	N/A

Notes:

1. Asset Management Plans are typically developed at the Asset Group level.
2. Assets will be recognised at the Asset Component level.
3. Renewal modelling will typically be considered at the Asset Component level.
4. If there is no further Asset Component breakdown in the Asset Hierarchy, then assets will be recognised at the Asset Category level.
5. Asset Class is a term defined in Australian Accounting Standards and is used in financial valuation and capitalisation processes. Asset Class defines the level at which council's Balance Sheet will be reported. This is also defined in the Asset Group sections of the Asset Capitalisation Policy.
6. Recognition of an individual asset may be at either the Asset Category of the Asset Component level. This is further defined in the Asset Capitalisation Policy.
7. Fair Value Acronym Definitions:
  - DRC = Depreciated Replacement Cost
  - GRC = Gross Replacement Cost (i.e. Recognised but not depreciated)
  - HC = Historical Cost (Held at Cost)



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MV = Market Value

NPV= Net Present Value