

CAPITAL ASSET MANAGEMENT

Scope: This policy applies to all operations conducted by Catholic Education - Diocese of Rockhampton (referred to as CEDR in the document).

1. POLICY STATEMENT

Capital assets are property, plant and equipment that are owned and managed by CEDR and have a future economic value that can be valued. Students and staff learning and wellbeing needs are at the centre of all asset management decision-making. CEDR will apply the following key principles of capital asset management:

Principle	What this means for CEDR
Accountability	• CEDR recognises and reports assets promptly and accurately and in accordance with Australian Accounting Standards. • CEDR effectively manages risks associated with assets through preventive and detective controls. • CEDR will apply the provisions of the Capital Asset Procedures in the application of this policy. • All CEDR staff are accountable for the capital assets of the organisation.
Effectiveness	Assets are used in accordance with CEDR's objectives and controls. In addition, capital assets are also used and managed in accordance with the requirements of the <i>Australian Education Act 2013</i> .
Performance	CEDR manages their assets to maximise their return on investments in accordance with their key objectives.
Sustainability	CEDR proactively manages its current and future asset requirements.

2. DESCRIPTION

This policy is aimed to guide CEDR in accounting for assets in accordance with relevant accounting standards, legislation and best practice in asset management.

All staff must identify and manage risk and exposure to injury, liability, climate change dynamics and asset failure through appropriate planning, procedures, risk management, condition and performance assessment.

CEDR manages a Property, Plant and Equipment portfolio valued at \$800 million, with annual depreciation of approximately \$21 million and an annual capital spend of between \$30-\$50 million.

CEDRs substantial asset portfolio is protected for damage and loss through appropriate insurance however appropriate asset management procedures must be followed through budgeting, purchasing, custody, loss or disposal and depreciation of these items to ensure accurate and up-to-date information is maintained.

Asset governance encompasses strong leadership, control, direction and accountability. It drives strong stewardship, ensuring that every opportunity is taken to maximise the value of CEDR assets.

By keeping appropriate records and identifying capital assets in a timely and accurate manner, losses are minimised and the value of assets can be used to deliver educational services for CEDR.

It is crucial that all CEDR staff strictly follow asset management policies and procedures to ensure accurate reporting and accountability of assets is maintained in both the finance and asset management systems, in addition to reporting to the Government.

3. IMPLEMENTATION ISSUES

1. CEDR Capital Asset management is informed by this policy, together with the *Capital Asset Management Procedure (Comprehensive version)* and *Capital Asset Management Procedure (Concise version for Schools)*.
2. Assets are reported, disclosed, and recognised as per Australian Accounting Standards and other relevant CEDR policies and procedures.
3. Assets are used only for authorised and permitted purposes.
4. Assets are assessed annually to ensure total and remaining useful lives remain appropriate. All CEDR assets are valued for accounting purposes on a 5 yearly basis.
5. An annual impairment test is performed on all asset classes to ensure the carrying value of an asset does not exceed its recoverable amount. This is further discussed in the *CEDR Capital Asset Management Procedure (Comprehensive)*.
6. Assets are safeguarded and appropriately insured to protect them and minimise losses from both internal and external events.
7. Acquisitions and disposal of assets must be approved in accordance with respective policies and procedures, including the *Procurement Policy*, *Procurement Procedure*, and *Delegations Framework*.
8. Major capital works projects are managed through a collaborative process involving school and college staff, the CEDR Building Services team and CEDR Financial Services teams. Timely communication and action is taken to appropriately manage capital works projects (both in-progress and completed).

9. Grant funded capital projects are managed and relevant documentation maintained to adhere to funding and audit conditions.
10. Decisions about school infrastructure should align to the CEDR *Strategic Capital Development Plan* and meet the needs of a growing school population, to enable future-focused teaching and learning.
11. Asset management planning considers whole-of-lifecycle costs, age and maintenance requirements of existing CEDR capital assets to optimise service delivery to students and staff.

4. REFLECTION MATERIAL

CATHOLIC EDUCATION POLICIES AND DOCUMENTS

- *Delegations Framework* v3 2024
- [*Maintenance of Catholic Schools, Colleges and Services*](#) 2023/07
- [*Annual Budget*](#) 2024/02
- [*Procurement*](#) 2023/05
- [*Staff Code of Conduct*](#) v6 2024
- *Conflict of Interest Declaration Procedure* v3 2023
- [*Statement of Principles for Employment in Catholic Schools*](#)
- Catholic Education [*Strategic Plan 2024-2026*](#)
- *Capital Asset Management Procedure (Comprehensive)* v1 2023
- *Capital Asset Management Procedure (Concise)* v1 2023
- *Procurement Procedure* v1 2024

AUSTRALIAN ACCOUNTING STANDARDS

- AASB 116 - *Property, Plant and Equipment*
- AASB 136 - *Impairment of Assets*
- AASB 1058 - *Income of Not-for-Profit Entities*
- AASB 9 - *Financial Instruments*

OTHER DOCUMENTS

- *Capital Grants Program Guidelines (Cth)*
- [*Education \(Accreditation of Non-State Schools\) Act 2017 \(Qld\)*](#)
- [*Education \(Accreditation of Non-State Schools\) Regulation 2017 \(Qld\)*](#)
- [*Modern Slavery Act 2018 \(Cth\)*](#)
- [*QCEC Conditions of Compliance*](#) 2023
- [*QCEC Capital Assistance Guidelines*](#) 2024
- [*QCEC Capital Assistance Guideline Overview*](#)
- [*QCEC Not for Profit Guidelines*](#)