



WRITE-OFF AND DISPOSAL POLICY

January 2016

Next review – Feb 2018

Purpose of the policy

- To set out a clear procedure for the writing off and (when appropriate) the sale of equipment or stock and for the writing off of debt to the school.
- To satisfy the requirements of internal audit and to protect the interests of staff and members of the Governing Body (LGB) by supporting decisions made concerning the disposal of assets.

Who can authorise a disposal or write off

- The Headteacher can authorise the writing off of a debt and the writing off, sale or part exchange of an item of equipment/stock, provided that the debt or item is valued (in his/her reasonable estimation) at £100.00 or less.
- In the event that the debt or item identified for disposal has a value in excess of £100.00 the authority of two governors who are members of the Finance and Assets Committee must be obtained.
- If the debt is more than £5,000.00 or the item for disposal is valued in excess of £5,000.00 then the additional authority of the FGB must be obtained.

Writing off debt

- A debt may be written off when two demands for payment have been made, in writing to the debtor and it is believed by the Headteacher that there is no reasonable prospect of payment without recourse to law.
- As a general principle the governors will take legal action to recover debts in excess of £100.00 unless there are exceptional circumstances.

Writing off equipment/stock

- An item of equipment/stock can be written off (that is disposed of without income) where the item is considered to be beyond repair or has no saleable value.
- A record of the disposal must be kept in the Write-off and Disposals File indicating why the item was not sold and how it was disposed of.

Sale of equipment/stock

- If an item of equipment/stock is surplus to requirements or is obsolete but is considered to have a saleable value it should be sold if possible.
- Small items under the value of £100.00 can be sold at the Head teacher's discretion.
- Large items (those estimated to have a value over £100.00) will need to be formally valued before sale. The governors dealing with the disposal shall fix a sale price taking into account the replacement cost, condition and saleability of the item. When dealing with an item of specialised equipment e.g. computers, reprographic machines or musical instruments a written valuation from an outside agency may be obtained.
- Electrical items will be PAT tested by the school before the sale is completed and a certificate issued to verify this. In the case of computers, all data should be erased from the hard disk.
- Large items should be advertised for sale. The method of advertisement shall be at the governor's discretion. The school notice board, school website, L.A. bulletin, newsletter to parents and local press are acceptable forms of advertisement.
- Equipment/stock can be purchased by members of staff or by members of the governing body provided that they have had no involvement in fixing the sale price of the item. If more than one prospective purchaser comes forward the item will be dealt with on a first come first served basis.
- A receipt should be signed on sale by the purchaser and on behalf of the Head teacher and a copy of this must be kept in the Write-off and Disposals File.

Part exchange of equipment/stock

- It is acceptable for items that have saleable value, to be used in part exchange for the purchase of new equipment.
- The disposal of an item in part exchange must be recorded in the Write-off and Disposals File.

What happens to the proceeds of sale

- Wherever possible the proceeds of the sale of equipment/stock shall be returned to the account that originally funded the purchase of the item e.g. equipment books and furniture code in school delegated budget, standards fund or school fund.
- If there is no record of the original purchase then in default the proceeds will be applied to the equipment, books or furniture code of the school budget.

- This requirement does not apply when an item is used to secure a credit value in part exchange for the purchase of new equipment

Amendment of school inventory

- An item that is disposed of should be removed from the School's Inventory immediately upon disposal so that the Inventory remains an accurate record of equipment.

Write-off and disposals file

- When an item is disposed of by sale or part exchange or is written off without income a record of the disposal will be recorded on a disposal form and kept on the Write-off and Disposals File.
- The record shall include a description of the item, the method of disposal and where relevant, information about the valuation, advertisement and sale of the item.
- The record will be signed by the Head teacher or by his/her authorised officer on her behalf.
- A write-off form will be completed for the write-off off debts owed to the school and kept on the Write-off and Disposals File.
- This will include details of the debt and the steps taken to collect it and the reason for it being referred for write-off.
- Copies of these forms are attached to this policy.

In cases of doubt

- If there is any concern about the disposal of an item or writing off of a debt, the Director of Education may be consulted.

Asset Disposal Form

Please use this form for the disposal or sale of obsolete stock items, or pieces of equipment. Once the form has been authorised, please return to the finance office. If the item is to be disposed of rather than sold, please make arrangements with the site staff to remove the item. Please refer to the Write Off / Disposal Policy for full details of the disposal procedure.

Item description (including serial number where applicable): _____

Location (Room ID): _____ Department: _____

Approx Value: _____ Method: **Disposal / Sale**
 (please delete as applicable)

Reason for Write-Off: _____

Method of disposal or details of sale (for sales, please include details of valuation, sale price, method of advertising, purchaser and date of sale):

Signed: _____ Date: _____

RECEIPT DETAILS

Sold To: _____

Purchase Price: _____ Date Paid: _____

Received By: _____

I agree to purchase the item described above from Wardle High School which is "sold as seen"

Signed _____

Decision: **Authorised / Refused** (please delete as applicable)

Signed: _____ Date: _____

Headteacher / Deputy Head / SBM

Comments: _____

Debt Write Off Form

Please use this form for the recording and authorising of writing off a debt owed to the school. Once the form has been authorised, please return to the finance office. Please refer to the Write Off / Disposal Policy for full details of the write-off procedure.

Customer: _____

Invoice Number: _____ Invoice Date: _____

Invoice Value: _____

Invoice Details: _____

Reason for write-off and steps taken to try to recover the debt: _____

Signed: _____ Date: _____

Decision: **Authorised / Refused** (please delete as applicable)

Signed: _____ Date: _____
Headteacher / Deputy Head / SBM

Comments: _____
