15 July 2008

To the Custodians of Assets,

**ASSET VERIFICATION – ONGOING STOCKTAKE 2008**

Under Australian Accounting Standards, the University has a statutory requirement to maintain an accurate and updated Fixed Asset Register.

In accordance with this requirement, the University has adopted rolling stocktakes. Apart from the statutory requirement to have stocktakes, another reason is to more evenly spread the workload for the Faculties and Administrative Units resulting in a more efficient turnaround of the Asset Verification Reports (AVR).

Please note, that all changes requested from the 2007 Asset Verification have been amended in the Fixed Asset Register by the Asset Management Unit.

A **major emphasis in 2008** is to review the extent of any **fully depreciated assets** to determine the following:-

(a) If not used at all or cannot be located, they should be disposed of and removed from the Asset Register.

(b) If they are still in use regularly, to positively verify that those assets are still in use.

(c) If only retained for infrequent, backup use or possible future use on an irregular basis, they would be retained in the Asset Register.

(d) We have provided four small boxes in the AVR report for you to be able to verify the assets in the correct category. Please ensure the right box is ticked against each asset.

As part of this stocktake any obsolete and unserviceable assets, whether fully depreciated or not, should also be removed from the Asset Register.

The responsibility of the devolved units in relation to AVRs is as follows:-

- Ensure that the asset shown on the AVR exists and is in good condition
- Ensure that any details such as asset description, model, serial number etc are correct in every detail.
- In particular please ensure that the description is **your** description.
- Make all detailed changes on the AVR.
- For assets to be written off, two steps are required:-

(a) **All write offs require an “Asset Disposal Form”**.

(b) The Asset Disposal Form must be signed in accordance with Section 5.3 of the [Delegations of Specific Activities and Financial Delegations](#) procedures.
The following table shows financial delegation for reference purposes, in the write off of the net book value of assets:-

<table>
<thead>
<tr>
<th>Delegate</th>
<th>Net book value limit / Per item</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIC</td>
<td>Over $250,000</td>
</tr>
<tr>
<td>VC</td>
<td>Up to $250,000</td>
</tr>
<tr>
<td>DVC</td>
<td>Up to $100,000</td>
</tr>
<tr>
<td>Dean, Principal Officer, DCPS, CIO</td>
<td>Up to $50,000</td>
</tr>
<tr>
<td>HOS, HOA</td>
<td>Up to $10,000</td>
</tr>
</tbody>
</table>

- For assets which have been transferred to another department or as a result of a restructure, you must complete an Asset Transfer Notification form.

- Asset Stocktaking and Asset Management procedures.

Please return the Asset Verification Reports, Asset Disposal and Asset Transfer Forms -

TO: Mr John Pacey, Physical Control Officer
Office of the Chief Accountant,
Margaret Telfer Building, K07

DATE: 22 August 2008 (Earlier returns would be very much appreciated)

The Auditor General’s yearly review involves detailed checks on AVRs for timely completion, provision of quality information and the administration of the fully depreciated assets.

Your assistance in completing the AVR and ensuring its prompt return to Asset Management will enable the University to provide an accurate and meaningful Asset Register to support the audited Annual Financial Report.

Should you require further details please contact Mr John Pacey on 9351 2420 or myself on 9351 3592.

Regards

Alain Lam