

Accounting Treatment: Use of Minor works grant to purchase Capital Equipment

Under the 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 Current Asset
	CR	2166	Minor Works Grant Unspent Current Liability

When items purchased:

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

Action	DR/CR	Nominal Code	Description
Transfer of Grant to Capital Reserves	DR	2166	Minor Works Grant Unspent Current Liability
	CR	3920	DE Fixtures, Fittings & Equipment Grant Income Capital & Reserves