

Accounting Treatment: Use of Minor Works grant to purchase Capital ICT Equipment

Under the Minor Works grant, there is scope to spend monies on items of ICT Capital 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	1460	Capital: Minor Works ICT 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	3921	DE ICT Grant Capital Income Capital & Reserves

Amortisation of grants

Action	DR/CR	Nominal Code	Description
Amortisation of grant	DR	3926	Accumulated Amortisation of ICT Grant Capital Income Capital & Reserves
	CR	3226	Amortisation of DE ICT Grants Income

Depreciation of grants

Action	DR/CR	Nominal Code	Description
Depreciation of ICT Capital Equipment	DR	8060	Annual Depreciation: ICT Expenditure
	CR	1470	Accumulated Depreciation: Minor Works ICT Capital Expenditure Fixed Asset

Note 1: Grant spent should be amortised to the I&E over 3 years

Note 2: Depreciation Policy. Items depreciated over 3 years