

# Enfield Grammar School



## Assets, Write Off and Capitalisation Policy

Approved Date	October 2023
Committee	Resources and Management
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## **WRITE-OFF POLICY**

### **Introduction**

In the event that the School suffers a loss of property, including assets, resources or other physical items, there is an expectation to undertake a formal write-off process.

### **What constitutes a loss?**

For the purpose of a write off, a school is considered to have suffered a loss of property when any of the following occurs:

- Accidental damage to an item rendering it irreparable.
- An item is stolen, i.e. theft/burglary/break-in.
- Fire/storm/flood/malicious damage to property rendering the property beyond repair.
- Loss of property for whatever other reasons.

### **Other instances when equipment may no longer be used.**

In addition to a 'loss', some equipment may no longer be retained, and/or used in school for a variety of reasons, including:

- Surplus to requirements
- Unserviceable
- Obsolete
- Unsafe
- And subject to trade-in, transfer, sale, donated or scrapped.

### **What property is subject to write-off?**

- Any individual item that is recorded in the schools' asset register (the school's asset register includes items that have a purchase cost in excess of £100 and/or are considered to be worth stealing e.g. cameras, computers, laptops, science equipment).

### **What property is not subject to write-off?**

#### **Minor items (under £100 each)**

Consumable items/stationery that are surplus to requirement, unserviceable, obsolete or unsafe and need to be removed from school.

#### **Anything that is not owned by the school**

The following items are not subject to a write-off:

- Items owned by staff
- Items owned by students
- Items on loan to the school
- Leased items

## **Process for a write-off**

1. Head of Department to identify property for write-off (due to loss, damage, surplus to requirements, unserviceable, obsolete or unsafe)
2. Head of Department to notify the Finance Officer who will then seek authorisation from the Headteacher.
3. When agreement has been given, the Chair of Resources, Headteacher and member of staff complete and sign a 'write-off' form.
4. The write-off form is processed by the Finance Department and the asset register is updated to record the removal/deletion of the asset.

## **Reporting**

The Headteacher will provide the Resources and Management Committee with a termly list detailing items that have been written off during the preceding term, which will show the reasons for disposal and confirm that authorisation has been obtained.

## **What to do with written-off property?**

Written-off items and other major assets/resources, which are surplus to requirements, unserviceable or obsolete should be disposed of by discarding, recycling or destroying.

Any other method of disposal (e.g. sale or trade-in) must be approved by the Headteacher.

## **Debt Write Off**

The Headteacher is authorised to write off any debt owing to the school up to a value of £500 for any one item, provided that he is satisfied that proper steps have been taken to mitigate the loss and prevent a recurrence. Any debt in excess of £500 requires approval by Resource and Management Committee. Records of all debt write offs will be kept by the Finance Department.

## CAPITALISATION AND DEPRECIATION POLICY

### CAPITALISATION

Individual items of a value in excess of £1,000 will be capitalised.

### DEPRECIATION

The straight-line method of depreciation is widely used and simple to calculate. It is based on the principle that each accounting period of the asset's life should bear an **equal amount of depreciation**.

All depreciation of assets will be based on the straight line depreciation method as follows:

<b>Fixtures and fittings</b>	<b>10 years</b>
<b>Vehicles</b>	<b>5 years</b>
<b>Computer equipment</b>	<b>5 years</b>
<b>General Buildings</b>	<b>50 years</b>
<b>3G pitch</b>	<b>50 years</b>