



Write off/Disposals policy

Purpose of the Policy

1. To set out a clear procedure for the writing off and (when appropriate) the sale of stock and for the writing off of debt to the school.
2. To satisfy the requirements of internal audit and to protect the interests of staff and members of the governing body by supporting decisions made concerning the disposal of assets.

Who Can Authorise a Disposal or Write Off

- 1 The Head teacher or School Business Manager can authorise the writing off of a debt and the writing off, sale or part exchange of an item of stock, provided that the debt or item is valued (in his/her reasonable estimation) at £100.00 or less.
- 2 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 Committee must be obtained.
- 3 If the debt is more than £5000.00 or the item for disposal is valued in excess of £5000.00 then the additional authority of the Director of Childrens Services and the Chief Finance must be consulted.

Writing Off Debt

- 1 A debt may be written off when two demands for payment have been made, in writing to the debtor by the Head teacher or Chair of Governors and it is believed by the Headteacher that there is no reasonable prospect of payment without recourse to law.
- 2 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 Stock

- 1 An item of 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.
- 2 A record of the disposal must be Recorded in the Asset/Disposal Register.
- 3 Electronic Achieving of the Asset and Disposal Register must be kept when alterations are made to the Register.

Sale of Stock

- 1 If an item of stock is surplus to requirements or is obsolete but is considered to have a saleable value it should be sold if possible.
- 2 Small items under the value of £100.00 can be sold at the Head teacher's discretion.

- 3 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 should be obtained.
- 4 Large items should be advertised for sale. The method of advertisement shall be at the governor's discretion. The school notice board, L.E.A. bulletin, newsletter to parents and local press and Ebay are acceptable forms of advertisement.
- 5 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.
- 6 A receipt should be signed on sale by the purchaser and on behalf of the Head teacher.
- 7 A record of the sale must be kept in the Asset and Disposal Register.

What Happens To The Proceeds Of Sale

- 1 Wherever possible the proceeds of the sale of stock shall be returned to the account that originally funded the purchase.
- 2 If there is no record of the original purchase then in default the proceeds will be applied to the school generated income codet.

The Paperwork on Writing Off or Sale

Amendment of Asset and Disposal Register

An item that is disposed of should be removed from the School's Asset and Disposal Register immediately upon disposal so that the Register remains an accurate record of stock.

Receipts

- 1 A receipt must be written and a copy retained on the sale of all stock. A form of acceptable receipt is attached to this policy.
- 2 The receipt must be signed by the Head teacher or other member of staff authorised by him/her to issue the receipt.
- 3 A copy of the receipt signed on sale should be retained in the Asset and Disposal Register

Disposals

- 1 When an item is disposed of by sale or is written off without income a record of the disposal will be recorded in the School's Asset and Disposal Register.
- 2 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.
- 3 The record will be signed by the Head teacher or by his/her authorised officer on her behalf.

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, Arts and Libraries may be consulted.

Review Annually

SALES RECEIPT



To: Village Infants School

I hereby acknowledge receipt of the under-mentioned goods for the sum of £ as detailed below :-

No.	Description	Amount
Total		

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Purchaser

Receipt of the purchase price as detailed above and details of the sale confirmed on behalf of the school

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Headteacher

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Date