

CONTENTS

1	PURPOSE.....	1
2	SCOPE.....	1
3	POLICY STATEMENT	1
	Recognition of assets.....	1
	Categories of assets	1
	Prepayments	3
	Calculation and recording of asset values	3
4	RESPONSIBILITIES	3
	Compliance, monitoring and review	3
	Reporting.....	3
	Records management.....	3
5	DEFINITIONS	3
6	RELATED LEGISLATION AND DOCUMENTS	3
7	FEEDBACK.....	4
8	APPROVAL AND REVIEW DETAILS.....	4

1 PURPOSE

- 1.1 This policy describes what is considered an asset of CQUniversity, and identifies the methods by which these assets are recognised, classified and recorded.
- 1.2 This policy forms part of the University's financial management practice manual, which contributes towards meeting the University's obligations under the [Financial and Performance Management Standard 2019](#) (Qld), by ensuring the existence of an effective asset management system, which ensures compliance with statutory and regulatory requirements for the identification, acquisition, management, valuation, recording and writing-off of assets.

2 SCOPE

- 2.1 This policy applies to all CQUniversity assets.

3 POLICY STATEMENT

Recognition of assets

- 3.1 Assets are recognised in the statement of financial position in determining the overall position for the financial year. In accordance with the Australian Accounting Standards Board's (AASB) [Framework for the Preparation and Presentation of Financial Statements](#), assets will only be recognised when it is probable that future economic benefits will flow to the University and that the asset has a cost or value that can be measured reliably.

Categories of assets

- 3.2 Assets are classified as the following in the statement of financial position:
- current assets - assets where the economic benefit will be received by the University within 12 months of the reporting period, or

- non-current assets - assets that will not be consumed within the next 12 months of the reporting period and will continue to provide benefits in future years.

3.3 The assets of the University fall into the following nine broad categories.

Cash and cash equivalents

3.4 Assets identified as cash and cash equivalents incorporate both interest and non-interest bearing deposits and include cash on hand, cash at bank and deposits at call. The University's cash and its equivalents are managed and invested in accordance with the [Cash Management Procedure](#) and the [Treasury and Investments Policy and Procedure](#).

Receivables and contract assets

3.5 Assets identified as receivables incorporate student debtors, general debtors, student loans, and other sundry receivables. Contract assets represent the University's right to payment for goods and services already transferred to the customer. Receivables and contract assets are controlled and managed in accordance with the [Credit Management Procedure](#), [Collections Policy and Procedure](#), and the [Bad Debts Procedure](#).

Inventories

3.6 Assets identified as inventories incorporate merchandise held for sale and distribution by the University and are recorded, held and managed in accordance with the [Inventory Policy](#) and the [Inventory Stocktake Procedure](#).

Other non-financial assets

3.7 Assets identified as other non-financial assets include prepayments (refer section 3.13), bonds and security deposits paid, imputation credits refundable and other clearing accounts. Also included is investments in other entities (associates) where the University does not have control of the entity.

Financial assets

3.8 Assets identified as financial assets (investments) incorporate investment funds, shares in subsidiaries and listed and unlisted securities. Investment funds are entered into and managed in accordance with the [Treasury and Investments Policy and Procedure](#). Other investments are managed and recorded in accordance with the relevant [Australian Accounting Standards](#).

Investment properties

3.9 Assets identified as investment properties are properties held by the University for rental income, capital gains or both. Investment properties are managed and recorded in accordance with the relevant Australian Accounting Standards and Queensland Government [Non-Current Assets for the Queensland Public Sector](#).

Intangible assets

3.10 Assets identified as intangible assets incorporate software and intellectual property and are managed in accordance with the [Intangible Asset Capitalisation and Amortisation Policy and Procedure](#).

Property, plant and equipment

3.11 Assets recorded as property, plant and equipment incorporate the University's tangible assets held for use in the production or supply of goods or services and are identified, managed, valued and recorded in accordance with the [Property, Plant and Equipment Policy](#), [Property, Plant and Equipment Disposal Procedure](#) and the [Property, Plant and Equipment Depreciation, Valuation and Impairment Policy](#).

Other assets

3.12 Other assets incorporate income tax assets, deferred tax assets and all other assets not specifically mentioned in this policy.

Prepayments

- 3.13 Payments made in advance will be recorded as a prepayment asset in the statement of financial position where the value of the prepayment is greater than or equal to \$50,000 and all or part of the benefit from the payment will be received by the University across more than one reporting period (i.e. January to December). Exceptions include employee study support payments and lease payments on buildings which are considered material in nature and paid one month in advance.

Calculation and recording of asset values

- 3.14 All asset values are calculated and recorded in the University's statement of financial position in accordance with the relevant [Australian Accounting Standards](#) and Queensland Government [Non-Current Asset Policies for the Queensland Public Sector](#).

4 RESPONSIBILITIES

Compliance, monitoring and review

- 4.1 The Chief Operating Officer and Deputy Director Financial Accounting and Operations are responsible for implementing, monitoring, reviewing and ensuring compliance with this policy.
- 4.2 Compliance and monitoring will be assessed through monthly reconciliations and regular analytical reviews.

Reporting

- 4.3 No additional reporting is required.

Records management

- 4.4 Employees must manage records in accordance with the [Records Management Policy and Procedure](#). This includes retaining these records in a recognised University recordkeeping information system.
- 4.5 University records must be retained for the minimum periods specified in the relevant [Retention and Disposal Schedule](#). Before disposing of any records, approval must be sought from the Records and Privacy Team (email records@cqu.edu.au).

5 DEFINITIONS

- 5.1 Terms not defined in this document may be in the University [glossary](#).

6 RELATED LEGISLATION AND DOCUMENTS

[Australian Accounting Standards](#)

[Bad Debts Procedure](#)

[Cash Management Procedure](#)

[Collections Policy and Procedure](#)

[Credit Management Procedure](#)

[Financial Accountability Act 2009](#) (Qld)

[Financial and Performance Management Standard 2019](#) (Qld)

[Framework for the Preparation and Presentation of Financial Statements](#)

[Intangible Asset Capitalisation and Amortisation Policy and Procedure](#)

[Inventory Policy](#)

[Inventory Stocktake Procedure](#)

[Non-Current Asset Policies for the Queensland Public Sector](#)

[Property, Plant and Equipment Policy](#)

[Property, Plant and Equipment Depreciation, Valuation, and Impairment Policy](#)

[Property, Plant and Equipment Disposal Procedure](#)

[Treasury and Investments Policy and Procedure](#)

7 FEEDBACK

7.1 Feedback about this document can be emailed to policy@cqu.edu.au.

8 APPROVAL AND REVIEW DETAILS

Approval and Review	Details
Approval Authority	Council
Delegated Approval Authority	Audit, Risk and Finance Committee
Advisory Committee	N/A
Required Consultation	N/A
Administrator	Chief Operating Officer
Next Review Date	05/04/2025

Approval and Amendment History	Details
Original Approval Authority and Date	Council 14/07/2014
Amendment Authority and Date	Deputy Vice-Chancellor (Finance and Planning) 28/07/2017; Audit, Risk and Finance Committee 10/11/2020; Editorial amendment 04/01/2021; Editorial amendment 14/04/2021; Editorial amendment 17/08/2021; Audit, Risk and Finance Committee 05/04/2022; Editorial amendment 03/01/2023.
Notes	This document was formerly known as the Asset Policy (FMPM) (last approved 28/07/2017).