

Title:	Tangible Capital Assets Policy	Policy Number: 200-02
Policy Type:	Business/Financial	
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PURPOSE

This policy provides control and accountability over the Library's capital assets.

SCOPE

This policy applies to all Library locations falling within the reporting entity of the Library Board.

DEFINITIONS

Tangible Capital Assets are non-financial assets having physical substance that:

- a) are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
- b) have useful economic lives extending beyond an accounting period;
- c) are used on a continuing basis; and
- d) are not for resale in the ordinary course of operations.

In order to be recognized as a tangible capital asset for financial reporting purposes the item must have a cost or other value that can be reliably measured.

POLICY STATEMENT

The proper accounting treatment for the recording of tangible capital assets shall follow the Public Sector Accounting Handbook.

CLASSIFICATIONS OF TANGIBLE CAPITAL ASSETS

The following are the major classifications of Library tangible capital assets as they will be presented in financial statements:

- Land
- Buildings
- Leasehold Improvements
- Furniture and Technology
- Machinery and Equipment
- Vehicles
- Collections

HERITAGE ASSETS

Heritage assets are works of art, archival materials, and historical treasures considered irreplaceable and preserved in trust for future generations. They are not to be recognized in the financial statements as tangible capital assets as it is not possible to estimate the future economic benefits associated with such property. The existence of such property is to be disclosed in the notes to the financial statements only.

DISPOSALS

When a tangible capital asset is disposed of any difference between net proceeds and the carrying amount of the asset is accounted for as a revenue or expense in the statement of operations.

RELATED POLICIES

200-01 Purchasing and Procurement Policy

200-03 Donor and Sponsorship Policy

300-01 Archives Acquisition Policy

300-16 Public Art Policy