



## Annual Stock-take of Unitec's Fixed Assets

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## 1. PURPOSE

Each year Unitec will carry out an annual review of its Fixed Assets for the purposes of:

- i) Verifying the accuracy of the Fixed Asset Register;
- ii) Assessing the serviceability of Unitec's Fixed Assets; and
- iii) Identifying any loss or theft of Unitec's Fixed Assets.

The purpose of this internal procedure is to outline the procedures that must be followed and completed by Faculties / Departments and Directorates / Service Units during the annual review of Unitec's Fixed Assets and make clear the individual responsibilities of positions across Unitec that must be involved in this annual review.

## 2. DEFINITIONS

**Fixed Assets:** means all assets \$1,000 and over in value, which are depreciated and all assets with a value of \$500 to less than \$1,000 which are not depreciated.

**HardCat:** means the computer application used by Unitec to record and manage its Fixed Assets.

**Leasehold Equipment:** means all items of a capital nature with a value of \$500 and over and for which a monthly lease payment is made and expensed.

**Finance Fixed Asset Audit Officers:** means two members of Finance assigned the responsibility of coordinating the annual stock-take, fielding questions about any aspect of the stock-take process and ensuring the stock-take is completed by the date set each year.

The current Officers are:  
Mr Mike Lovering (Project Manager)  
Extn 7216, Building 9  
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Ms Debbie Wu (Accounts Assistant)  
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[dwu@unitec.ac.nz](mailto:dwu@unitec.ac.nz)

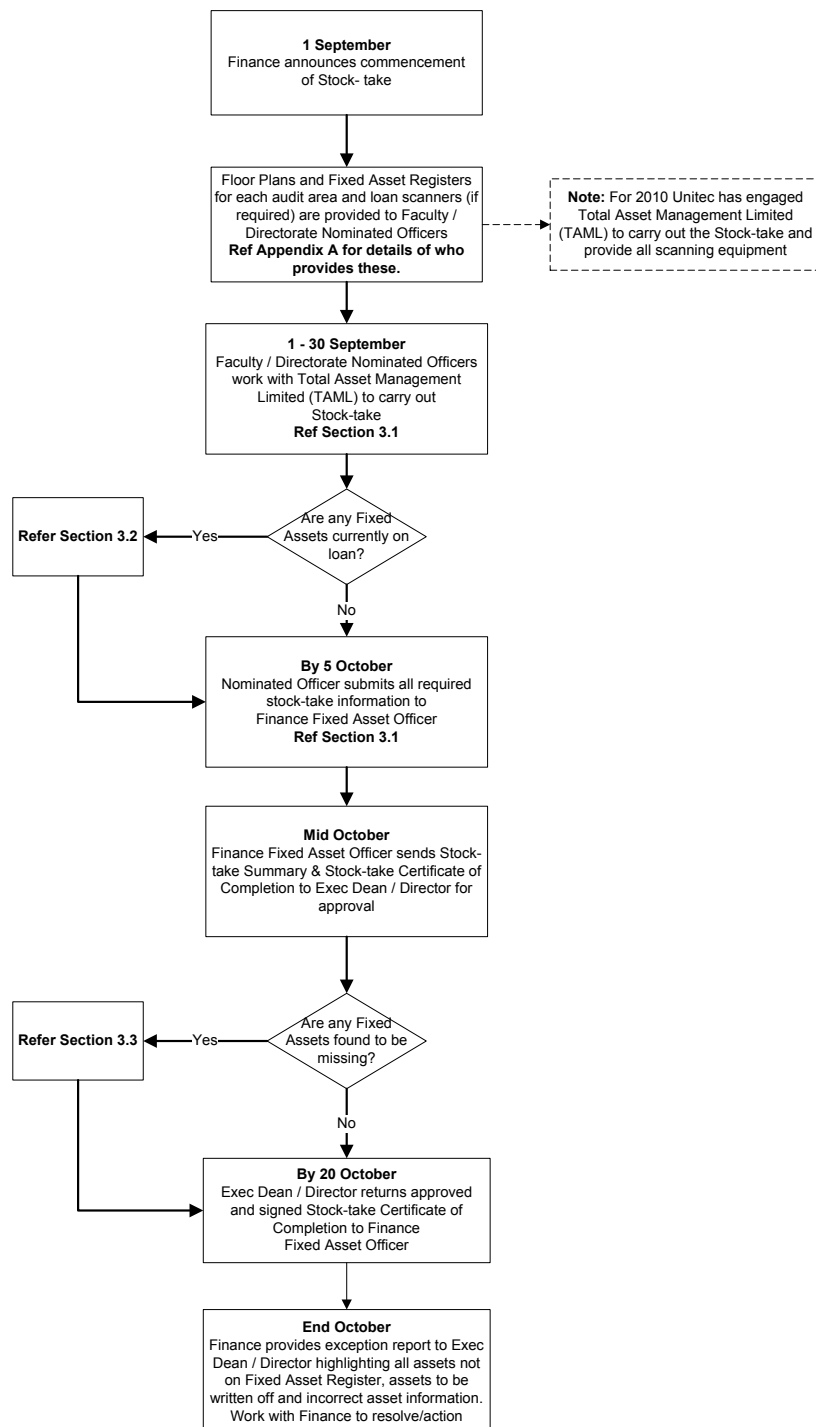
**Nominated Officer:** means person in each Faculty/ Department and Directorate / Service Unit nominated by their Executive Dean / Executive Director to co-ordinate all stock-take activities on behalf of their respective area and in liaison with the Finance Fixed Asset Audit Officer.

**Write Off:**

means the removal of a Fixed Asset assessed to be lost, stolen or obsolete from Unitec's Fixed Asset register, at nil value.

### 3. PROCEDURE

The process below sets out all the activities that must be completed during each annual stock-take of Unitec's Fixed Assets. In addition [Appendix A](#) sets out the specific stock-take responsibilities by Faculty / Directorate and position.



### 3.1. Stock-take Activities

- 1) Total Asset Management Limited (TAML) will stock-take Faculties / Departments and Directorates / Service Units to review all Fixed Assets under their management. This Stock-take will be carried out using an automated scanning process – each barcode attached to a Fixed Asset will be scanned and the barcode information electronically captured. If an Asset does not have a Unitec Fixed Asset barcode label, TAML will issue a replacement barcode label at their discretion.
- 2) All Nominated Officers must assist TAML to complete all scanning by 30th September and submit all Stock-take data collected to the Finance Fixed Asset Audit Officer by 5<sup>th</sup> October.
- 3) Where TAML finds Fixed Assets located in areas that are not listed on that area's Fixed Asset Register, Nominated Officers must assist TAML capture information about these Assets.
- 4) Where TAML are unable to locate a Fixed Asset in an area which according to the Fixed Asset Register should be there, Nominated Officers must assist TAML locate these assets. If the Asset can not be located by 30 September, this asset must be reported to the Finance Fixed Asset Audit as an 'unsighted asset'. For further information refer to [Section 3.3](#)
- 5) Following all Stock-take data being submitted to the Finance Fixed Asset Audit Officer by 5<sup>th</sup> October, the Finance Fixed Asset Audit Officer will send a [Stock-take Certificate of Completion](#) to the relevant Executive Dean / Executive Director by no later than Mid October.
- 6) All Executive Deans / Executive Directors must sign the [Stock-take Certificate of Completion](#) received from Finance and return it by 20th October, along with any information Finance may have requested from them.

### 3.2. Dealing with Fixed Assets on loan at time of Stock-take

All computers / equipments approved for off-campus use as per an Equipment Loan Agreement must be included in the Annual Stock-take process.

At the time of a Fixed Asset stock-take commencing:

- 1) The staff member with the loan equipment must complete an [Equipment Loan Certificate](#) which confirms the existence and reports on the condition of the computer(s) / equipment in their possession. If there is insufficient space on the form, attach a separate sheet.
- 2) The Nominated Officer must:
  - i) Coordinate the completion of these [Equipment Loan Certificates](#) by staff members in their respective area, collect the completed Certificates and submit a copy of these to the Finance Fixed Asset Audit Officer; and
  - ii) Keep a copy of all [Equipment Loan Certificates](#) submitted on file should reference to them be required for future audits.

### 3.3. Dealing with Fixed Assets found to be unsighted (missing) during Stock-take

- 1) Where Fixed Assets are reported to the Finance Fixed Asset Audit Officer as unsighted (missing), Finance will adopt a risk management hierarchy to group these unsighted assets into three categories (high, medium and low) for review and reporting to the Director, Finance.
- 2) A schedule of unsighted assets, categorised according to the risk management hierarchy, will be attached to the [Stock-take Certificate of Completion](#) prior to it being sent to the

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Executive Dean / Director for authorisation, with an indication of which unsighted assets must have **priority** follow up by the Executive Dean / Director.

- 3) All **priority** follow-up of unsighted assets must be completed before the end of November 2010, with the balance of unsighted assets being followed up by the completion of the following year's stock-take.
- 4) Where unsighted assets can not be located, Executive Deans / Directors must work with their allocated Management Accountant to decide on whether to Write Off the asset.

### 3.3.1. Writing off unsighted (missing) Fixed Assets

The procedure to be followed when writing off Fixed Assets is outlined in Unitec's Asset Management Policy.

## 3.4. Post Stock-take Activities

Following the completion of each annual fixed Asset Stock-take, Finance will conduct a separate review of Fixed and Intangible Assets with respect to **Useful Life**, **Impairment** and **High Value** items. A memo providing further detail of this review will be sent out to Faculty / Departments and Directorates / Service Units early November. Completion is expected by end November.

### 1) Useful Lives Review

The useful lives review involves a re-assessment of the period over which individual assets are expected to be available for use by the Faculty/Department.

### 2) Impairment of Assets Review

All fixed and intangible assets must be assessed every year for indicators that an asset may be impaired. In general, an asset is impaired when its recoverable amount (sale price) is less than its carrying amount (book value).

### 3) High Value Plant and Equipment Review

An additional review of fixed assets with a high asset value, i.e. \$100,000 and over that have the potential for high price volatility and/or changes in valuation is undertaken.

## **APPENDIX A. STOCK-TAKE RESPONSIBILITIES BY POSITION**

The following sets out the high level responsibilities of the key positions involved in the Annual Stock-take of Unitec's Fixed Assets.

### **FACULTIES / DEPARTMENTS & DIRECTORATES / SERVICE UNITS**

#### **Executive Dean / Executive Director**

##### **Responsible for:**

- 1) Appointing a Nominated Officer who will be responsible for the co-ordination of the Stock-take process in their respective areas; and
- 2) Authorising the final Stock-take Summary Report, including [Stock-take Certificate of Completion](#) and forwarding it to the Finance Fixed Asset Audit Officer by the due date.

#### **Nominated Officer** (staff member nominated by Executive Dean / Executive Director)

##### **Responsible for:**

- 1) Being the sole contact person with the Finance Fixed Asset Audit Officer, on behalf of their Faculty / Department or Directorate / Service Unit, during the duration of the Stock-take; and
- 2) Co-ordinating all Stock-take activities within their Faculty / Department or Directorate / Service Unit

## **FINANCE**

### **Finance Fixed Asset Audit Officers**

##### **Responsible for:**

- 1) Co-ordinating the Stock-take and ensuring that the Stock-take is completed by the date specified in [Section 3](#);
- 2) Managing bookings of loan scanners;
- 3) Uploading scanned data to the HardCat Fixed Assets system;
- 4) Reconciling and updating the Fixed Asset Register with changes submitted from the Stock-take process and communicating adjustments required for approval by the responsible manager;
- 5) Following-up on any incomplete Stock-take information from Faculties / Departments and Directorates / Service Units; and
- 6) Referring any Faculty / Department or Directorate / Service Unit, that does not meet the Stock-take completion date, to the Director, Finance.

## **FACILITES MANAGEMENT**

### **Responsible for:**

- 1) Providing floor plans to assist persons carrying out the Stock-take to locate the areas to be audited; and
- 2) Ensuring the persons carrying out the Stock-take can access the areas to be audited.

## **INFORMATION TECHNOLOGY SERVICES**

### **Responsible for:**

- 1) Organising and co-ordinating the Stock-take of Unitec's computing Fixed Assets.
- 2) Providing support to Faculties / Departments, Directorates / Service Units and the Finance Fixed Asset Audit Officers as required.

## REFERENCE DOCUMENTS

- [1] Floor Plans  
*Identifies the areas to be covered in the stock-take. To be obtained from Facilities Management.*
- [2] Fixed Asset Register  
*Lists the asset specific stock-take information required to assist in the management of Unitec's assets. To be obtained from HardCat*
- [3] [Equipment Loan Certificate](#)  
*Records the location & condition of assets on loan to staff members at the time of the stock-take.*
- [4] [Fixed Asset / Leasehold Equipment Movement and Disposal Form](#)
- [5] [Stock-take Certificate of Completion](#)  
*Provides certification that all stock-take requirements have been met and that stock-take now complete for the area noted on the certificate.*
- [6] Asset Management Policy (**currently in draft**)

## DOCUMENT DETAILS

<b>Version:</b>	1
<b>Document Owner:</b>	Finance Manager
<b>Document Sponsor</b>	Director, Finance
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<b>Date of Next Review:</b>	1 May 2011 (in preparation for 2011 Stock-take)

## AMENDMENT HISTORY

Version	Issue Date	Created/Changed by	Reason for Revision
1	13/09/2010	Finance Manager	Brand new document – 1 <sup>st</sup> edition