

Use of the Covid Minor Works Grant to Purchase Capital Equipment

(Document last updated August 2026)

1. Introduction

Under the Covid Minor Works grant, there was scope to spend monies on items of equipment that may be capital expenditure. This expenditure was to be reflected as fixed assets in the balance sheet of a board's accounts and the grant was to be transferred to Capital & Reserves.

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 was received

Action	DR/CR	Nominal Code	Description
Covid Minor Works Grant Monies Received	DR	1800	Current Account 1 Current Asset
	CR	2169	COVID Minor Works Grant Unspent Current Liability

2.2 When Covid Minor Works Grant used to purchase Capital Equipment:

Action	DR/CR	Nominal Code	Description
Recording Capital Equipment Expenditure	DR	1426	Capital: Covid Minor Works Fixtures, Fittings and Equipment Additions Fixed Asset
	CR	1800	Current Account 1 Current Asset

Action	DR/CR	Nominal Code	Description
Transfer Covid Minor works Grant to Capital & Reserves	DR	2169	COVID Minor Works Grant Unspent Current Liability
	CR	3905	COVID Minor Works Capital Grant Income Capital & Reserves

2.3 Amortisation of Grants

Amortisation is an accounting technique used to periodically lower the book value of a grant over a set period of time.

The Covid Minor Works grant classified as a capital grant above, should be recognised in the Income and Expenditure Report on a systematic basis. It is recommended that the grant spent should be amortised over 5 years.

The amortisation of the grants would be done at the year-end by the schools external accountant/auditor.

Action	DR/CR	Nominal Code	Description
Amortisation of Covid Minor Works Grant	DR	3925	Accumulated Amortisation of Capital Equipment Income Capital & Reserves
	CR	3225	Amortisation of DE Equipment Grants Income

Note 1: Amortisation Policy - Grant amortised over 5 years

2.4 Depreciation of Covid Minor Works for Capital Equipment Expenditure

Depreciation is an accounting technique used to periodically lower the book value of a capital expense over a set period of time.

The capital expenditure of the Covid Minor Works grant shall be recognised in the Income and Expenditure Report on a systematic basis. It is recommended that the grant spent should be depreciated over 5 years.

The depreciation of the ICT capital expenditure would be done at the year-end by the school's external accountant/auditor.

Action	DR/CR	Nominal Code	Description
Depreciation of Covid Minor Work Fixtures, Fittings and Equipment Current Year	DR	8020	Annual Depreciation: Fixtures, Fittings and Equipment Expenditure
	CR	1436	Depreciation: Covid Minor Works Fixtures, Fittings and Equipment Current Year Fixed Asset

Note 2: ICT Depreciation Policy - Items depreciated over 5 years

2.5 Account for the unspent grant balance

The Covid Minor Works grant is a ring-fenced grant and the balance unspent at the year-end must be reconciled and accounted for in nominal code 2169 Covid Minor Works Grant Unspent.