

STANDARD OPERATING PROCEDURE	CODE: GA - 005		PAGE: 1 of 2
	EFFECTIVE:		UPDATE NO.: 0
	INITIATED BY: PRIMA CONSULTANT CO., LTD.		DEPT./SECTION:
	REVIEWED BY:		
	APPROVED BY:		
	SUBJECT:	ASSET DISPOSAL	

OBJECTIVE:

To control the Fixed Assets register in case of written-off

POLICY:

To ensure that the disposal of fixed assets, including transfer, write-off, sales and donation, are properly approved and updated in the Fixed Asset Register

PROCEDURE:

The disposal of fixed assets includes sales, trade in, write-off and donation.

All fixed asset disposals must be recorded on a Fixed Asset Disposal (FAD) form.

The General Manager and Financial Controller must be fully involved to ensure that fair value is received from sales of the assets, and that the sale is conducted without preferential treatment to any group.

The disposal must be recorded in fixed asset Register system by the Accounting staff who is responsible for the Fixed Asset Register. The responsibilities include:

- Keep track of the disposition process
- Find out gain and loss on disposal of asset.
- Record the transaction in fixed asset register properly

The disposal must be reported on an FAD and reported to the Owning Company for appropriate recording in the fixed asset register.

In case of Disposal by Sale to third party/ Trade in or Auction, the property must get at least three independent bids.

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When an asset is disposed or removed, an entry must be made to retire the asset from the fixed asset account including the accumulated depreciation account, or otherwise written off at the time of disposition.

Any net difference between the asset and the accumulated depreciation (book value) will be charged to Other – Gain/Loss of Sale of Assets.

Approval

The book value is not over Baht 100,000 – the GM and FC can approve the disposal
The book value is over 100,000 – requires Director of Finance & Managing Director approvals

Chief Accountant

Date

Financial Controller

Date

Director of Finance

Date