

Fixed Assets Policy

Document Control

Date	Revision amendment details	By whom
Mar 2019	Review and recommendation for adoption	Finance Committee
Jul 2019	Adopted by TEFAT Board	Trustees
June 2021	Reviewed and updated	FD
July 2021	Revisions adopted by TEFAT Board	Trustees
July 2023	Next review date	

Table of contents

Table of contents	2
Elliot Foundation Academies Trust Values	3
Related policies and documents	4
Definitions	4
Policy statement and objectives	5
Principles	5
Purchase of Assets	5
Asset Register	5
Security of Assets	6
Disposals	7
Loan of Assets	7
Premises	8

Elliot Foundation Academies Trust Values

1. Put children first

- a. We trust and value your professionalism
- b. We share the responsibility for the learning and welfare of all of our children
- c. Our purpose is to improve the lives of children

2. Be safe

- a. Don't assume that someone else will do it
- b. Look after yourself, your colleagues and all children
- c. We are all responsible for each other's safety and well being
- d. Discuss any concerns with an appropriate member of staff

3. Be kind & respect all

- a. People are allowed to be different as are you
- b. Kindness creates the positive environment we all need to flourish
- c. This kindness should extend to ourselves as well as to others

4. Be open

- a. If you can see a better way, suggest it
- b. If someone else suggests a better way to you, consider it
- c. We exist to nurture innovators and support those who take informed risks in the interests of children

5. Forgive

- a. We all make mistakes
- b. Admit them, learn from them and move on

6. Make a difference

- a. Making the world a better place starts with you
- b. Model the behaviour that you would like to see from others

Related policies and documents

- Accounting Policies
- Financial Planning Policy

Definitions

- Where the word 'Trust' is used in this document it refers to The Elliot Foundation Academies Trust.
- Where the term 'Finance Committee' is used in this document it refers to the Finance sub-committee of The Elliot Foundation Academies Trust board

1. Policy statement and objectives

- 1.1. This policy outlines the treatment of all fixed assets. It is designed to ensure that all items of value with a long term benefit to the academy are accurately recorded and secured.

2. Principles

- 2.1. This policy is approved by the Finance Committee on behalf of the Trust Board. It applies to all employees.
- 2.2. The general principle is that academies should hold appropriate records to support the accounting for fixed assets plus to minimise the risk of loss of higher value and desirable items.

3. Purchase of Assets

- 3.1. All assets purchased with an individual value over £5,000 must be entered in the accounting fixed asset register. Academy finance staff are responsible for ensuring that assets are entered into the relevant section of the accounting system in the month of acquisition. The academy should capitalise all costs relating to bringing the asset into use. This may include some normally revenue costs such as delivery charges, surveys and project management costs.
- 3.2. All assets purchased in a group with an individual value over £100 and purchased at the same time may be grouped (pooled) if the total value of the purchase exceeds £5,000, but this is not mandated.

4. Asset Register

- 4.1. Each Academy must create and maintain TWO Fixed Asset Registers (FARs).
- 4.2. The first FAR is a high level document, included in the management accounts, showing the capitalised assets and values on acquisition, plus depreciation, that inform the statutory accounts.
- 4.3. This FAR must include:
 - A brief description;
 - Date of acquisition;

- Full purchase cost;
- Depreciation rate;
- Depreciation to date; and
- Net book value at last year end.

4.4. A second FAR is more detailed and shows all assets, irrespective of whether they have been capitalised. This is because the academy also has a duty to ensure the security of assets under the £5,000 threshold which are also at risk of loss due to their portability and/or desirability (i.e. laptops or other small IT devices). These still need to be monitored appropriately.

4.5. This FAR helps to:

- Ensure that staff take responsibility for the safe custody of assets;
- Enable independent checks on the safe custody of assets, as a deterrent against theft or misuse;
- Manage the effective use of assets and to plan for their replacement; and
- Support insurance claims in the event of fire, theft, vandalism or other mishaps.

4.6. This Asset Register should include the following information:

- Date of acquisition;
- Description of the asset including serial number or other identifying details;
- Full purchase cost;
- Location of asset;
- Expected useful life of the asset; and
- Staff member or department responsible.

5. Security of Assets

5.1. All assets on the register should be permanently and visibly marked as academy property and there should be a regular (at least annual) count by someone other than the person maintaining the register.

5.2. Discrepancies between the physical count and the register should be investigated promptly and, where significant, reported to the TEFAT Estates Director of FD.

5.3. Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access stores.

6. Disposals

- 6.1. Items to be sold or thrown away must be authorised for disposal by the Principal and, where they have significant value, should be sold by competitive tender or auction (which may include online sites). The academy should obtain TEFAT approval before proceeding.
- 6.2. Disposal of equipment to staff is not encouraged, as it may be more difficult to prove that the academy obtains value for money. In addition, there are complications with the disposal of computer equipment, as the academy must ensure that software licences are removed or transferred legally to the new owner, and all academy data is wiped from the device.
- 6.3. The academy is expected to reinvest proceeds from sales of assets for which capital grant was paid in other academy assets. If sales proceeds are not reinvested then the academy may have to repay a proportion of the sale proceeds to the DfE, where proceeds are significant.
- 6.4. All disposals of freehold land must be approved in advance by the Secretary of State.
- 6.5. Any request to dispose of an asset should use the Asset Disposal Form which should be signed by the Principal and forwarded to the TEFAT FD.

7. Loan of Assets

- 7.1. Academy property may not be removed from the premises without the authority of the Principal. The loan must be recorded in a loan book to be kept by the finance lead and the item booked back when it is returned. This includes laptops/Chromebooks (but only pool laptops, not those allocated to individual staff members).
- 7.2. If assets are lent for extended periods or frequently to a single member of staff, a 'benefit-in-kind' may arise for PAYE purposes. Loans should therefore be kept under review and discussed where necessary with the TEFAT FD. This does not apply to laptops/ChromeBooks provided to staff to carry out their duties.

8. Premises

- 8.1. Damage to the academy premises should be dealt with promptly to avoid further damage and additional costs. It is the responsibility of the Site Manager to ensure that the Academy site is secure and maintained to a standard appropriate for a TEFAT academy.
- 8.2. The Site Manager should report damage to the Principal who will authorise appropriate action.
- 8.3. Each property should have a regular condition survey linked to an asset management plan to ensure that buildings are maintained appropriately and irregular expenditure is budgeted accordingly.
- 8.4. A regular health and safety inspection of the site should be taken each year by a qualified third party. The results of this inspection should be shared with the TEFAT Estates Director. An action plan to address prioritised issues should be produced and followed.