Accounting for Refundable Book Deposit
(Created July 2025)

1. Introduction

The introduction of the free schoolbook grants for primary schools and post primary schools saw the removal of book rental schemes charges in those schools. Schools may request a refundable deposit of up to €50 per student per year/cycle to encourage proper care of books. However, schools must not deny access to schoolbooks or core classroom resources due to nonpayment of the deposit or other school-related charges.

2. Accounting Treatment for a Refundable Book Deposit

The nominal codes to be used to account for the deposit received, the refund of the deposit and any deposit not refunded are set out below.

2.1 When the deposit is received:

Action	DR/CR	Nominal Code	Description
Deposit Received	DR	1800	Current Account 1 Current Asset
	CR	2172	Other Non-Capital Ringfenced Income Unspent Current Liability

2.2 When the deposit is returned in full:

Action	DR/CR	Nominal Code	Description
Deposit is returned in full	DR	2172	Other Non-Capital Ringfenced Income Unspent Current Liability
	CR	1800	Current Account 1 Current Asset

2.3 When the deposit is partially returned:

Action	DR/CR	Nominal Code	Description
Portion of Deposit is Returned to Parents	DR	2172 (Portion returned to the parent €)	Other Non-Capital Ringfenced Current Liability
	CR	1800 (Portion returned to the parent €)	Current Account 1 Current Asset
Portion of Deposit is Retained by the School	DR	2172 (Portion being retained by the school €)	Other Non-Capital Ringfenced Current Liability
	CR	4731 (Portion being retained by the school €)	Free Schoolbook Grant Expense Expenditure

2.4 When the deposit is not returned:

Action	DR/CR	Nominal Code	Description
Deposit Not Returned	DR	2172 (Full deposit amount €)	Other Non-Capital Ringfenced Current Liability
	CR	4731 (Full Deposit being retained by the school €)	Free Schoolbook Grant Expense Expenditure