

Accounting for Covid Grants

1. Introduction

The Department of Education provides grants to minimise the spread of Covid 19. In 2022/2023 the following Covid grant was paid to schools in Term1 and Term 2 only.

- COVID Capitation for Cleaning and PPE Grant

The Grant can be used towards the cost of employing a cleaner and/or hiring a contract cleaning company to carry out additional cleaning hours relating to covid and purchasing sanitiser and other PPE supplies.

2. Accounting Treatment

The nominal codes to be used to account for the grant received, the expenditure of the grant and any unspent balance are set out below.

2.1 When the grant income is received

| Action | DR/CR | Nominal Code | Description |
|--|-------|--------------|---|
| COVID Capitation for Cleaning and PPE Grant Received | DR | 1800 | Current Account 1 <i>Current Asset</i> |
| | CR | 2186 | COVID Capitation for Cleaning and PPE Grant Unspent <i>Current Liability</i> |

2.2 When the Covid Capitation for Cleaning and PPE Grant is used for cleaning and PPE Expenditure

| Action | DR/CR | Nominal Code | Description |
|---|-------|--------------|--|
| Recording the expenditure under the expense category to which the grant relates | DR | 5804 | COVID Capitation for Cleaning Wages Expense |
| | DR | 5806 | COVID Capitation for Cleaning (Non Wages) and PPE Grant Expense Expense |
| | CR | 1800 | Current Account 1 Current Asset |

| Action | DR/CR | Nominal Code | Description |
|---|-------|--------------|--|
| Recording Covid Grant in the Income & Expenditure | DR | 2186 | COVID Capitation for Cleaning and PPE Grant Unspent Current Liability |
| | CR | 3288 | COVID Capitation for Cleaning and PPE Grant Income |

NB Schools are required to return unspent covid grant for 22/23 academic year to the Department of Education before the end of September 2023.

Please note - This requirement does not apply to Covid Minor Works Grant.

2.3 Account for the unspent grant balance

The COVID Capitation for Cleaning and PPE Grant is a ring-fenced grant and the balance unspent at the year-end must be reconciled and accounted for in nominal code 2186 COVID Capitation for Cleaning and PPE Grant Unspent.