

Accounting Treatment: Use of the Covid Minor Works Grant for the purchase of Non-Capital items

Code 3277 Covid Minor Works should only relate to the proportion of the Covid Minor Works grant that relates to non-capital Covid Minor Works.

For instance, under the Covid Minor Works grant, there is scope to spend monies on items that may not be capital items. Therefore, these items would not be capitalised and are treated as follows:

GRANT INCOME RECEIVED:

Action	Debit/Credit	Nominal Code	Description
Grant received	DR	1800	Current Account 1 Current Asset
	CR	2169	COVID Minor Works Grant Unspent Current Liability

WHEN GRANT IS SPENT:

Action	DR/CR	Nominal Code	Description
Item purchased	DR	5316	COVID Minor Works Grant Expense Expenditure
	CR	1800	Current Account 1 Current Asset

Action	DR/CR	Nominal Code	Description
Journal to reflect Covid Minor Works Non-capital grant Income	DR	2169	COVID Minor Works Grant Unspent Current Liability
	CR	3277	COVID Minor Works Grant Income