



Asset Disposal Policy and Procedure

Finance and Business Services

Document Control Sheet

Document Properties

Title	Assets Disposal Policy and Procedure
Subject	Fixed Assets (Property, Plant and Equipment and ICT)
Command responsible	Finance and Business Services (FABS)
Authorisation	Chief Financial Officer
Security Classification	OFFICIAL
Publication date	March 2025
Current version number	2.0
Review date	February 2026
Document RMS number	D/2025/1491522
Linked RMS folder	F/2024/31457, D/2025/181515
Document number	842943
Copyright statement	Copyright of this document is vested in the Commissioner of Police. © 2025
Suitable for Public Disclosure	Yes

Modification History

Version #	Version approval date	Author/Position	Summary of changes
1.4	22 January 2014	Revised and updated	Revised & updated
2.0	March 2025	<ul style="list-style-type: none"> - O. Abdulatif & - M. Enright, A/Director FR&T - M. Deshpande, Senior Management Accountant 	<ul style="list-style-type: none"> - Reviewed and updated: Template - Addition of Section 5.6 of the GSFA: Donation to charities or community / non- profit organisations - TD21-04 superseded by TD22-27 - Addition of Disposal of assets of Insignificant value by way of gift/concessional to charities - Addition of Disposal of assets of significant value by way of gift/concessional to charities - Minor administrative changes

Essential Summary

This document provides assistance to NSW Police Force (NSWPF) on the disposal of surplus or unserviceable assets (assets), including consumable items. This does not include the disposal of real property (land and buildings) which should reference directives made by [Premier's Memorandum M2025-01](#), and the [Asset Management Policy for the NSW Public Sector \(TPP19-07\)](#).

As with the acquisition of assets or services, the disposal of assets must achieve value for money. The disposal process is to be conducted in an efficient, effective, and transparent manner, in accordance with the NSW Government Procurement Policy Framework to ensure probity and fairness.

This policy should be read in conjunction with the other policies in the NSW Police Force Procurement Policy which provide assistance for inviting, assessing and selecting tenders and other offers.

Table of Contents

1. SCOPE	7
1.1. Roles and responsibilities:	7
1.2. Exclusions:	7
2. DISPOSAL PROCESS	7
2.1. Asset Disposal Required	8
2.2. Confirm Asset Owners Details	9
2.3. Estimate Value	9
2.4. Seek Approval to Dispose	10
2.4.2 Approval to dispose of assets:	10
2.4.1. Staff conducting the disposal:	10
2.4.3. Conflict of Interest:	11
2.5. Confirm Disposal Methodology	11
2.5.1. Public Tender	12
2.5.2. Public Auction	12
2.5.3. Trade-in	13
2.5.4. Sale or transfer to other agencies	13
2.5.5. Negotiated Sale	14
2.5.6. Recycling or Destruction	14
2.5.7. Gift, Donations and Concessional Sales to Charities and Community/Non-Profit Organisations.	15
2.5.8. Disposal of assets of Insignificant value by way of gift/concessional to charities	16
2.5.9. Disposal of assets of significant value by way of gift/concessional to charities	16
2.5.7. Inter-department Transfer	18
2.5.8. Sale of Assets to Staff	18
2.5.9. Assets subject to insurance claims	19
2.5.10. Brokered sale of Assets	19
2.5.11. Sponsored Assets	19
2.5.12. Other method of disposal	20
2.6. Dispose of Asset	20
2.6.1. Preparing assets for disposal	20
2.6.2. Responsibility for Accounting Entries – Financial Reporting and Tax	20
2.6.3. Buyers Risk	21
2.6.4. Factors to consider before disposal:	21
2.7. Ensure Payment	22
2.8. Asset Register Update	23

Glossary of Terms

The following definitions apply throughout this document:

Good

An item purchased by the NSWPF to undertake an activity.

Asset

A good which has been purchased by the NSWPF with the NSWPF budget that is listed in the Asset Register.

Asset Register

An asset register holds records of property, plant and equipment owned by NSWPF. The NSWPF Asset Register is maintained within the SAP Finance System. It contains information such as asset number, asset description, asset location and disposal dates, cost, depreciation rate carrying amount etc.

Beyond Economic Repair

An asset requiring repairs which are likely to be more expensive than the replacement value.

Consumable

An item, typically of low value, that can be used for a limited time.

Disposal

An activity undertaken by the NSWPF to remove an asset from a NSWPF premises and from its asset register.

Probity

The adherence to principles outlined by the NSW Government which dictate the manner which an employee of the state manages financial activities and relationships with third party entities.

Fair value

Fair value is essentially an exit price, i.e. the price at which an entity expects to sell an asset or transfer a liability in an "arm's length" transaction.

Low value assets

Low value asset means any asset or group of assets below a total fair value of \$500 [market value estimate].

Person handling government

Person handling government resources has the same meaning as in section 1.4 of the Government Sector Finance Act 2018.

Surplus

Surplus, in relation to an asset, means an asset that is not essential for the operation of an agency.

Uneconomical

Uneconomical, in relation to the sale of an asset, refers to a situation where cost of disposing of the asset (including the opportunity cost) is greater than the likely net sale proceeds if any, of an arm's length disposal of the asset.

1. SCOPE

The requirements within this document apply to the disposal of surplus or unserviceable assets including consumable items across the NSWPF.

This **does not** include the disposal of real property (land and buildings).

1.1. Roles and responsibilities:

Finance & Business Services	Financial Control is responsible for developing, reviewing, publishing and communicating the contents of policy and supporting documents owned by Financial Control.
All Staff	<p>Each staff member is required to read, understand, and comply with all Financial Control policies and supporting documents that relate to an employee’s financial delegation, rank, role and/or duties.</p> <p>Staff members who do not complies with NSWPF’s policies and procedure may be subject to disciplinary action.</p>

1.2. Exclusions:

Although this document is designed to apply to the whole of the NSWPF, there may be circumstances in which some business units or commands (e.g. those with covert assets) may be excluded from adhering to certain requirements in this document.

In such cases , the principles outlined in this must be used as a guiding principle.

Items recovered under the Confiscation of Proceeds of Crime Act (COPOCA) or retained as evidence in a case are not subject to the requirements outlined in this document. Such assets must be disposed of in accordance with the Act.

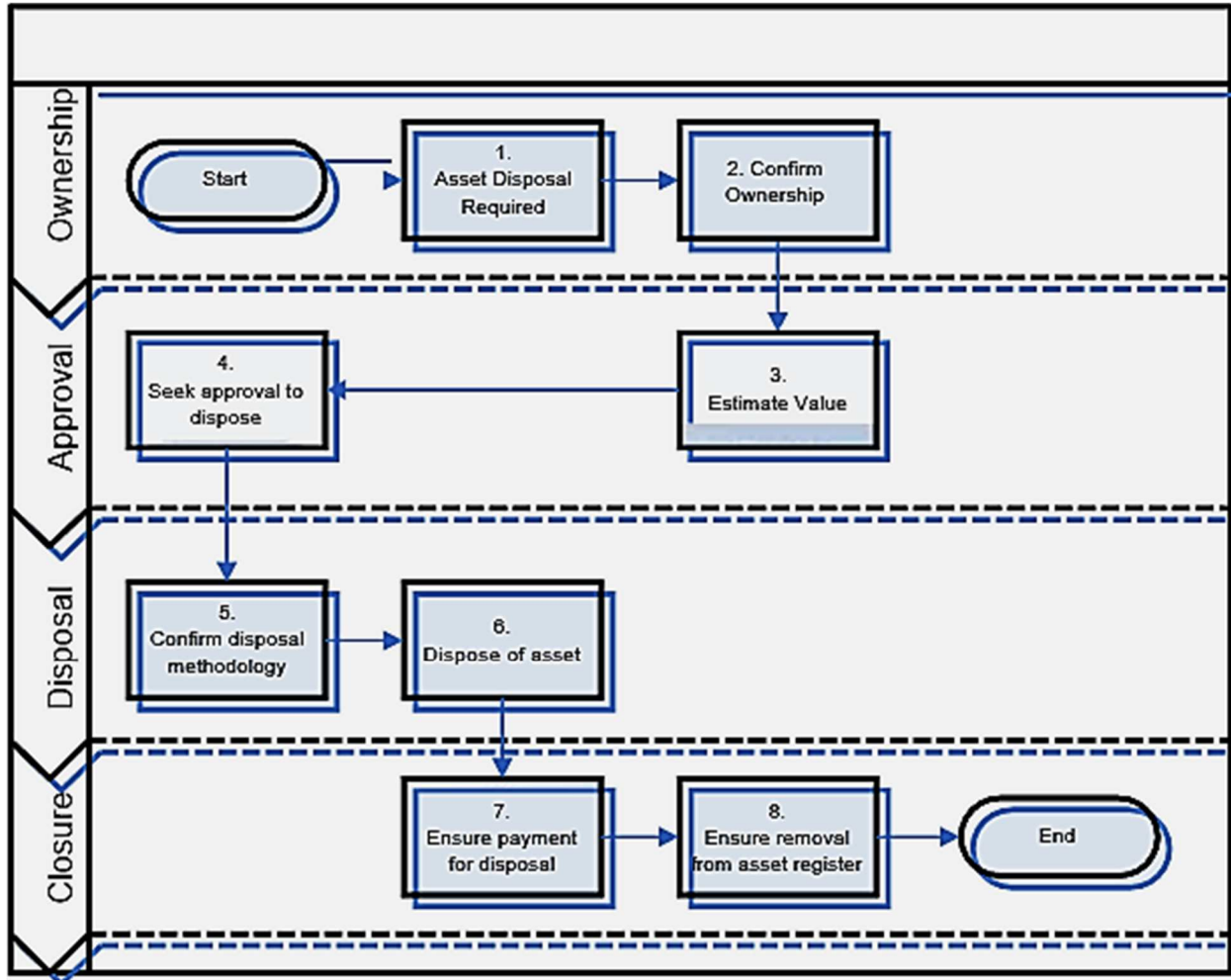
2. DISPOSAL PROCESS

An asset is of value to NSWPF only if it continues to support the delivery of the NSWPF’s services in a cost-effective manner. Assets that are no longer needed should be disposed of promptly.

Disposal must achieve best value for money such that NSWPF obtains the best possible return for the assets it sells. In addition to price, the disposal process is to include consideration of the Government’s social, economic, and environmental policy objectives.

Disposals should be conducted in an ethical manner, and the disposal method chosen must promote fair and effective competition to the greatest extent possible.

The following process diagram summarises the key activities that must be undertaken in disposing of NSWPF assets:



2.1. Asset Disposal Required

Assets assessed as being no longer required should be disposed of in accordance with this policy.

Assets may be no longer required if they are:

- unserviceable or beyond economic repair,
- technologically obsolete, and operationally inefficient,
- surplus to current or immediately foreseeable needs,
- part of an asset replacement program,
- non-compliant with WHS requirements,
- may consist of or contain hazardous material, or
- at an optimum age to maximize residual values (e.g. resale value for vessels or aircraft)

An asset should not be disposed simply to justify the purchase of a new replacement asset.

2.2. Confirm Asset Owners Details

Prior to disposal, confirm who officially should dispose of the asset. Depending on the particular asset, a business unit may have use of an asset which in fact is owned by another business unit.

The following table provides examples of business units and the assets for which they may be responsible for disposal.

Business Unit	Asset
Technology and Communication Services Command	ICT equipment including Computers (Desktops, Notebooks), PDA's, Printers, Scanners, Photocopiers, Servers, Networks
Fleet Services	Motor Vehicles including, but not limited to cars, motorcycles, trucks, vans
Traffic & Highway Patrol Command	Traffic Enforcement Equipment including tyre deflation devices (road spikes), alcolizers and breath analysis instruments
Specialist Commands (e.g. FETSC, CT&STC, C&SC, SIC)	Specialist equipment such as microscopes, portable & mobile radios, cameras/video cameras
Armoury	Arms and appointments such as pistols, long arms, handcuffs, body armour, ballistic vests

If the asset is required to dispose of is owned by another unit, the “owning unit” should be asked to remove the asset and dispose of it accordingly.

These business units or commands may have item-specific procedures (e.g. how to handle potentially hazardous items, or to remove data form IT equipment) that should be followed for the correct handling and disposal of a given asset.

2.3. Estimate Value

All disposal actions require an estimate of the value of the asset. An accurate valuation of an asset is needed to determine the most appropriate method of disposal and the necessary level of approval.

The value of an asset is dependent on the current market, and the perceived advantage of the asset to buyers in the market.

There are several methods used to estimate the value of the asset. It is recommended that, prior to engaging any qualified valuers, a general estimate is made using sources such as the Internet or through specialist resellers of the asset type.

Once a value has been estimated, further clarification can be gathered depending on the value of the asset. This can be done through a qualified valuer or an auction house.

Note: There are costs associated with valuation, so the appropriateness of engaging paid services versus the estimated value is to be considered.

The NSWPF currently has an agreement with vendors for auctioning which includes valuation services. **See:** [Auctioneer Services](#) for more information, or contact Strategic Procurement at Finance & Business Services.

2.4. Seek Approval to Dispose

2.4.2 Approval to dispose of assets:

Prior to undertaking any form of disposal, it is critical to ensure that the appropriately delegated person / position approves the disposal. **See:** refer [NSWPF Financial Delegations](#)

The delegated officer approving the disposal of fixed assets is responsible for deciding whether the:

- process to be followed is consistent with this document,
- disposal is necessary and reasonable,
- disposal method is appropriate, adequate records of the disposal, exist for audit and review purposes,
- estimated value is correct and within the delegated limit,
- correct cost centre and/or account numbers are indicated.

For the disposal of assets which could be considered, sensitive, high profile or high value, approval by the Commissioner or Minister should be considered.

2.4.1. Staff conducting the disposal:

To ensure accountability in the disposal process, all decisions and documentation related to the sale must be recorded and retained for audit purposes.

NSWPF staff involved in the disposal process should possess the requisite knowledge and experience to be able to:

- identify when disposal is warranted,
- obtain a valuation of the assets,
- choose the most appropriate method of disposal, and
- apply the procedures within this policy to ensure that disposal is conducted in a manner ensuring probity and fair dealing.

See: Appendix A - Asset Disposal Checklist – which is a template to be used to dispose of NSWPF Assets.

For further assistance, contact Strategic Procurement (#procurement@police.nsw.gov.au).

2.4.3. Conflict of Interest:

Staff involved in disposal of assets **must disclose** all actual or perceived conflicts of interest that may arise in the performance of their duties. Any conflict of interest should be declared prior to the commencement of each disposal activity.

On identification of an actual or perceived conflict, the manager / commander must document and implement procedures for the management and control of the conflict. This is of prime importance where an alternate staff member is not available to perform the disposal activity.

For example, a conflict of interest may occur where:

- an asset to be disposed of through negotiated sale is to persons known by the delegate approving the disposal,
- a donation is to an organisation in which staff involved in the disposal are known to have an association,
- sale of an item to an NSWPF employee has not been arranged by general expression of interest.

Please refer [Conflict of Interest Policy Statement](#) for further details..

2.5. Confirm Disposal Methodology

Factors other than the monetary value of the assets can affect the choice of disposal method. Managers must also consider and assess the following factors prior to disposal:

- the market viability for the asset
- time considerations
- agency resources required to manage the disposal
- costs associated with different disposal methods, e.g. administration, transport costs
- the size, portability, and number of assets, and
- benefits of different disposal methods.

Methods used for the disposal of assets include:

- Public tender
- Public auction
- Trade-in
- Sale or transfer to other agencies
- Negotiated sale
- Donation to charity / community / non-profit organisations
- Writing off the value of assets (recycling or destruction)
- Inter-department transfers
- Sale of assets to employees
- Assets subject to insurance claims
- Brokered sale of assets
- Sponsored assets.

Specific requirement for each of the above disposal methods are outlined below.

Data and Records Management: Where an asset being disposed may contain records or data (e.g., computers) Technology and Communication Services Command must be engaged to ensure all data and records have been removed prior to disposal.

2.5.1. Public Tender

For high-value assets, it is advisable to consider this approach due to the potentially time-consuming nature of the tender process. When disposing of a large number of items, the completion and subsequent evaluation of tenders can be particularly lengthy. Strategic procurement can offer guidance on whether a Public Tender or auction would likely result in a better outcome for the NSWPF and can provide advice on the associated procedures.

2.5.2. Public Auction

Disposal by public auction maximises the opportunity for public participation in the disposal process, and is the most appropriate disposal method when:

- there is public demand for the items,
- alternative disposal methods are unlikely to realise higher revenue,
- the costs associated with the auction can be justified in relation to the expected revenue from the sale.

The NSWPF maintains a list of approved Auctioneers and any auctions are to be managed via the approved panel.

Auctions may be held at an auctioneer's premises, or via their on-line presence if the quantity of assets warrants it.

Obtain competitive quotes on a commission-basis from potential auctioneers. Clearly convey to the auctioneer that the commission covers all charges such as auctioneers' fees, advertising, insurance, cataloguing, cost of premises, all labour, administrative/financial transaction fees, and miscellaneous charges. No charges above the agreed commission should be paid.

Due to the costs associated with auctions, a single item should not be sent to auction. It is recommended that goods are sent to the auction house in bundles to reduce these costs.

Prior to the auction ensure that each item or category of items up for sale has been valued and that the auctioneer is aware of any reserve prices.

The NSWPF has an agreement with vendors for auctioning and valuation services – see Sec 2.3 Estimate Value above.

In the case of NSWPF fleet services, vehicles are sold in accordance with an overarching panel agreement that has been approved/negotiated by Strategic Procurement at Finance & Business Services. Consequently, individual sales do not require liaison with Strategic Procurement at Finance & Business Services and can be sold in accordance with the auction agreement.

2.5.3. Trade-in

Trading-in surplus assets can be an efficient and convenient way of disposing of and upgrading equipment. However, unless undertaken appropriately, this may not provide the best financial return to NSWPF.

Written approval dispose by way of trade-in and purchase is required in accordance with the disposal delegation.

2.5.4. Sale or transfer to other agencies

Surplus assets from one government agency often meet the needs of another agency, and this option should be considered before offering them for sale on the open market.

Any item that may be of some use to another agency may be sold at fair market value or transferred at no charge if it is more cost-effective to do so. As part of the transaction, the receiving agency should be notified of the fair value of the asset. Such assets should be depreciated in the normal manner.

Prior to such transaction, confirm that the sale or transfer will maximise the return for the disposal of the asset. If it does not, alternative disposal methods should be considered.

Items suitable for transfer or sale to another agency can be advertised through regional or local coordinators, or by inclusion in government publications and circulars (e.g. Public Sector Notices).

2.5.5. Negotiated Sale

NSWPF assets may dispose of items by negotiated sale where:

- the items are of low value,
- the cost of disposal is disproportionate to the expected return, or
- there is very limited interest.

Officers conducting negotiated sales must have the appropriate authority and must document the negotiation process including all discussions and agreements. At all times the approving officer must certify that the accepted prices are fair and reasonable.

High value items disposed by negotiated sale

In certain circumstances, managers may dispose of high-value items (e.g., owned vehicles or other equipment) through negotiated sales to interested parties. For example, in the past NSWPF has been approached by a volunteer rescue organisation to buy a surplus NSWPF assets an agreed price. However, it is important to consider the public perception and the potential criticism that the public did not receive an equal opportunity to purchase the item. Therefore, careful consideration and transparency are essential in such transactions. In such cases, a proposal must be submitted for the approval by the Commissioner of Police.

2.5.6. Recycling or Destruction

Items may be recycled or destroyed if:

- (a) They have no value or insignificant value. In the context of asset disposal, “insignificant value” refers to assets with minimal to no market value. These are items that, when sold, would not generate substantial proceeds, often due to being outdated, fully depreciated, or non-functional. For example, office equipment that has been fully depreciated and is no longer in use may be considered to have insignificant value.
- (b) An appropriately qualified person has certified that equipment beyond economical repair and has no value.
- (c) the disposal cost is higher than the likely return.

Destruction of assets should comply with any relevant environmental guidelines or other legislation, and this action must be certified. The opportunity for recycling or returning the assets to the manufacturer for refurbishment can also be considered.

The Financial Reporting and Tax team must be informed that the item has been certified as unserviceable and it must be removed from the Asset Register.

The item is not to be retained by any NSWPF employee for personal use.

2.5.7. Gift, Donations and Concessional Sales to Charities and Community/Non-Profit Organisations.

This section should be read in conjunction with sections 2.5.8 and 2.5.9, which outline further requirements depending on the fair value of the gifts, donations, or concessional sales.

Section 5.6 of the Government Sector Finance Act (GSFA) stipulates that individuals handling government resources cannot gift government property unless one of the following applies:

- a) The property was acquired or produced to be used as a gift** (such as promotional items including branded stickers, USB sticks, or 'freebie' giveaways like bottles of water for NSWPF recruitment promotions); or
- b) The gift has been authorised in writing by the Treasurer;** or
- c) The gift was made in accordance with the Treasurer's directions;** or

NSWPF may dispose of items by way of gift or concessional sale if they are of insignificant value, as outlined by the Treasurer's directions, provided they meet all three of the following conditions:

- The gift is genuinely surplus to the GSF agency's requirements.
- No govt GSF agency requires or can use the property.
- A sale at fair value would be uneconomical.

In addition to meeting all three conditions above, the intended gift must meet one of the following conditions:

- It holds historical or symbolic significance for the proposed recipient.
- It holds some other special significance for the proposed recipient, and there are compelling reasons to justify gifting the government property to that recipient.

- It is a low-value asset, and the gifting supports the achievement of the NSW Government policy objective.

d) The gift was authorised by or under any law:

This type includes goods given to students in accordance with NSW's Education Act 1990 to support equity in educational outcomes. This category is mostly not applicable to NSWPF.

Although the GSF only addresses 'gifts,' NSWPF disposal policy treats all disposals of assets below fair value, including concessional sales, in accordance with the GSF Act provisions concerning gifts, noting the sensitivity around disposing of government assets below market value.

2.5.8. Disposal of assets of Insignificant value by way of gift/concessional to charities

Community, charity, or work-creation organisations periodically approach the Government seeking donations or concessional sales of surplus assets. NSWPF may also invite these organisations to submit proposals for the removal of unserviceable assets.

When disposing of assets through donation or concessional sales, the following factors must be considered:

- The revenue that could otherwise be realised through sale or auction.
- The cost/benefit analysis of donation versus disposal by sale.
- The credibility, profile, and reputation of the charity or organisation.
- Ensuring equitable treatment of all community organisations to avoid claims of bias.
- How NSWPF can demonstrate all community organisations should receive equitable treatment to avoid claims of bias.

This method is appropriate for items of insignificant value, such as old desks or other furniture that are not readily saleable. If this disposal method is chosen, the cost of removing the item should be borne by the charity, and the item should be accepted on an "as is" basis.

A receipt from the recipient must be obtained when disposing of assets or equipment in this manner, and all records related to the disposal must be maintained for audit purposes.

While the donation of minor items is permissible, such donations or concessional sales should address instances involving items of negligible value, where the expenses associated with removal often surpass the cost of sale.

2.5.9. Disposal of assets of significant value by way of gift/concessional to charities

Occasional circumstances arise where it is in the best interest of NSWPF and the State of New South Wales to dispose of high-value items through donation or concessional sales to interested parties.

However, it is important to consider public perception and the potential criticism that the public did not receive an equal opportunity to purchase the item. Therefore, careful consideration and transparency are essential in such transactions.

In such cases, a proposal must be submitted for approval by the Commissioner of Police and the Minister. Although the GSF formally requires approval of 'gifts' of assets, NSWPF policy mandates that any below-market sale must be approved by the NSW Treasurer. Initially, Finance and Business Services (Director, Financial Reporting and Tax) should be consulted.

When the NSWPF disposes of an asset with a fair value of \$10,000 or more, for either no consideration or less than full consideration, the following applies:

In addition to the above approval process, if the asset is valued at \$10,000 or more, TD21-04 and TD22-27 require all agencies to maintain a written register of gifts of government property if the gift has a fair value of **\$10,000 or more when it is gifted**.

The following details are to be recorded in the written register for each gift of government property:

- (a) a description of the gift
- (b) a fair value
- (c) the name and address of the gift recipient
- (d) the date that the government property was gifted
- (e) the name, position and financial delegation of the person handling government resources who approved the gift
- (f) the reasons for making the gift.

Other requirements regarding the register of gifts of government property

- NSWPF is required to review and certify the written register at least once per year. The register is to be submitted to the Audit and Risk Committee for review at least once per year.
- If a NSWPF has not made any gifts still the attestation is to be submitted to the Audit and Risk Committee for review at least once per year.
- The details which subclause (2) requires be kept in respect of a particular gift of government property are to remain in the NSWPF's written register for a period of 5 years from the date of the gift.

- The written register except personal information as defined under Section 4 of the Personal Information Protection Act 1998, to be published on the NSWPF's website.
- For the avoidance of doubt, the obligations set out in this clause are additional to any obligations arising under the State Records Act 1998.

2.5.7. Inter-department Transfer

An asset that is no longer required by one business unit may be utilised by another. When disposing of an asset, offer the asset for transfer at book value to other business units that could use the asset.

2.5.8. Sale of Assets to Staff

Generally, assets should not be advertised for sale within NSWPF or sold to NSWPF employees outside of a public process. Internal sales should be considered the last option for the disposal of NSWPF assets due to perceived conflicts of interest and the vulnerability to accusations of partiality or corruption. Other inherent risks in the internal sale of assets include premature sale of goods and/or failure to achieve the best return.

Sale to staff should only be considered where the asset is of low value and the cost of disposal exceeds the asset's value. If this method is chosen, the approver must be at a rank above the person approving the sale, and the following steps must be taken:

- Record the justification for internal disposal.
- Advertise available items internally to all employees (e.g. administrative notices, NSWPF intranet, notice boards) to ensure fairness.
- Include a clause in the sale contract stating that items are sold 'as is' at the buyer's risk.
- Establish fair market value using previous sales and/or tenders from auctioneers or other relevant parties or sources and set a reserve price at fair market value (set possibly by the delegate).
- Maintain strict confidentiality of reserve prices until after bidding is opened (the delegate cannot participate as a bidder).
- Submit offers in a sealed envelope to the delegate or nominated officer. These are to be opened under supervision at a set time and place.
- Accept the highest offer that is also above the reserve price.
- If the successful bidder withdraws interest, offer it to the next highest bidder until the item is sold, subject to the reserve price.

Where there is a large quantity of identical or similar items, goods may be offered for sale at the fair market value, and staff may purchase at this price (i.e., no bidding process).

2.5.9. Assets subject to insurance claims

If an asset has been lost or stolen and can be managed by an insurance claim, the asset can be considered as having been disposed of by this replacement or reimbursement claim. In these situations, standard procedures for the notification of lost or stolen equipment should be followed.

The minimum insurance claim is \$10,000 for property, plant and equipment, and any item below that threshold is to be paid for by the responsible Command (the Command having possession and use of the lost or stolen asset). A COPS lost / stolen event accompanied by a standard report noted by the manager / commander is also required.

When the replacement asset has been received, the original invoice is to be attached to the insurance claim, and all paperwork is to be forward to the Treasury Managed Fund (TMF) to issue a cheque to the Command or Business Unit.

The lost or stolen asset is to be retired from the Asset Register and removed from the SAP system.

2.5.10. Brokered sale of Assets

Third party vendors (Brokers) can be engaged to assist with the disposal of certain assets which are classified as being of a specialist nature and/or of a significant value (e.g. maritime vessels, aircraft, etc).

Brokers will work to dispose of an asset usually using print or web media, so it is important to ensure that there is minimal reference to the NSWPF in the material provided. Consider also that brokers work on commission and may charge the NSWPF for costs associated with the sale of an asset. Ensure you have complete visibility of all costs associated with the disposal of the asset.

It is recommended that prior to a brokered sale, the broker-recommended sale price is compared against the market rate to ensure that the sale price is reasonable.

2.5.11. Sponsored Assets

Assets provided by third parties to the NSWPF can be considered as “sponsored assets”, and typically are provided by charities or businesses to support policing.

The disposal of these assets must take into consideration any conditions associated with that sponsorship arrangement. Depending on the conditions associated with the sponsorship of the asset, the NSWPF may be required to:

- Return the asset to the sponsor,
- Purchase the asset at pre-nominated value,
- Dispose of the asset as it deems fit.

The conditions of the disposal of sponsored assets must be adhered to. If no such conditions are in the sponsorship agreement, the NSWPF should comply with the information in this document.

2.5.12. Other method of disposal

Where a disposal of assets is being considered that is not addressed elsewhere in this policy, advice should be sought from Finance and Business Services (Director, Financial Reporting and Tax).

2.6. Dispose of Asset

After selecting the method of disposal, seek approval from the appropriate delegated officer to proceed with the disposal.

This officer must be satisfied that the chosen method of disposal commensurate with the value of the asset and reflects the appropriate level of competition.

Regardless of the method of disposal, probity must be maintained, and any changes to the disposal process, terms or conditions must be communicated to all potential participating parties as soon as possible. In addition, terms and conditions of sale should state a time and place for inspection of the assets, and whether the purchaser is required to remove the assets by a certain date.

2.6.1. Preparing assets for disposal

Managers should check that assets to be disposed of do not contain material that is not intended or suitable for disposal, to avoid legal liability and embarrassment to NSWPF.

Examples of material that should be removed prior disposal include:

- stationery (particularly official stationery) which could be misused,
- records, files, papers or whiteboards containing information which, if disclosed, could breach privacy or other legislation, and/or cause embarrassment (or other problems) for NSWPF,
- environmentally sensitive or hazardous stores (see: Hazardous or Polluting materials, below)
- NSWPF logos etc, from clothing and equipment, and

All information stored on a computer or electronic device, including software where unauthorised transfer could breach license agreements.

2.6.2. Responsibility for Accounting Entries – Financial Reporting and Tax

- Accounting entries for the disposal of the asset or Trade in for new capital asset.
- Updating the asset register, for the disposal of the asset and acquiring the new capital asset.
- Revenue recognised in the Department Wide Cost Centre 1601.

- TD92-2 explicitly detail the rules governing the treatment of net asset disposal revenue between the consolidated fund and the agency.

2.6.3. Buyers Risk

Regardless of the disposal method, all prospective buyers are to be advised in writing that items are disposed of, with any flaws or faults, at the buyer's risk. Buyers are to rely on their own inquiries regarding the conditions and workability of the items.

See: Appendix B - NSWPF Sale of Asset Form statement. A signed copy of this form should be obtained and appropriately filed.

2.6.4. Factors to consider before disposal:

Heritage and cultural-interest items: The Heritage Office can advise on the nature, heritage significance, and value (heritage and monetary) of an asset.

[Environment and Heritage NSW](#)

Telephone (02) 9873 8500

Email heritagemailbox@environment.nsw.gov.au

Hazardous or polluting materials: NSWPF must ensure that the disposal of assets or materials that are of a hazardous or polluting nature is carried out in a responsible manner. Before disposing of these assets or materials, advice should be sought from appropriate authorities, e.g.

[NSWPF Health, Safety & Wellbeing Command](#)

Telephone (02) 9285 3899

Email #HSW-Admin@police.nsw.gov.au

[NSW Environment Protection Authority](#)

Telephone 131 555

Email #info@environment.nsw.gov.au

[NSWPF Armoury](#)

(e.g. for firearms, controlled defence and related assets)

Telephone (02) 9265 4049

SPC Surry Hills

Email #armoury@police.nsw.gov.au

Electrical equipment: If electrical equipment is sold or given away, a current (at the time of disposal) risk assessment in compliance with [AS/NZS 3760:2022 - In-service safety inspection and testing of electrical equipment](#) must be provided informing the new owner of any residual risks or faults regarding the equipment. If an electrical item is disposed of by any other means, it must be decommissioned and rendered inoperative prior to disposal.

2.7. Ensure Payment

If funds have been received from the sale of the asset, it is the responsibility of the individual tasked with the disposal of the asset to ensure prompt payment to the appropriate account. Goods sold by the NSW Police Force are subject to GST.

See: Finance and Business Services site for the GST, Accounts Receivable Policy in Receipting and Banking of proceeds from the sale of assets.

See: [NSWPF Accounts Receivable Policy](#)

Under Div 4.2 of GSF Act, only money appropriated by the Government or “deemed” appropriation under the regulations can be spent by an agency.

The regulations, ([Government Sector Finance Regulation 2024](#) - REG 34 Deemed appropriations— Sec 4.7 GSF Act) specify that deemed appropriations include money from the proceeds of a sale or other disposal by the GSF agency of a minor asset.

The regulations specify that a minor asset means an asset with an acquisition cost of less than \$200,000, but does not include—

- (a) a customer good, or
- (b) a building, or an interest in land or a building.

Therefore, proceeds from the disposal of assets with an acquisition cost of \$200,000 or more must be returned to the Consolidated Fund, as they are not deemed appropriations and cannot be retained or spent by the NSWPF. Proceeds from the disposal of minor assets (less than \$200,000) are retained by the NSWPF.

Any sale proceeds retained by NSWPF cannot be used for capital purposes unless a specific increase in the CEAL is approved.

The payment for the asset should be dealt with in accordance with Treasury directives and NSWPF Receipting, and Banking Policy and Procedures governed by Shared Services Command.

2.8. Asset Register Update

The NSW Police Force operates a Fixed Asset System that identifies what constitutes a Fixed Assets and low value assets. The values are recorded in the Statement of Financial Position.

To accurately reflect the value of the NSWPF assets, all adjustments for asset disposals, transfers and write offs are maintained on the Fixed Assets system. An item that has been identified as a Fixed Asset or a low value asset is to remain on the Fixed Asset System (currently this is SAP) until such time as authorisation to delete the item is given.

Once an asset has been disposed of in accordance with the NSW Police Force Asset Disposal Policy and in accordance with the appropriate instrument of delegation, the following should occur:

- an Asset Retirement form must be completed and approved under delegation,
- a copy of the Sale of Asset Form is to be attached to the Asset Retirement form,
- all other relevant documentation is also to be attached (e.g. beyond economic repair docket, insurance claim, etc).

The Asset retirement form and attachments is to be forwarded to Shared Services for processing.

Alternatively, Business Unit can initiate the retirement of the asset via SAP automatic process, using the transaction code ZAUTOFI. The process is in many ways similar to the manual process, where the form is created and approved at business unit level through SAP then is transferred automatically to Shared services for processing.

Appendix A – Asset Disposal Checklist

Asset Disposal Checklist		
Disposal Information	Requesting Officer (Name)	
	Area/Dept	
	Date	
Asset Information	Asset Class	
	Asset Description	
	Cost Centre	
	Location	
Asset Owner	Asset Owner	
	Business Unit Representative	
Value	Initial Purchase Price (\$)	
	SAP Value (\$)	
	Estimated Disposal Value (\$)	
Delegated Approval	Manager Approval (Name)	
	Manager Approval (Signature)	
	Manager Approval (Date)	
	Provide Details on Disposal Methodology (what method was used)	
	Agreed Value (\$)	
	Sold to (Vendor Details, Name, Address)	
	Buyers Agreement Signed (provide copy)	
Payment	Date Payment Received	
	Confirm payment to Shared Services	
Asset Register Update	Asset Retirement Form Completed and submitted	
	Shared Services (Finance and Business Services) Processed	
	Financial Delegation Approval (Name)	
	Financial Delegation Approval (Signature)	
	Date	
	Shared Services Processed	

Appendix B – NSWPF Sale of Asset Form statement

NSW Police Force Sale of Asset Form	
Final value of sold item	
Description of sold item	
<p>“It is a condition of the sale of item _____ that the purchaser acknowledges that:</p> <ul style="list-style-type: none"> The item is a used item that does not come with any form of warranty or support from the NSWPF or any other NSW Government Agencies. The purchaser has inspected the item prior to purchase, and the item is purchased in its present condition and state of repair. The purchaser therefore purchases the assets subject to any defect whether obvious or not.” 	
_____ <i>Signature of NSWPF Asset Disposal Approver</i>	_____ <i>Signature of Purchaser receiving asset</i>
_____ NSWPF Representative Name	_____ Customer Name
_____ Position / Title	_____ Company Name
Date: _____	Date: _____
Office Use Only	
NSWPF Instrument of Delegation Approver Name	
Command/Department	
SAP Asset No:	
<i>Note: Attach a copy of this document to the Asset Retirement Form</i>	

