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## 1 PURPOSE

- 1.1 The purpose of this policy is to provide direction on the definition of CQUniversity assets and to identify the methods by which these assets are recognised, classified and recorded. This policy also identifies the associated policy documents that form the basis for managing the varying asset classifications recognised by the University
- 1.2 This policy also contributes towards meeting the University's obligations under the [Financial and Performance Management Standard 2009](#) by ensuring the existence of an effective asset management system to ensure the appropriate identification, acquisition, management, valuation, recording and writing-off of assets and to ensure compliance with relevant statutory and regulatory requirements.

## 2 SCOPE

- 2.1 This policy applies to all assets recognised by the University and to all staff responsible for the acquisition, disposal, management, approval and recording of asset-related activities in accordance with the [Delegation of Authority Policy \(FMPM\)](#) and organisational structure of the Finance and Planning Division and relevant Responsibility Centres.

## 3 POLICY STATEMENT

### Policy framework

- 3.1 The [Financial Management Practice Manual \(FMPM\)](#) is the University's financial management policy framework. As such, this policy forms part of and must be read in conjunction with the FMPM.

## Recognition of assets

- 3.2 The University recognises assets 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

- 3.3 Assets are classified as current or non-current assets in the statement of financial position. Current assets are those assets where the economic benefit will be received by the University within 12 months of the reporting period and non-current assets are those assets that will not be consumed within the next 12 months of the reporting period and will continue to provide benefits in future years.
- 3.4 The assets of the University fall into the following seven broad categories.

### Cash and cash equivalents

- 3.4.1 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 Policy \(FMPM\)](#), [Investments Policy \(FMPM\)](#), and [Investments Procedures \(FMPM\)](#).

### Receivables

- 3.4.2 Assets identified as receivables incorporate student debtors, general debtors, student loans, and other sundry receivables, and are controlled and managed in accordance with the [Credit Management Procedure \(FMPM\)](#), [Collections Policy and Procedure \(FMPM\)](#), [Bad Debts Procedures \(FMPM\)](#), and the [Special Assistance for Students – Student Loan Scheme Policy and Procedure](#).

### Inventories

- 3.4.3 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 \(FMPM\)](#) and [Physical Stocktake Procedures for all University Inventory Policy \(FMPM\)](#).

### Investments

- 3.4.4 Assets identified as investments incorporate investment funds, subsidiaries, unlisted securities, investments in associates and other investments. Investment funds are entered into and managed in accordance with the [Investments Policy \(FMPM\)](#) and [Investments Procedures \(FMPM\)](#) with other investments are managed and recorded in accordance with the relevant Australian Accounting Standards Board [Accounting Standards](#) and Queensland Government [Accounting Policy Guidelines](#).

### Intangible assets

- 3.4.5 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 \(FMPM\)](#).

### Property, plant and equipment

- 3.4.6 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 \(FMPM\)](#), [Property, Plant and Equipment Disposal Procedure \(FMPM\)](#) and the [Property, Plant and Equipment Depreciation, Valuation and Impairment Policy \(FMPM\)](#).

## Other assets

- 3.4.7 Other assets incorporates income tax assets, investment properties, deferred tax assets and all other assets not specifically mentioned in this policy.

## Prepayments

- 3.5 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 \$10,000 and all or part of the benefit from the payment is to be received by the University in a period equal to, or greater than, three months. Exceptions will include all staff 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

- 3.6 All asset values are calculated and recorded in the University's statement of financial position in accordance with the relevant Australian Accounting Standards Board [Accounting Standards](#) and Queensland Government [Accounting Policy Guidelines](#).

## 4 RESPONSIBILITIES

### Compliance, monitoring and review

- 4.1 The Deputy Director, Financial Accounting and Operations is responsible for managing the implementation of this policy and for ensuring that its provisions are adhered to and applied consistently across the University.
- 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 Staff must maintain all records relevant to administering this policy in a recognised University recordkeeping system

## 5 DEFINITIONS

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

## 6 RELATED LEGISLATION AND DOCUMENTS

[AASB101 \(NFP\) Presentation of Financial Statements](#)

[Bad Debts Procedures \(FMPM\)](#)

[Collections Policy and Procedure \(FMPM\)](#)

[Credit Management Procedure \(FMPM\)](#)

[Delegation of Authority Policy \(FMPM\)](#)

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

[Financial and Performance Management Standard 2009 \(Qld\)](#)

[Financial Management Practice Manual](#)

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

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

[Inventory Policy \(FMPM\)](#)

[Investments Policy \(FMPM\)](#)

[Investments Procedures \(FMPM\)](#)

[Physical Stocktake Procedures for All University Inventory Policy \(FMPM\)](#)

[Property, Plant and Equipment Policy \(FMPM\)](#)

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

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

[Special Assistance for Students – Student Loan Scheme Policy and Procedure](#)

## 7 FEEDBACK

7.1 University staff and students may provide feedback about this document by emailing [policy@cqu.edu.au](mailto:policy@cqu.edu.au).

## 8 APPROVAL AND REVIEW DETAILS

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Administrator	Deputy Vice-Chancellor (Finance and Planning)
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