



BORDESLEY MULTI ACADEMY TRUST

FIXED ASSET POLICY

Approved on 28/01/2000

Document control

Prepared by	Chief Financial Officer		
Authorised by	CEO		
Approved by	Board of Trustees		
Adopted by local governing body	HO	BS	TH
Published location	n/a		
Other documents referenced	n/a		
Review date	Annual		
Related documents	n/a		

Version control

Version Number	Date Issued	Author	Update Information
V1.Jan20	28/01/2020	Patricia Duncan	First published version



BORDESLEY MULTI ACADEMY TRUST

FIXED ASSET POLICY

INTRODUCTION

The schools within the Bordesley Multi Academy Trust comprise of Holyoakes Field First School, Birchensale Middle School and Trinity High School & Sixth Form Centre.

For the purpose of this document:

- a) The Bordesley Multi Academy Trust is referred to as The Trust;
- b) School refers to all Schools within the Trust;
- c) Pupils or Students refers to all pupils or students being educated or on site at any one of the schools within the Trust

A copy of this policy will be available on the Bordesley MAT website. Also, a link from each school's website will direct you to this policy.

1. PURPOSE

- 1.1 The purpose of this Fixed Asset Policy is to establish a capitalisation, depreciation and disposal policy for tangible fixed assets held by Bordesley Multi Academy Trust and the Schools within the Trust. This will ensure that the Balance Sheet correctly reflects the net book value (NBV) of tangible fixed assets.

2. FIXED ASSET DEFINITION

- 2.1 A fixed asset is defined as a single item, or a group of the same items purchased at the same time, with a purchase value of £5,000 or more, and that are considered to have a useful economic life of more than one year.

3. DEPRECIATION

- 3.1 Depreciation rates are calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold land and buildings	over 50 years
Long leasehold improvements	over 20 years
Motor vehicles	over 10 years
Furniture and equipment	over 10 years
Computer equipment	over 5 years

- 3.2 All depreciation is calculated using the straight-line method.
- 3.3 Depreciation will be charged as a minimum on an annual basis for preparation of the year end accounts.

4. DISPOSAL

- 4.1 Academy trusts may dispose of any fixed assets, other than land, buildings and heritage assets, without the approval of the Secretary of State for Education. However, academy trusts must ensure that any disposal maintains the principles of regularity, propriety and value for money. This may involve public sale where the assets have a residual value.
- 4.2 Items with a purchase value of more than £40,000, which are to be disposed of by throwing away, are to be authorised by the Finance & Site Committee and reported to the Board of Trustees.
- 4.3 Items with a purchase value of £20,001 - £40,000, which are to be disposed of by throwing away, are to be authorised by the Headteacher and Chief Financial Officer and reported to the Finance & Site Committee.
- 4.4 Items with a purchase value of £5,001 - £20,000, which are to be disposed of by throwing away, are to be authorised by the Headteacher and reported to the Chief Financial Officer.
- 4.5 Items with a purchase value of £1,001 - £5,000, which are to be disposed of by throwing away, are to be authorised by the Business Manager and reported to the Headteacher.
- 4.6 Items with a purchase value up to £1,000, which are to be disposed of by throwing away, are to be authorised by the Budget Holder and reported to the Business Manager.
- 4.7 Items which are to be disposed of by sale or donation must be authorised by the Headteacher and, where significant (over £5,000 cash value), should be sold following a competitive “tender”.
- 4.8 The proceeds from the sale of any assets must be reinvested in the school and authorised in accordance with points 4.2 – 4.6.
- 4.9 Appropriate records should be kept of all disposals.

5. INTERNAL MANAGEMENT OF ASSETS

- 5.1 All items with a purchase cost of £50 or more and which are considered to have a useful economic life of more than one year should be recorded on an Asset Register.
- 5.2 The Asset Register should also include items, or groups of items, which cost less than £50 but are considered to be portable or desirable.
- 5.3 Disposals will be reported to the Finance & Site Committee, Headteacher or Business Manager as per the delegated limits in point 4 and the Scheme of Financial Delegation.

Agreed 28 January 2020