

MAKHADO

LOCAL MUNICIPALITY

ASSET MANAGEMENT POLICY

**PRESENTLY APPLICABLE AS APPROVED PER COUNCIL
RESOLUTION:"A.46.28.05.07"**

(TO BE APPLICABLE FROM 1 JULY 2008, IF APPROVED)

MAKHADO LOCAL MUNICIPALITY

POLICY FOR THE MANAGEMENT OF PROPERTY, PLANT AND EQUIPMENT

1. INTRODUCTION

- 1.1 This Policy for the management of Property, Plant and Equipment (PPE) has been designed to assist management and officials of Makhado Local Municipality with the description of management procedures for PPE. It also should assist with the capacity to differentiate between activities, which are acceptable in terms of general authorization, supervisory responsibilities and limits of authority to the management of PPE and functions of the organisation.
- 1.2 This Policy will provide certainty with respect to the handling of PPE management procedures undertaken within the organization and will ensure that management and employees understand their respective responsibilities and duties.
- 1.3 This Policy replaces all fixed asset management procedures/instructions and memoranda that have been previously issued.

2. OBJECTIVE

- 2.1 To ensure the effective and efficient control, utilization, safeguarding and management of the Municipality's property, plant and equipment.
- 2.2 To ensure managers are aware of their responsibilities in regards of property, plant and equipment.
- 2.3 To set out the standards of physical management, recording and internal controls to ensure property, plant and equipment are safeguarded against inappropriate loss or utilization.

3. BACKGROUND

- 3.1 The utilization and management of property, plant and equipment is the prime mechanism by which the Municipality can fulfil its constitutional mandates for:
 - 3.1.1 Delivery of sustainable services;
 - 3.1.2 Social and economic development;
 - 3.1.3 Promoting safe and health environments; and
 - 3.1.4 Fulfilling the basic needs to the community.
- 3.2 As trustees on behalf of the local community, the Municipality has a legislative and moral obligation to ensure it implements policies to safeguard the monetary value and future service provision invested in property, plant and equipment.
- 3.3 The policy for the management of PPE deals with the Municipal rules required to ensure the enforcement of appropriate stewardship of property, plant and equipment.
- 3.4 Stewardship has two components being the:
 - 3.4.1 Financial administration by the Director Finance; and

3.4.2 Physical administration by the relevant managers.

3.5 Statutory provisions are being implemented to protect public property against arbitrary and inappropriate management or disposals by local government.

3.6 Accounting standards have been approved by the Accounting Standards Board to ensure the appropriate financial treatment for property, plant and equipment. The requirements of these new accounting standards include:

3.6.1 The compilation of asset registers covering all property, plant and equipment controlled by the Municipality.

3.6.2 Accounting treatment for the acquisition, disposal, recording and depreciation of property, plant and equipment.

3.6.3 The standards to which financial records must be maintained to comply with the new accounting standards.

4. DELEGATION OF POWERS

4.1 This policy should be applied with due observance of the Municipality's policy with regard to delegated powers. Such delegations refer to delegations between the Municipal Manager and other responsible officials as well as between the Council and the Executive Committee and the Council and the Municipal Manager. All delegations in terms of this policy must be recorded in writing.

4.2 In accordance with the Municipal Finance Management Act, the Municipal Manager is the accounting officer of the Municipality and therefore all designated officials are accountable to him/ her. The Municipal Manager is therefore accountable for all transactions entered into by his/ her designates.

4.3 The overall responsibility of asset management lies with the Municipal Manager. However, the day to day handling of PPE should be the responsibility of all officials in terms of delegated authority reduced in writing.

5. PURPOSE OF THE POLICY

5.1 The purpose of this policy is to ensure that proper management of PPE forms part of the financial management procedures of Makhado Local Municipality and to ensure that prudent PPE management procedures are applied consistently.

6. EFFECTIVE PPE MANAGEMENT

6.1 Responsibilities

6.1.1 The Municipal Manager is responsible for the management of the assets of the Municipality, including the safeguarding and the maintenance of those assets. He/she must ensure that:

- ❑ The Municipality has and maintains a management, accounting and information system that accounts for the assets of the Municipality.
- ❑ The Municipality's assets are valued in accordance with standards of generally recognized accounting practice.

- ❑ The Municipality has and maintains a system of internal control of assets, including an asset register.
- ❑ Senior managers and their teams comply with this policy.

6.1.2 The Director Finance is responsible to the Municipal Manager to ensure that the financial investment in the Municipality's assets is safeguarded and maintained. He/she may delegate or otherwise assign responsibility for performing these functions but they will remain accountable for ensuring that these activities are performed. He/she must ensure that:

- ❑ Appropriate systems of financial management and internal control are established and carried out diligently.
- ❑ The financial and other resources of the Municipality are utilized effectively, efficiently, economically and transparently.
- ❑ Any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented.
- ❑ The systems, processes and registers required to substantiate the financial values of the Municipality's assets are maintained to standards sufficient to satisfy the requirements of effective management.
- ❑ Financial processes are established and maintained to ensure the Municipality's financial resources are optimally utilized through appropriate asset plan, budgeting, purchasing, maintenance and disposal decisions.
- ❑ The Municipal Manager is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets.
- ❑ The senior managers and senior management teams are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets.

6.1.3 The Functional Managers must ensure that:

- ❑ Appropriate systems of physical management and control are established and carried out for PPE in their area of responsibility.
- ❑ The Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently.
- ❑ Any unauthorized, irregular or fruitless or wasteful utilization, and losses resulting from criminal or negligent conduct are prevented.
- ❑ Their management systems and controls can provide an accurate, reliable and up to date account of PPE under their control.
- ❑ They are able to justify that their plans, budgets, purchasing, maintenance and disposal decisions for PPE optimally achieve the Municipality's strategic objectives.

The functional managers may delegate or otherwise assign responsibility for performing these functions but they will remain accountable for ensuring that these activities are performed.

6.2 Register of PPE

6.2.1 Establishment and Management of the Register of PPE

- ❑ The Director Finance will establish and maintain the Register containing key financial data on each item of Property, Plant or Equipment that satisfies the criterion for recognition.
- ❑ Functional Managers are responsible for establishing and maintaining any additional register or database required to demonstrate their physical management of their PPE.
- ❑ Each functional manager is responsible to ensure that sufficient controls exist to substantiate the quantity, value, location and condition of all PPE in their registers.

6.2.2 Contents of the Register of PPE

The details included in the non-current asset register will include:

- ❑ The measurement based used (Cost or Fair Value);
- ❑ The depreciation methods used;
- ❑ The useful life;
- ❑ Depreciation charged for the period;
- ❑ The accumulated depreciation;
- ❑ The gross carrying amount;
- ❑ Date of acquisition;
- ❑ Date of disposal (if applicable);
- ❑ Increases or the decreases resulting from revaluations (if applicable);
- ❑ Method of calculating recoverable amount (when impairment tests are required in terms of GRAP);
- ❑ Any restrictions on title to the asset;
- ❑ Location;
- ❑ Strategic purpose and if it is required to provide minimum basic services; and
- ❑ Responsible Functional Manager/ department/ vote.

6.2.3 The asset register is divided into two categories for control purposes, namely:

- ❑ Capitalised register; and
- ❑ Inventory register.

6.2.3.1 Capitalised register

The purpose of this register is to record and maintain all PPE in excess of R1 000 (one thousand rand), inclusive of VAT where applicable.

Information regarding the value of capitalised PPE, acquisitions, write-offs and sources of financing is disclosed in the financial statements.

6.2.3.2 Inventory register

The purpose of this register is to record and maintain all inventory purchases and movements, with a value less than R1 000 (one thousand rand), inclusive of VAT where applicable.

6.3 Classification of PPE

In compliance with the requirements of the National Treasury, the Director Finance shall ensure that all PPE are classified under the following headings in the Fixed Assets Register, and Heads of Departments shall in writing provide the Director Finance with such information or assistance as is required to compile a proper classification:

6.3.1 Property, Plant and Equipment

- Land (not held as investment assets).
- Infrastructure assets (assets which are part of a network of similar assets).
- Community assets (assets contributing to the general well-being of the community).
- Heritage assets (culturally significant assets).
- Other assets (ordinary operational assets).
- Housing (rental stock or housing stock not held for capital gain).

6.3.2 Investment Property

- Investment assets (resources held for capital or operational gain and which are not used by the Municipality).

The Director Finance shall adhere to the classifications indicated in the Annexure on estimated lives of PPE, and in the case of an item of PPE not appearing in the Annexure shall use the classification applicable to the asset most closely comparable in the Annexure.

6.4 Depreciation

6.4.1 Depreciation of PPE

All PPE, except land and heritage assets, shall be depreciated – or amortised in the case of intangible assets.

Depreciation may be defined as the monetary quantification of the extent to which PPE is used or consumed in the provision of economic benefits or the delivery of services.

Depreciation shall generally take the form of an expense both calculated and debited on a monthly basis against the appropriate line item in the department or vote in which the item of PPE is used or consumed.

However, depreciation shall initially be calculated from the day following the day in which an item of PPE is acquired or – in the case of construction works and plant and machinery – the day following the day in which the item is brought into use, until the end of the calendar month concerned. Thereafter, depreciation charges shall be calculated monthly.

Each Head of Department, acting in consultation with the Director Finance, shall ensure that reasonable budgetary provision is made annually for the depreciation of all applicable PPE controlled or used by the department in question or expected to be so controlled or used during the ensuing financial year.

The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other PPE.

6.4.2 Rate of Depreciation

The Director Finance shall assign a useful operating life to each depreciable item of PPE recorded on the Municipality's fixed asset register. In determining such a useful life the Director Finance shall adhere to the useful lives set out in the annexure to this document.

In the case of an item of PPE which is not listed in this annexure, the Director Finance shall determine a useful operating life, if necessary in consultation with the Head of Department who shall control or use the item in question, and shall be guided in determining such useful life by the likely pattern in which the item's economic benefits or service potential will be consumed.

6.4.3 Method of Depreciation

The Director Finance shall depreciate all depreciable PPE on the straight-line method of depreciation over the assigned useful operating life of the item.

6.5 Amendment of Asset Lives and Diminution in the Value of PPE

- 6.5.1 Only the Director Finance may amend the useful operating life assigned to any PPE, and when any material amendment occurs the Director Finance shall inform the Council of such amendment.
- 6.5.2 The Director Finance shall amend the useful operating life assigned to any item of PPE if it becomes known that such item has been materially impaired or improperly maintained to such an extent that its useful operating life will not be attained, or any other event has occurred which materially affects the pattern in which the item's economic benefits or service potential will be consumed.
- 6.5.3 If the value of an item of PPE has been diminished to such an extent that it has no or a negligible further useful operating life or value such item shall be fully depreciated in the financial year in which such diminution in value occurs.
- 6.5.4 Similarly, if an item of PPE has been lost, stolen or damaged beyond repair, it shall be fully depreciated in the financial year in which such event occurs, and if the item has physically ceased to exist, it shall be written off in the fixed asset register.

- 6.5.5 In all of the foregoing instances, the additional depreciation expenses shall be debited to the department or vote controlling or using the item of PPE in question.
- 6.5.6 If any of the foregoing events arises in the case of a normally non-depreciable item of PPE, and such item has been capitalised at a value other than a purely nominal value, such item shall be partially or fully depreciated, as the case may be, as though it were an ordinary depreciable item of PPE, and the department or vote controlling or using the item in question shall bear the full depreciation expenses concerned.

6.6 Creation of Government Grants, Public Contribution Capitalisation and Reserves

- 6.6.1 The Director Finance shall ensure that in respect of all PPE financed from grants or subsidies or contributions received from other spheres of government or from the public at large, as well as in respect of fixed assets donated to the Municipality, a grants reserve or public contribution reserve for future depreciation is created equal in value to the capitalised value of each item of PPE in question.
- 6.6.2 The Director Finance shall thereafter ensure that in the case of depreciable PPE an amount equal to the monthly depreciation expenses of the items concerned are transferred each month from such reserve to the Municipality's accumulated surplus.

6.7 Carrying Values of PPE

- 6.7.1 All PPE shall be carried in the fixed asset register, and appropriately recorded in the annual financial statements, at their original cost or fair value less any accumulated depreciation.
- 6.7.2 The only exceptions to this rule shall be revalued items of PPE (see part 6.8 below) and heritage assets in respect of which no value is recorded in the fixed asset register.

6.8 Revaluation of items of PPE

- 6.8.1 All land and buildings recorded in the Municipality's fixed asset register shall be revalued with the adoption by the Municipality of each new valuation roll (or, if the land and buildings concerned fall within the boundary of another Municipality, with the adoption by such Municipality of each new valuation roll).
- 6.8.2 The Director Finance shall adjust the carrying value of the land and buildings concerned to reflect in each instance the value of the items as recorded in the valuation roll, provided the Director Finance is satisfied that such value reflects the fair value of the land and buildings concerned.
- 6.8.3 The Director Finance shall also, where applicable, create a revaluation reserve for each such item equal to the difference between the value as recorded in the valuation roll and the carrying value of the item before the adjustment in question.
- 6.8.4 The buildings concerned shall, thereafter be depreciated on the basis of its revalued amount, over its remaining useful operating life, and such increased depreciation expenses shall be budgeted for and debited against the appropriate line item in the department or vote controlling or using the buildings in question.

- 6.8.5 The Director Finance shall ensure that an amount equal to the difference between the new (enhanced) monthly depreciation expense and the depreciation expenses determined in respect of such buildings before the revaluation in question is transferred each month from the revaluation reserve to the Municipality's appropriation account. An adjustment of the aggregate transfer shall be made at the end of each financial year, if necessary.
- 6.8.6 If the amount recorded on the valuation roll is less than the carrying value of the item of land or buildings recorded in the fixed asset register, the Director Finance shall adjust the carrying value of such item by increasing the accumulated depreciation of the item in question by an amount sufficient to adjust the carrying value to the value as recorded in the valuation roll. Such additional depreciation expenses shall form a charge, in the first instance, against the balance in any revaluation reserve previously created for such item, and to the extent that such balance is insufficient to bear the charge concerned, an immediate additional charge against the department or vote controlling or using the item of land or building in question.
- 6.8.7 Revalued land and buildings shall be carried in the fixed asset register, and recorded in the annual financial statements, at their revalued amount, less accumulated depreciation (in the case of buildings)

6.9 Other Write-offs of PPE

- 6.9.1 An item of PPE even though fully depreciated shall be written off when it can no longer be used, in consultation with the Head of Department controlling or using the item concerned.
- 6.9.2 Every Head of Department shall report to the Director Finance on 31 October and 30 April of each financial year on any item of PPE which such Head of Department wishes to have written off, stating in full the reason for such recommendation.
- 6.9.3 The Director Finance shall consolidate all such reports, and shall promptly notify the Council on the PPE to be written off.
- 6.9.4 The only reasons for writing off PPE, other than the alienation of such item of PPE, shall be the loss, theft, destruction or material impairment of the PPE in question.
- 6.9.5 In every instance where a not fully depreciated item of PPE is written off, the Director Finance shall immediately debit to such department or vote, as additional depreciation expenses, the full carrying value of the item concerned.

6.10 Management and Operation of Property, Plant and Equipment

- 6.10.1 Accountability to manage property, plant and equipment
- Each Functional Manager is accountable to ensure that Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently. This will include:
 - Developing appropriate management systems, procedures, processes and controls for managing PPE;
 - Providing accurate, reliable and up to date account of PPE under their control; and

- The development and motivation of relevant strategic PPE management plans and operational budgets that optimally achieve the Municipality's strategic objectives.

6.10.2 Contents of a strategic management plan

- Functional Managers need to manage PPE under their control to provide the required level of service or economic benefit at the lowest possible long-term cost. To achieve this, the Functional Manager will need to develop strategic PPE management plans that cover:
 - Alignment with the Integrated Development Plan;
 - Operational guidelines;
 - Performance monitoring;
 - Maintenance programs;
 - Renewal, refurbishment and replacement plans;
 - Disposal and Rehabilitation plans;
 - Operational, financial and capital support requirements, and
 - Risk mitigation plans including insurance strategies
- The operational budgets are the short to medium term plan for implementing this strategic PPE management plan.

6.10.3 Reporting on Emerging Issues

Each Functional Manager should report to the Municipal Manager on issues that will significantly impede the item of PPE capabilities to provide the required level of service or economic benefit.

6.10.4 Verification of item of PPE

Every Head of Department shall at least once during every financial year undertake a comprehensive verification of all moveable PPE controlled or used by the department concerned.

Every Head of Department shall promptly and fully report in writing to the Director Finance, in the format determined by the Director Finance, all relevant results of such PPE verification, provided that each such item of PPE verification shall be undertaken and completed as closely as possible to the end of each financial year, and that the resultant report shall be submitted to the Director Finance not later than 30 June of the year in question.

6.11 Disposal of Property, Plant and Equipment

- 6.11.1 The Municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of an item of PPE needed to provide the minimum level of basic municipal services.

- 6.11.2 The Municipality may not transfer ownership or otherwise dispose of an item of PPE other than one contemplated above, but only after the Council, in a meeting open to the public:
- ❑ has decided on reasonable grounds that the item of PPE is not needed to provide the minimum level of basic municipal services; and
 - ❑ has considered the fair market value of the item and the economic and community value to be received in exchange for the asset.
- 6.11.3 The decision that a specific item of PPE is not needed to provide the minimum level of basic municipal services, may not be subsequently reversed by the Municipality after that asset has been sold, transferred or otherwise disposed of.
- 6.11.4 The Municipal Manager may approve the disposal of an item of property, plant and equipment as delegated by the Municipal Council. The delegations to approve contracts for the disposal of an item of property, plant and equipment are stated in the Supply Chain Management Policy.
- 6.11.5 The disposal of an item of property, plant and equipment must be fair, equitable, transparent, competitive and cost effective and comply with a prescribed regulatory framework for Municipal Supply Chain Management. The Supply Chain Management Policy covers these issues.
- 6.11.6 Transfers of PPE to another Municipality, Municipal Entity, National Department or Provincial Department are excluded from these provisions.

6.12 Capitalization

6.12.1 Capitalisation Criteria – Material Value

- ❑ No item with an initial cost or fair value of less than R1 000 (one thousand rand) (incl VAT)– or such other amount as the Council may from time to time determine on the recommendation of the Municipal Manager – shall be recognised as an item of PPE. If the item has a cost or fair value lower than this capitalisation benchmark, it shall be treated as an ordinary operating expense.
- ❑ Every Head of Department shall, however, ensure that any item with a value in excess of R250 (two hundred and fifty rand) (incl VAT), and with an estimated useful life of more than one year, shall be recorded on a stock sheet. Every Head of Department shall ensure that the existence of items recorded on such stock sheets is verified from time to time, and at least once in every financial year, and any amendments which are made to such stock sheets pursuant to such stock verifications shall be retained for audit purposes.

6.12.2 Capitalisation Criteria – Reinstatement, Maintenance and Other Expenses

- ❑ Only expenses incurred in the enhancement of an item of PPE (in the form of improved or increased services or benefits flowing from the use of such item) or in the material extension of the useful operating life of an item of PPE shall be capitalised.
- ❑ Expenses incurred in the maintenance or reinstatement of an item of PPE shall be considered as operating expenses incurred in ensuring that the useful operating life of the item concerned is attained, and shall not be capitalised, irrespective of the quantum of the expenses concerned.

- Expenses which are reasonably ancillary to the bringing into operation of an item of PPE may be capitalised as part of such item. Such expenses may include but need not be limited to import duties, forward cover costs, transportation costs, installation, assembly and communication costs.

6.13 Maintenance

6.13.1 Maintenance Plans

- Every Head of Department shall ensure that a maintenance plan in respect of every new infrastructure asset with a value of R100 000 (one hundred thousand rand) or more is promptly prepared and submitted to the Council for approval.
- If so directed by the Municipal Manager, the maintenance plan shall be submitted to the Council prior to any approval being granted for the acquisition or construction of the infrastructure asset concerned.
- The Head of Department controlling or using the infrastructure asset in question, shall annually report to the Council, not later than in July, of the extent to which the relevant maintenance plan has been complied with, and of the likely effect which any non-compliance may have on the useful operating life of the item concerned.

6.13.2 Deferred Maintenance

- If there is material variation between the actual maintenance expenses incurred and the expenses reasonably envisaged in the approved maintenance plan for any infrastructure asset (see par 6.13.1 above), the Director Finance shall disclose the extent of and possible implications of such deferred maintenance in an appropriate note to the budget. Such note shall also indicate any plans which the Council has approved in order to redress such deferral of the maintenance requirements concerned.
- If no such plans have been formulated or are likely to be implemented, the Director Finance shall redetermine the useful operating life of the fixed asset in question, if necessary in consultation with the Head of Department controlling or using such item, and shall recalculate the increased annual depreciation expenses accordingly.

6.13.3 General Maintenance of PPE

Every Head of Department shall be directly responsible for ensuring that all PPE (other than infrastructure assets which are dealt with in part 6.13.1 and part 6.13.2 above) are properly maintained and in a manner which will ensure that such item attain their useful operating lives.

6.14 Replacement Norms

6.14.1 The Municipal Manager, in consultation with the Director Finance and other Heads of Departments, shall formulate norms and standards for the replacement of all normal operational PPE. Such norms and standards shall be incorporated in a formal policy, which shall be submitted to the Council for approval. This policy shall cover the replacement of motor vehicles, furniture and fittings, computer equipment, and any other appropriate operational items.

Such policy shall also provide for the replacement of PPE which are required for service delivery but which have become uneconomical to maintain.

6.15 Insurance of PPE

- 6.15.1 The Municipal Manager shall ensure that all movable PPE are insured at least against fire and theft, and that all Municipal buildings are insured at least against fire and allied perils.
- 6.15.2 If the Municipality operates a self-insurance reserve (assuming such reserve to be allowed), the Director Finance shall annually determine the premiums payable by the departments or votes after having received a list of the PPE and insurable values of all relevant items from the Heads of Departments concerned.
- 6.15.3 The Municipal Manager shall recommend to the Council, after consulting with the Director Finance, the basis of the insurance to be applied to each type of PPE: either the carrying value or the replacement value of the item concerned. Such recommendation shall take due cognisance of the budgetary resources of the Municipality.
- 6.15.4 The Director Finance shall annually submit a report to the Council on any reinsurance cover which it is deemed necessary to procure for the Municipality's self-insurance reserve.

7. IMPLEMENTATION OF THIS POLICY

This policy shall be implemented once approved by Council. All future asset management must be done in accordance with this policy.

INFRASTRUCTURE ASSETS

The following is a list of infrastructure assets, with the assigned or estimated useful lives in years in brackets:

* Airports			
Airport and radio beacons	(20)	Runways	(20)
Aprons	(20)	Taxiways	(20)
* Electricity			
Cooling towers	(30)	Power stations	(30)
Load control equipment	(20)	Supply and reticulation networks	(20)
Mains	(20)	Switchgear	(20)
Meters	(20)	Transformer kiosks	(30)
* Gas			
Mains	(20)	Storage tanks	(20)
Meters	(20)	Supply and reticulation networks	(20)
* Pedestrian malls			
Footways	(20)	Paving	(20)
Kerbing	(20)		
* Roads			
Bridges, subways and culverts	(30)	Overhead bridges	(30)
Bus terminals	(20)	Stormwater drains	(20)
Car parks	(20)	Street lights	(25)
Motorways	(15)	Traffic islands	(10)
Other roads	(10)	Traffic lights	(20)
* Security measures			
Access control systems	(5)	Security fencing	(3)
Security systems	(5)		
* Sewerage			
Outfall sewers	(20)	Sewerage purification works	(20)
Sewer mains	(20)	Sludge machines	(15)
Sewerage pumps	(15)		
* Water			
Mains	(20)	Rights (that is, the right to draw water from a particular source belonging to another party)	(20)
Meters	(15)	Supply and reticulation networks	(20)
Reservoirs and storage tanks	(20)		

COMMUNITY ASSETS

The following is a list of community assets with the assigned or estimated useful lives in years in brackets:

* Buildings and other assets

Ambulance stations	(30)	Game reserves and rest camps	(30)
Aquariums	(30)	Indoor sports	(30)
Beach developments	(30)	Libraries	(30)
Care centres	(30)	Museums and art galleries	(30)
Cemeteries	(30)	Parks	(30)
Civic theatres	(30)	Public conveniences and bath houses	(30)
Clinics and hospitals	(30)	Recreation centres	(30)
Community centres	(30)	Sports and related stadiums	(30)
Fire stations	(30)	Zoo	(30)

* Recreation facilities

Bowling greens	(20)	Outdoor sports facilities	(20)
Flood lighting	(20)	Organs (that is, pipe organs that are fixtures in a Municipal hall or other centre)	(20)
Fountains	(20)	Lakes and dams	(20)
Golf courses	(20)	Swimming pools	(20)
Jukskei pitches	(20)	Tennis courts	(20)

OTHER ASSETS

The following is a list of other assets with the estimated useful life in years in brackets:

* Buildings

Abattoirs	(30)	Laboratories	(30)
Asphalt plant	(30)	Nurseries	(30)
Cable stations	(30)	Office buildings	(30)
Caravan parks	(30)	Old age homes	(30)
Compacting stations	(30)	Quarries	(30)
Fresh produce and other markets	(30)	Tip sites	(30)
Hostels used to accommodate the public or tourists	(30)	Training centres	(30)
Hostels for Municipal employees	(30)	Transport facilities	(30)
Housing schemes	(30)	Workshops and depots	(30)
Kilns	(30)		

* Bins and containers

Bulk refuse containers	(10)	Household refuse bins	(5)
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* Emergency equipment			
Emergency lights	(5)	Other fire-fighting equipment	(15)
Fire hoses	(5)		
* Furniture and fittings			
Chairs	(7-10)	Tables and desks	(7-10)
Cabinets and cupboards	(7-10)		
* Motor vehicles			
Ambulances	(5-10)	Motor cycles	(3)
Buses	(15)	Ordinary motor vehicles	(5-7)
Fire engines	(20)	Trucks and light delivery vehicles	(5-7)
* Office equipment			
Air conditioners	(5-7)	Computer hardware	(5)
Office machines	(3-5)	Computer software	(3-5)
* Plant and equipment			
Cable cars	(15)	Laboratory equipment	(5)
Compressors	(5)	Lathes	(15)
Conveyors	(15)	Lawn mowers	(2)
Cremators	(15)	Mechanical horses	(10-15)
Farm equipment	(5)	Pulverising mills	(15)
Feeders	(15)	Radio equipment	(5)
Filling equipment	(15)	Telecommunication equipment	(5)
Firearms	(5)	Tippers	(15)
Graders	(10-15)	Tractors	(10-15)
Irrigation systems	(15)		
* Other			
Aircraft	(15)	Watercraft	(15)