Special Partnership Trust

FIXED ASSET AND DEPRECIATION POLICY

Date Last Reviewed: September 2026

Review Date: September 2027

Fixed Asset and Depreciation Policy

Asset Register

Tangible fixed assets acquired since the Trust was established with a value over the academy's capitalisation limit must be entered in an asset register. The capitalisation limit has been set at £1,000 per item. Data regarding assets and depreciation will be recorded on the asset register at the time of acquisition or disposal. The asset register, together with this policy will be reviewed annually. The asset register includes the following information:

- Asset description
- Asset number
- Serial number
- Date of acquisition
- Asset cost
- Source of funding (% of original cost funded from DfE grant and % funded from other sources)
- Expected useful economic life
- Depreciation
- Current book value
- Location
- Name of member of staff responsible for the asset

The Asset Register will:

- 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 utilization of assets and plan for their replacement.
- Help the external auditors to draw conclusions on the annual accounts and the multi-academy's financial system and
- Support insurance claims in the event of fire, theft, vandalism, or other disasters.

Security of Assets

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

All the items in the register should be permanently and visibly marked as the Trust's property and there should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and, where significant, reported to the Board of Trustees. Inventories of Trust property

should be kept up to date and reviewed regularly. Where items are used by the Trust but do not belong to it this should be noted.

Disposals

Items which are to be disposed of by sale or destruction must be authorised for disposal by the Headteacher and, where the residual value of the asset is greater than £1,000, should be sold following competitive tender. The Trust must seek the approval of the DfE in writing if it proposes to dispose of an asset for which capital grant in excess of £20,000 was paid.

Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence the Trust obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as the Trust would need to ensure licences for software programmes have been legally transferred to a new owner. The Trust is expected to reinvest the proceeds from all asset sales for which capital grant was paid in other academy assets. If the sale proceeds are not reinvested, then the Trust must repay to the DfE a proportion of the sale proceeds.

All disposals of land, buildings and heritage assets must be agreed in advance with the Secretary of State.

Loan of Assets

Items of Trust property must not be removed from Trust premises without the authority of the Headteacher (or in their absence, the appropriate Deputy). A record of the loan must be recorded and booked back into the Trust when it is returned.

If assets are on loan for extended periods or to a single member of staff on a regular basis the situation may give rise to a 'benefit-in-kind' for taxation purposes. Loans should therefore be kept under review and any potential benefits discussed with the Trust's auditors.

Depreciation

All individual items costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Depreciation is charged on a straight-line basis beginning in the year in which the asset is brought into use, at the following annual rates:

- Furniture (including fixtures & fittings) 25% p.a.
- Equipment 25% p.a.
- Computer equipment and software 33% p.a.
- Land and buildings no depreciation

- Freehold Property 2% p.a.
- Leashold Property 125 years or 2% straight line p.a.
- Motor vehicles 20% p.a.

Where fixed assets have been acquired with the aid of specific grants, they are included in the balance sheet at cost and are depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (on the statement of financial activities and carried forward in the balance sheet).

The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Grants provided to acquire fixed assets may be paid either to the Trust or directly to meet the cost of the fixed asset. Where costs have been paid directly and are part of the capital project, they have been recognised as restricted fixed asset funding.

Leased Assets

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.