

## Accounting Treatment: Using the Covid Minor works grant to purchase equipment

Under the Covid Minor Works grant, there is scope to spend monies on items of equipment that may be capital items. These capital items are treated as follows:

### When grant monies received:

Action	DR/CR	Nominal Code	Description
Grant Monies Received	DR	1800	Current Account 1 <i>Current Asset</i>
	CR	2169	COVID Minor Works Grant Unspent <i>Current Liability</i>

### When items purchased:

Action	DR/CR	Nominal Code	Description
Item Purchased	DR	1420	Capital: Fixtures, Fittings and Equipment <i>Fixed Asset</i>
	CR	1800	Current Account 1 <i>Current Asset</i>

Action	DR/CR	Nominal Code	Description
Transfer of Grant to Capital Reserves	DR	2169	COVID Minor Works Grant Unspent <i>Current Liability</i>
	CR	3920	DE Fixtures, Fittings & Equipment Grant Income <i>Capital &amp; Reserves</i>

### Amortisation of grants

Action	DR/CR	Nominal Code	Description
Amortisation of grant	DR	3925	Accumulated Amortisation of Capital Equipment Income <a href="#">Capital &amp; Reserves</a>
	CR	3225	Amortisation of DE Equipment Grants <a href="#">Income</a>

### Depreciation of grants

Action	DR/CR	Nominal Code	Description
Depreciation of Equipment	DR	8020	Annual Depreciation: Fixtures, Fittings and Equipment <a href="#">Expenditure</a>
	CR	1430	Accumulated Depreciation: Fixtures, Fittings and Equipment <a href="#">Fixed Asset</a>

**Note 1:** Grant spent should be amortised to the I&E over 5 years

**Note 2:** Depreciation Policy. Items depreciated over 5 years

Action	DR/CR	Nominal Code	Description
Transfer of Grant Spent to Capital Reserves	DR	2169	Covid Minor Work grant Unspent
	CR	3920	DE Fixtures, Fittings & Equipment Grant Income

Action	DR/CR	Nominal Code	Description
Amortisation of grant	DR	3925	Accumulated Amortisation of Capital Equipment Income
	CR	3225	Amortisation of DE Equipment Grants

Action	DR/CR	Nominal Code	Description
Depreciation of Fixtures, Fittings and Equipment	DR	8020	Annual Depreciation: Fixtures, Fittings and Equipment
	CR	1430	Accumulated Depreciation: Fixtures, Fittings and Equipment

**Note 1:** Grant spent should be amortised to the I&E over 5 years

**Note 2:** Fixtures, Fittings and Equipment Depreciation Policy. Items depreciated over 5years