



**QUEST TRUST**

Supporting Young People from  
Early Years to Employment

# Fixed Assets Policy

For QUEST Schools

Company Number 09306360

Hindley Green Community Primary School

St. Peter's C. of E. Primary School

St. John's C. of E. Primary School Abram

St. John's C. of E. Primary School Hindley Green

University Collegiate School Bolton

Effective Spring 2026

Next Review Date: Spring 2027



## Introduction

International Accounting Standard (IAS) 16, defines Fixed Assets as “assets whose future economic benefit is probable to flow into the entity, whose cost can be measured reliably”.

The purpose of this Fixed Asset Policy is to ensure that the Academy Trust’s balance sheet correctly reflects the assets and liabilities of QUEST.

The policy defines the treatment of Non-Current, Current, Tangible and Intangible Fixed Assets.

A Fixed Asset Register is maintained and reconciled to the financial statements of the school. The Asset Register helps:

- 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.
- to manage the effective utilisation of assets and to plan for their replacement.
- help the external auditors to draw conclusions on the annual accounts and the academy’s financial system and
- support insurance claims in the event of fire, theft, vandalism or other disasters.

### 1. Fixed Asset Register

- 1.1 The Fixed Asset Register consists of a list of items (or specific group of items purchased within the accounting period) valued over £1,000 that are considered to have a life longer than the financial year they were purchased in.
- 1.2 At Trustee’s discretion, capitalised assets are not necessarily bought on one order; so long as a group of items is purchased within the same accounting period they can be capitalised.
- 1.3 Fixed Assets are categorised as follows:
  - a. Land and Buildings
  - b. Plant and Machinery
  - c. Furniture and Equipment
  - d. Computer Equipment and Software
  - e. Assets under Construction
- 1.4 Assets excluded from the Fixed Asset Register are Current Assets and Stock. Current Assets include cash and bank balances which are controlled through reconciliation to control accounts on a regular basis.
- 1.5 The appropriate accounting transactions are processed for all capitalised assets and recorded on the Fixed Asset Register. Transactions will be recorded within the Fixed Asset Fund account in addition to the transaction to the Balance Sheet.
- 1.6 All items that have been included on the Fixed Asset Register are security marked, where practicable, as the property of the schools and recorded on the Parago Asset Inventory system.



- 1.7 Physical counts are undertaken against the Fixed Asset Register termly and the evidence presented to the Resources, Audit and Risk Committee (RAR).
- 1.8 Discrepancies between the physical count and the registers are investigated promptly by the Finance and Compliance Team. Any discrepancies over the value of £500 are reported to the Resources, Audit and Risk Committee (RAR).
- 1.9 All disposals of assets are recorded in the Fixed Asset Register in Parago and the appropriate transactions recorded through the financial statements on PS Financials at year end.
- 1.10 All working papers for the purchase of Assets, including invoices, are kept securely.
- 1.11 Attractive and portable items of equipment that fall below the capitalisation limit of £1,000 are recorded in the Asset Inventory. Asset control is as for the assets held on the Fixed Asset Register.

## 2. Depreciation

- 2.1 Fixed Assets are to be depreciated to reflect the recoverable amount in the financial statements, over the useful life of the asset.
- 2.2 The depreciation will be calculated on an annual basis for preparation of the year end accounts.
- 2.3 Groups of assets will use the same method of depreciation. There may very occasionally be an asset that does not completely fit into one of the categories below and the Resources Committee will discuss these items on an individual basis.

### ASSET GROUP DEPRECIATION METHOD

ASSET GROUP	DEPRECIATION METHOD
Land	No depreciation
Leasehold Land	Depreciated over the life of the lease in line with the financial statements
Buildings and Building Modification	50 years Straight line
Plant and Machinery	20% (5 years) Straight line with nil residual value
Furniture and Equipment	20% (5 years) Straight line with nil residual value
Computer Equipment and Software	33% (3 years) Straight line with nil residual value
Assets Under Construction	These are not depreciated until the asset is brought into use
Tenants' Improvements	2% straight line

The expected useful life of all assets will be assessed prior to depreciation calculations and recorded in the Fixed Asset Register. The policy was approved by the Trustees during the Spring Term 2026 and will be reviewed annually.