
Fixed Asset Verification and Impairment Testing Training Course: Register, Valuation and Evidence

8 – 12 November 2026
Zoom





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Programme Summary

Fixed asset verification and impairment testing is the subject of this one-week training course for audit managers, finance controllers and asset accountants, ending in a fixed asset audit file for one asset class. Asset registers drift from the physical estate, capital spend is booked inconsistently and impairment judgements are made late, so auditors inherit weak evidence. The programme links register integrity, physical verification, depreciation and valuation tests and impairment review in one method, applied to assets the participant knows. Mars Training Centre UK delivers this programme on fixed asset verification and impairment testing to mixed-organisation cohorts.

The Business Case

Where fixed asset verification and impairment testing is left until year-end, ghost assets stay on the register, depreciation runs on items already scrapped and impairment indicators go unrecorded. Teams that reconcile the register to the site, test capitalisation as spend occurs and document impairment judgements early reduce late adjustments and give auditors evidence they can rely on.

- Register Accuracy: Improves as physical verification results are reconciled to the ledger.
- Late Audit Adjustments: Fall as capitalisation and depreciation are tested during the period.
- Asset Write-Down Surprises: Fall as impairment indicators are reviewed on a set cycle.

Principles and Evidence Base

- IAS 16 Property, Plant and Equipment: The standard on recognition, depreciation and derecognition frames the capitalisation and depreciation tests in Sessions 2 and 3.
- IAS 36 Impairment of Assets: The standard on impairment indicators and recoverable amount structures the review in Session 4.
- ISA 540: The auditing standard on accounting estimates guides how valuation and impairment judgements are challenged in Sessions 3 and 4.

Intended Participants

- Audit managers who plan and review testing of property, plant and equipment.
- Finance controllers who own asset policies and year-end support.
- Asset accountants who maintain the register and depreciation schedules.
- Internal auditors who verify assets across sites and subsidiaries.

Typical sectors include manufacturing, utilities, transport and public-sector entities.



Learning Outcomes

1. Participants will be able to evaluate the integrity of a fixed asset register against site evidence.
2. Participants will be able to construct a physical verification plan with sampling and tagging checks.
3. Participants will be able to assess capitalisation decisions on additions and disposals.
4. Participants will be able to diagnose errors in depreciation and revaluation calculations.
5. Participants will be able to prioritise impairment indicators and challenge recoverable amount estimates.
6. Participants will be able to justify audit conclusions in a fixed asset audit file.

Programme Structure

Day 1: Fixed Asset Verification and Register Integrity

Does the register describe the assets the organisation actually holds?

- Register to Ledger Reconciliation
- Asset Assertion Test Matrix
- Asset Tagging and Location Check
- Ghost Asset Screening List
- Verification Sampling Plan

Day 2: Capitalisation, Additions and Disposals

Was each addition correctly capitalised and each disposal correctly removed?

- Capital versus Expense Decision Tree
- Addition Vouching Checklist
- Project Cost Cut-Off Test
- Disposal Proceeds and Gain Recalculation
- Self-Constructed Asset Cost Review

Day 3: Depreciation, Useful Lives and Revaluation

Are depreciation and carrying amounts supportable?

- Depreciation Recalculation Sheet
- Useful Life and Residual Value Review
- Component Approach Test
- Revaluation Evidence File
- Specialist Valuer Reliance Checklist



Day 4: Impairment Indicators and Recoverable Amount

When is an asset impaired, and how is the loss measured?

- Impairment Indicator Checklist
- Cash-Generating Unit Map
- Value in Use Model Review
- Fair Value Less Costs Evidence Test
- Impairment Disclosure Check

Day 5: Applying the Tools to One Asset Class

Do the earlier tests support one defensible audit conclusion?

- Applying the Session 1 Register Reconciliation
- Using the Session 2 Capital versus Expense Decision Tree
- Testing the Session 3 Depreciation Recalculation Sheet
- Checking the Session 4 Value in Use Model Review
- Completing the Fixed Asset Audit File

Methodology

The programme uses a data workshop method built on anonymised asset registers, addition listings, depreciation schedules and impairment models from manufacturing, utility and public-sector entities. Participants work in audit teams on a shared register, challenge each other's samples and conclusions and receive written facilitator feedback on each exercise set.

- Suggested activity: Reconciling a register extract to a site count and listing the differences.
- Suggested activity: Classifying a project cost listing between capital and expense.
- Suggested activity: Challenging a cash flow forecast used in a value in use model.

Capstone Output

Each participant completes a fixed asset audit file for one asset class. It holds a register reconciliation, a verification sample, capitalisation and depreciation tests, an impairment review and a conclusion with open points. The file is used at work to plan the next audit, brief a finance controller and agree corrections before reporting.



Frequently Asked Questions

Is fixed asset verification and impairment testing suitable for auditors who have not tested assets before?

Yes. Fixed asset verification and impairment testing assumes basic audit and accounting knowledge and builds each test step by step on sample registers.

Which standards does fixed asset verification and impairment testing rest on?

Fixed asset verification and impairment testing rests on IAS 16, IAS 36 and ISA 540 for accounting estimates.

How is the file from fixed asset verification and impairment testing used at work?

You use the fixed asset audit file to plan the next audit, brief a finance controller and agree corrections before reporting.

How does fixed asset verification and impairment testing differ from general financial statement auditing?

Fixed asset verification and impairment testing centres on register integrity, capitalisation, depreciation and impairment of long-lived assets, while general financial statement auditing covers every balance and class of transaction.