	GGHA POLICIES AND PROCEDURES	
	Policy #: HB.03.07	Policy Name: Investments Policy and Procedure
	Effective Date: August 21, 2024	Last Reviewed Date: August 21, 2024

1.0 PURPOSE

The Board of Directors of the Guelph Girl's Hockey Association ("GGHA") has a fiduciary duty to protect the assets of the Corporation and ensure that the assets are used to further its mission. These guidelines set out the authorities and responsibilities for the capitalization of the GGHA's capital assets.

2.0 DEFINITION

- 2.1. Capital Assets are tangible items which are held for use in the production or supply of goods or services or for administrative purposes.
- 2.2. Capital Assets are non-monetary assets and are expected to be used for more than one period.

3.0 RECOGNITION

- 3.1. The cost of an item of PP&E should be recognized as an asset if, and only if:
 - It is probable that the future economic benefits related to the item will be realized and;
 - The cost of the item can be measured reliably.
- 3.2. If expenditures incurred do not meet the criteria for capitalization as outlined above, costs should be expensed in the period incurred.

4.0 THRESHOLD


- 4.1. Individual items with cost less than CAD \$500, should be expensed as incurred. The capitalization threshold must be evaluated on a complete asset basis; not on a component basis.

5.0 MEASUREMENT

- 5.1. Items that qualify for recognition as a capital asset should be measured at cost on initial recognition. Costs to be included in the cost of an item of a capital asset
 - Purchase price (including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates);
 - Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended

6.0 DEPRECIATION

- 6.1. Capital assets are to be depreciated on a straight-line basis over the useful life of the asset. The selection of the depreciation period is to be based on the best estimate of the assets' useful life, less any residual value.
- 6.2. Residual value of an asset is the estimated amount that could be obtained from the sale/disposal of the asset less the estimated disposal costs currently (as at the balance sheet date) if the asset were already as old and worn as it will be when expected to

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dispose of it.

6.3. Depreciation should commence in the month that the asset is available for use as intended by business and/or finance leadership.

6.4. Current useful Life, by asset category:

- Furniture & Equipment – 3 years