



## 2025 Financial Information Return

# **Schedule 51** **Consolidated Schedule of Tangible** **Capital Assets**

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# SCHEDULE 51: Consolidated Schedule of Tangible Capital Assets

## General Information

The Schedule 51 series collects the net book value of tangible capital assets by function (51A) and asset class (51B).

Refer to the FIR Instructions section on functional categories for definitions of specific functions.



**Ensure tangible capital assets are included in the appropriate functional categories. Ministries use information from the FIR, including Schedule 51, to determine eligibility and allocations for certain grants and programs.**

**Municipalities that do not fill out Schedule 51 properly may be deemed ineligible for certain grants. If you require assistance classifying tangible capital assets, contact: [FIR@Ontario.ca](mailto:FIR@Ontario.ca)**

## Transfers Between Functional Categories:

Transfers between functional categories may be recorded by:

### (a) Adjusting Opening Balances

- Decrease the opening cost balance (column 2) of the previous functional classification by the original cost of the asset.
- Increase the opening cost balance (column 2) of the new functional classification by the original cost of the asset (the same amount as the previous step)
- Decrease the opening amortization balance (column 7) of the previous functional classification by the total accumulated amortization balance of the asset as at the end of the prior year.

- Increase the opening amortization balance (column 7) of the new functional classification by the total accumulated amortization balance of the asset as at the end of the prior year (the same amount as the previous step)

**(b) In-Year Adjustments**

- Record the original cost of the asset as a positive amount in the disposal's column (column 4) of the previous functional classification.
- Record the original cost of the asset as a negative amount in the disposal's column (column 4) of the new functional classification.
- Record the total accumulated amortization balance of the asset at the end of the prior year as a positive amount in the amortization disposal column (column 9) of the previous functional classification.
- Record the total accumulated amortization balance of the asset at the end of the prior year as a negative amount in the amortization disposal column (column 9) of the new functional classification.

**(c) For municipalities that have not yet implemented PS 3280 Asset Retirement Obligations standard and plan to do so in the current year, please note that a historical bump-up of the opening tangible capital asset cost balances may be required due to the transitional application of the Public Sector (PS) 3280 Asset Retirement Obligations (ARO). Before recording transitional adjustments relating to AROs, please refer to the illustrative examples on the FIR website [here](#).**

- PS 3280 Standard AROs guides municipalities to determine if a retirement or remediation obligation relating to an existing tangible capital asset should be recognized.
- The opening tangible capital asset cost balances for each functional area (Column 2) and the opening amortization balances (Column 7) can be used to record any adjustments to the cost and amortization amounts corresponding to the related tangible capital assets. Adjustments to opening cost and/or amortization amounts may need to be made when using the retrospective or prospective methods to record asset retirement obligations relating to tangible capital assets that belonged to the municipality on or before January 1, 2023. Adjustments to the opening balances may be required as part of the transition to the new PS 3280 Asset Retirement Obligation standard.
- The retrospective method may require corresponding adjustments to opening accumulated surplus (deficit). Line 2061 Prior Period Adjustments in Schedule

10 can be used to record any corresponding adjustment in the Opening Accumulated Surplus (Deficit) balance.

(d) There are various scenarios relating to the treatment of AROs in the years following PS3280 Asset Retirement Obligation (ARO) Liability adoption. The scenarios below can be used to guide the reporting of changes in the carrying value of the tangible capital assets that relate to AROs.

1. A brand-new tangible capital asset has been acquired, constructed, or developed in the year. This new TCA carries an asset retirement obligation that will be recognized as a liability.
  - Use Column 14 ARO Increase in TCA Cost to record the increase in carrying value related to the ARO.
2. An existing tangible capital asset carries an asset retirement obligation that was discovered subsequent to the year of ARO adoption.
  - Use Column 3 Opening Cost Balance and Column 7 Opening Amortization Balance to adjust the carrying value of the tangible capital asset.
3. ARO for an existing asset has been adjusted due to a change in the estimate of the ARO resulting from changes in the timing of cash flows, changes to the amount of the original estimate of undiscounted cash flows, or changes to the discount rate. This change may occur from a new engineering report that revalues the ARO estimate for the corresponding tangible capital asset.
  - If the change results in an increase in the ARO, use Column 14 ARO Increase in TCA Cost to record the increase in carrying value related to the ARO.
  - If the change results in a decrease in the ARO, use Column 5 Writedowns to record the decrease in carrying value related to the ARO. Please note that Column 14 ARO Increase in TCA Cost cannot accept negative values.

# **Schedule 51A: Tangible Capital Assets by Function**

## **Column 1: - Opening Net Book Value of Tangible Capital Assets**

This column is automatically populated from the previous year's closing Net Book Value of tangible capital assets.

## **Cost of Tangible Capital Assets:**

### **Column 2: - Opening Cost Balance**

Column 2 includes the opening balance of the cost of assets. This column is automatically pre-populated from the previous year's closing cost balance. However, the amounts in this column can be edited if needed (as described in the section above "Transfers between functional categories").

### **Column 3: - Additions and Betterments**

Column 3 includes all costs related to the purchase, construction, and development of tangible capital assets as per PS 3150 Tangible capital assets. This also includes donated/contributed tangible capital assets and betterments.

### **Column 14: - ARO Increase in TCA Cost**

In column 14, record the asset retirement obligation costs for any tangible capital assets that are purchased, or constructed In the current year.

Column 14 may also be used to record an increase in the carrying cost of a tangible capital asset that relates to an increase in the estimate of the asset retirement obligation liability. A decrease in the estimate of the asset retirement obligation liability should be recorded in Column 5, Write Downs.

**IMPORTANT:** Accretion expense is considered an operating expense rather than a capital expense. Accretion expense is the non-cash cost due to the passage of time, resulting in the gradual increase of the present value of the asset retirement obligation liability. Accretion expense should be recorded in Schedule 40, Statement of Operations: Expenses, in Column 5 Rents, Financial Expenses, & Accretion Expense, and not in this schedule.

## **Column 4: - Disposals**

In Column 4, record the cost for assets that were sold, traded-in, destroyed, lost, or abandoned. These amounts should be recorded as positive values.

## **Column 5: - Write Downs**

In Column 5, record the permanent decline in the value of tangible capital assets. These amounts should be recorded as positive values.

This column should be used to record any decreases in the carrying value of a tangible capital assets that relate to a decrease in the estimate of the asset retirement obligation liability.

## **Column 6: - Closing Cost Balance**

The year-end closing cost balance is automatically calculated as follows:

**Closing Cost Balance = Opening Cost Balance (Column 2)**

**Plus: Additions and Betterments (Column 3)**

**Plus: ARO Increase in TCA Cost (Column 14)**

**Minus: Disposals (Column 4)**

**Minus: Write Downs (Column 5)**

## **Amortization**

### **Column 7: - Opening Amortization Balance**

Column 7 includes the opening accumulated amortization balance. This column is automatically pre-populated from the previous year's closing accumulated amortization balance; however, these amounts can be edited if needed. Accumulated amortization is the cumulative amortization of assets up to a certain point in time.

If an asset retirement obligation relates to an existing tangible capital asset that is included in the opening cost balance for 2023 year, please see (c) above regarding adjustments to opening tangible capital asset cost and accumulated amortization balances.



## **Column 8: - Annual amortization**

In Column 8, record the cost reported as an amortization expense in schedule 40 on column 16.

## **Column 9: - Amortization Disposal**

In Column 9, report the sum of the accumulated amortization applicable to disposals or write downs. These amounts should be recorded as positive values.

## **Column 10: - Closing Amortization Balance**

The year-end closing accumulated amortization balance is automatically calculated as follows:

**Closing Amortization Balance = Opening Amortization Balance (Column 7)**

**Plus: Annual Amortization**

**Minus: Amortization Disposal**

## **Column 11: - Closing Net Book Value**

The year-end closing net book value is automatically calculated as follows:

**Closing Cost Balance - Closing Amortization Balance = Closing Net Book Value**

**Column 6 – Column 10 = Column 11**

**\*\* IMPORTANT: SCHEDULE 51A: NET BOOK VALUE (NBV) SHOULD NEVER BE NEGATIVE!**

## **Schedule 51B: Segmented by Asset Class**

**Please ensure tangible capital assets are segmented by asset class only.**

### **General Capital Assets**

General capital assets include tangible capital assets (TCA) that are not considered part of the Infrastructure Asset class. Refer to the definition of Infrastructure Class for more details (below).

General capital assets include TCAs in the following classes: Parks, Recreation facilities, Fire, EMS, Police, Waste Collection and Disposal, and Landfills. Lists of examples provided in the FIR instructions for Schedule 51B are not exhaustive.

### **Line 2005 - Land**

Land consists of real property in the form of a plot, lot, or area.

Include all expenditures made to acquire land and ready it for use, where improvements are considered permanent in nature. Examples of expenditures include purchase price, closing costs, grading, filling, draining, clearing, and removal of old buildings (net of salvage), assumption of liens or mortgages, and any additional land improvements that have an indefinite life.

### **Line 2010 - Land Improvements**

Land improvements consist of betterments, site preparation and site improvements (other than buildings) that ready land for its intended use, which generally decay or break down over time.

Land improvements that are removable and can degrade or deplete over the course of time through use or due to the elements, should be separately capitalized and their value amortized over the useful life of the improvement.

General capital land improvement examples include landfill site development, construction of driveways, parking lots, retaining walls, bike paths in parks, drop off locations, sidewalks, fencing, patios, water fountains, outdoor swimming or wading pools, ball diamonds, soccer fields, irrigation systems, and tennis courts.

## **Line 2020 - Buildings**

General capital buildings include all structures that provide shelter from the elements which function independent of an infrastructure network.

Examples include EMS stations, bus transit facilities, sport and recreation facilities, office buildings, fire/police stations, libraries, pavilions, change rooms, park washrooms & concession buildings, band shells, ticket kiosks, crematoriums, chapels, mausoleums, waste depots, recycling facilities.

## **Line 2030 - Machinery & Equipment**

General capital machinery and equipment include apparatuses, tools, devices, implements or instruments that likely use energy (for ex. human, electrical, hydraulic fuel, or thermal) to facilitate a process, function, or completion of a task.

Machinery and equipment may also include furniture and fixtures. It may be installed within a building but is generally capable of being moved and reinstalled at a different location (it is not permanently affixed to or integrated into the building or structure in which it resides).

## **Line 2040 - Vehicles**

General capital vehicles include means of transportation, usually having wheels, used for transporting persons or things, or for towing purposes.

Vehicles include automobiles, trucks, trailers, motorcycle, and boats.

## **Line 2097 – Other**

Please enter description.

**IMPORTANT:** Asset retirement obligations (AROs) are not considered an asset class and should not be segregated in the “Other” line. Please allocate your AROs accordingly by asset class. For instance, the portion of AROs that relate to asbestos removal should be recorded in the asset class of “Buildings”. The portion of AROs that relate to landfill remediation should be recorded in the asset class of “Land Improvements”.

## **Line 2098 – Other**

Please enter description.

## **Line 2099 - Total General Capital Assets**

This line is automatically calculated. It is the sum of lines 2005 through 2098.

## **Infrastructure Assets**

Tangible capital assets are classified as 'Infrastructure Assets' if the assets are linear in nature. Linear assets and their associated components are generally constructed or arranged in a continuous and connected network.

Infrastructure assets include Transportation Infrastructure (Roads –including cycling lanes, bridges, tunnels, public transit rail line portion only, drainage systems), Utilities (telephone, gas and electrical), and Environmental Infrastructure (water delivery systems, wastewater treatment, storm drainage systems).

## **Line 2205 - Land**

Land for line 2205 consists of real property in the form of a plot, lot, or area that is associated with infrastructure.

Line 2205 land includes land under roads and land associated with road allowances, sewage treatment plant sites, and pump station properties.

## **Line 2210 - Land Improvements**

Report land improvements as defined in the General Capital asset class that is associated with infrastructure.

Examples include parking lots and driveways for water/wastewater sites, and site improvements such as grading at works yards whose purpose is to serve as a base for maintaining Infrastructure.

## **Line 2220 - Buildings**

Reports buildings as defined in the "General Capital" asset class associated with infrastructure.

Examples include wastewater treatment control buildings, water supply buildings, buildings in works yards dedicated to Infrastructure maintenance, and rail transit facilities.

## **Line 2230 - Machinery & Equipment**

Report machinery and equipment as defined in the General Capital asset class that is associated with infrastructure.

## **Line 2240 - Vehicles**

Reports vehicles as defined in the General Capital asset class associated with infrastructure.

## **Line 2250 - Linear Assets**

The Linear assets sub class applies only to "Infrastructure assets." It has no "General Capital" counterpart.

Linear assets are assets generally constructed or arranged in a continuous and connected network.

This Includes connected:

1. Surface systems such as roads, sidewalks, bridges, drainage ditches, streetlights, and transit rail lines; and
2. Underground systems such as water distribution pipe systems, wastewater collection pipe systems, manholes, catch basins, and storm drainage collection systems and tunnels.

## **Line 2297 - Other**

Please enter description.

## **Line 2298 - Other**

Please enter description.

## **Line 2299 - Total Infrastructure Assets**

This line is automatically calculated. It is the sum of lines 2205 through 2298.

## **Line 9920 - Total Tangible Capital Assets**

This line is automatically calculated. It is the sum of lines 2099 and 2299.

**Line 9920 Column 11 on Schedule 51B should equal Line 9910 Column 11 on Schedule 51A.**

## **Construction-In-Progress**

Please note that Schedule 51C, which previously collected detailed construction in progress data by functional classification, has been eliminated and replaced with a one-line item on Schedule 51B that collects aggregate construction-in-progress data.

## **Line 2405 - Construction-In-Progress**

### **Column 1: - Opening Balance**

This column is automatically populated by the ending construction-in-progress balance from the previous year. However, amounts in this column can be adjusted if needed.

### **Column 2: - Expenditures in Current Year**

In Column 2, enter the costs incurred in the current year for capital work not yet completed.

### **Column 3: - Less: Assets Capitalized**

In Column 3, enter the tangible capital assets capitalized in the current year. These amounts should be recorded as positive values.

#### **Column 4: - Closing Balance**

This column is automatically calculated as follows:

$$\begin{aligned} \text{Closing Construction-in-Progress Balance} &= \text{Opening Balance (Column 1)} \\ &\quad \text{Plus: Expenditures In Year (Column 2)} \\ &\quad \text{Minus: Assets Capitalized} \end{aligned}$$

#### **Line 9921 - Total Tangible Capital Assets and Construction-In-Progress**

This line is automatically calculated. It is the sum of lines 9920 and 2405.

**\*\* IMPORTANT: SCHEDULE 51B: NET BOOK VALUE (NBV) SHOULD NEVER BE NEGATIVE!**