



## **CAPITALIZATION POLICY**

A fixed asset is any tangible asset purchased for use in the day-to-day operations of White Heron Theatre Company from which an economic benefit will be derived over a period greater than one year. Fixed assets include items of property and equipment such as buildings, leasehold improvements, office furniture, fixtures, computers and other related technology equipment. At the time a fixed asset is acquired, its cost is capitalized unless it has a value of \$4,999.99 or less in which case the asset is expensed in the period acquired. If White Heron is engaged in a capital project such as leasehold improvements, renovations, or new construction for which the useful life is for a period greater than one year, all expenses related to that project may be capitalized unless the project has a total expenditure of \$4,999.99 or less.

Amounts paid for property with an estimated useful life of 12 months regardless of value are expensed in the period acquired. Management and board will periodically review these levels and make any modifications as necessary