

Fundraising for Land/Building Project

(Document last updated August 2025)

1. Introduction

Schools may carry out fundraising to support a capital project. Funds received/used regardless of source, for land and buildings are not reflected as fixed assets in the balance sheet of a school as set out in Section 15(3) Education Act – “For the avoidance of doubt, nothing in this Act shall confer or be deemed to confer on the board any right over or interest in the land and buildings of the school for which that board is responsible.”

Note: In the case of fee charging schools, it is advised to obtain advice from your trustees and auditor before removing land and buildings from the balance sheet. The accounting treatment advised by the boards and trustees’ auditor(s) will prevail.

2. Accounting Treatment:

2.1 When monies from fundraising for a capital project is received

Action	DR/CR	Nominal Code	Description
Income from Fundraising Committees for capital work on buildings/purchase of land	DR	1800	Current Account 1 Current Asset
	CR	2172	Other Non-Capital Ringfenced Income Unspent Current Liability

2.2 When monies from fundraising for a capital project is spent

Action	DR/CR	Nominal Code	Description
Spend of income from Fundraising Committees for capital land/building project	DR	3960	Capital Land/Building Fundraising Expense Capital & Reserves
	CR	1800	Current Account 1 Current Asset

Action	DR/CR	Nominal Code	Description
Transfer of fundraising income spent to Capital Reserves	DR	2172	Other Non-Capital Ringfenced Income Unspent Current Liability
	CR	3901	Capital Projects Fundraising Income Capital & Reserve

2.3 Transfer to Land/Building Fund Account

The year after the capital land/building project is complete the income and expenditure should be transferred to the land/building fund account.

Action	DR/CR	Nominal Code	Description
Transfer the contributions to the cost of the capital project to the Land/Building Fund	DR	3901	Capital Projects Fundraising Income Capital & Reserve
	CR	3995	Land/Building Fund Account Capital & Reserves

Action	DR/CR	Nominal Code	Description
Transfer the cost of the capital land/building project to the Land/Building Fund	DR	3995	Land/Building Fund Account Capital & Reserves
	CR	3960	Capital Land/Building Fundraising Expense Capital & Reserve

Negative Building fund: Where a school has expended more funds on land and building than those received this will result in a negative or debit balance on the building fund. This is in line with the FSSU recommended accounting treatment.

2.4 Account for the unspent capital projects fundraising income

Fundraising for capital projects is ring-fenced income and the balance unspent at the year-end must be reconciled and accounted for in nominal code 2172 Other Non-Capital Ringfenced Income Unspent.