

Selling and scrapping assets

Fixed assets

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Selling and scrapping assets

Remove an asset from your books when it is sold, scrapped or lost, and record the gain or loss.

Advanced · About 20 minutes · Version 1.0 · Updated 17 November 2026

Plan availability

Included in the **Enterprise** plan. Contact us if you want to upgrade.

Overview

When an asset is sold or scrapped, you remove it from the register. The difference between its **book value** and what you received is a **gain or loss** on disposal.

Prerequisites

Depreciation posted up to the date of disposal. See Depreciation.

Steps

Sell an asset

1. Create a **Sales Invoice** to the buyer.
2. In the items table, choose the asset's item, and select the **Asset**. Set the rate to the selling price.
3. Submit. The asset's status becomes *Sold*, and a journal posts the gain or loss.

Scrap an asset

1. Open the **Asset**.
2. Click **Manage > Scrap Asset**.
3. Confirm the date. The asset is written off, and its remaining book value goes to the loss account.

Undo a scrap

If you scrapped by mistake, open the asset and click **Restore Asset**.

Practical example

A laptop with a book value of KES 12,000 is sold for KES 15,000. The sale posts a gain of KES 3,000. Another has a book value of KES 4,000 and is broken, so it is scrapped and the KES 4,000 is recorded as a loss.

Important notes

- Keep the sales agreement or the scrap approval attached to the record.
- Disposal can have tax consequences. Ask your accountant.
- Stolen or lost assets should be written off with a note and the police report number.

Common mistakes

- Deleting an asset instead of disposing of it, which destroys the history.
- Disposing without posting depreciation first.

Next steps

Return to Fixed assets overview.

Related documentation

- Depreciation
- Creating a sales invoice
- Moving and maintaining assets