

Treatment of Bus Escort Grant Income Received

1. Introduction

The Bus Escort Grant is provided to assist schools with the cost of employing a bus escort. Funding is based on the daily hours worked by the escort and includes an administration allowance to assist with the cost of administering the employment of bus escorts.

2. Timing of the Grant Payment

- At the end of the school year, the school will complete a bus escort reconciliation return and submit to the School Transport Section. These returns will be used to calculate the grant funding for the new school year and also to deal with any surplus/deficit arising in the previous year. Payment will depend on the timely submission of the return, and may be before or after the 31st of August.
- The Bus Escort Grant will be paid in two instalments. A payment for September to December will be made around the start of the year and the remaining advance for January to June will be paid in January.
- Details of funding calculations can be requested by the school from the School Transport Section to determine the amount of advance grant funding, and any surplus / deficit arising in the previous year.

3. How the Funding is Calculated

Element	Calculation / Basis
A. Basic hours	Total annual hours worked by all escorts employed in the school at the approved hourly rate.
B. Holiday pay	8% of A
C. Employer PRSI	PRSI rate applied to A + B
D. Administration allowance	5% of A

The administration allowance is intended to assist schools in defraying the cost of administering the employment of escorts in their school. It is a matter for the board of

management to decide how this is utilised. Note 5% of basic hours is approximately 4% of the total wages cost.

4. Overview of adjustments required for monies received/due for the new school year

Any grant carried forward at the start of the year and receipts during the year should be recorded to income nominal code <3294 Bus Escort Grant>.

	Situation at 31 August	Accounting treatment	Debit Nominal code	Credit Nominal code
1	- Grant funding for previous year exceeds bus escort costs plus administration allowance and - Advance grant for new year received	Carry forward the previous year surplus and advance as a grant received in advance	3294 Bus Escort Grant Income	2150 Grants received in advance Current Liability
2	- Grant funding for previous year exceeds bus escort costs plus administration allowance and - Advance grant for new year not received	Carry forward the previous year surplus as a grant received in advance	3294 Bus Escort Grant Income	2150 Grants received in advance Current Liability
3	- Bus Escort costs plus administration allowance exceeds grant funding for previous year and - Balancing/advance grant for new year received	Carry forward the element of grant received for the new year as a grant received in advance	3294 Bus Escort Grant Income	2150 Grants received in advance Current Liability
4	- Bus Escort costs plus administration allowance exceeds grant funding for previous year and - Balancing/advance grant for new year not received	Recognise deficit on previous year funding as a grant due	1730 Grant Due Current Asset	3294 Bus Escort Grant Income

Schools should use the sample template for manual reports to assist in calculating the amount of advance grant received or due at year-end.

If there is any difficulty in establishing these figures, or actual funds received do not agree to calculations the school should request details of the payment calculation from the School Transport Section.

5. Accounting Examples

Example 1: Surplus on previous year funding and advance grant received before 31st of August.

Description	Amount
Grant received for previous year	€10,000
Less bus escort wages cost	(€8,000)
Less administration allowance (4% of wages cost)	(€320)
Equals surplus on previous year funding	€1,680
Add Advance grant payment for the new year*	€4,648
Equals amount to carry forward at year-end	€6,328

*If there is no significant change in bus escort staffing the advance grant payment will be the previous year wages cost plus the administration allowance less the surplus of previous year funding multiplied by 70%.

Example of calculation using FSSU template for manual reports:

GRANT	Balance Unspent B/fwd		Current Year Grant Income			Current Year Expenditure		Current Year Surplus/Deficit	Total Grant Unspent	
	NOMINAL CODE	ENTER € AMOUNT	NOMINAL CODE	ENTER € AMOUNT		NOMINAL CODE	ENTER € AMOUNT	€	NOMINAL CODE	€ AMOUNT
Bus Escort Grant	1171 or 2150		3294	14,648.00	Bus Escort Salary Expense	4196/4200	8000	6328	2150	6328
					Bus escort grant administration allowance		320			

The surplus and advance payment for the new year should be included in the balance sheet as a grant received in advance and reversed at the beginning of the new financial year.

Journal entry at year end	DR	CR
Bus Escort Grant Income - 3294	€6,328	
Grants Received in Advance - 2150		€6,328

Example 2: Surplus on previous year funding and advance grant received after 31st of August.

Description	Amount
Grant received for previous year	€10,000
Less Bus Escort wages cost	(€8,000)
Less administration allowance (4% of wages cost)	(€320)
Equals surplus on previous year funding & amount to carry forward at year-end	€1,680

Example of calculation using FSSU template for manual reports:

GRANT		Balance Unspent B/fwd	Current Year Grant Income		Current Year	Expenditure	Current Year Surplus/Deficit	Total Grant Unspent	
	NOMINAL CODE	ENTER € AMOUNT	NOMINAL CODE	ENTER € AMOUNT	NOMINAL CODE	ENTER € AMOUNT	€	NOMINAL CODE	€ AMOUNT
Bus Escort Grant	2171 or 2150	10,000.00	3294		4196/4200	8000	-8320	2150	1680
						320			

The surplus should be included in the balance sheet as a grant received in advance and reversed at the beginning of the new financial year.

Journal entry at year end	DR	CR
Bus Escort Grant Income - 3294	€1,680	
Grants Received in Advance - 2150		€1,680

Example 3: Deficit on previous year funding and balancing/advance grant received before 31st of August.

Description	Amount
Grant received for previous year	€10,000
Less bus escort wages cost	(€12,000)
Less administration allowance (4% of wages cost)	(€480)
Equals deficit on previous year funding	(€2,480)
Add balancing/advance grant payment for the new year*	€10,472
Equals amount to carry forward at year-end	€7,992

*If there is no significant change in bus escort staffing the balancing/advance grant payment will be the previous year wages cost plus the administration allowance plus the deficit in previous year funding multiplied by 70%.

Example of calculation using FSSU template for manual reports:

GRANT	Balance Unspent B/fwd		Current Year Grant Income			Current Year Expenditure		Current Year Surplus/Deficit	Total Grant Unspent	
	NOMINAL CODE	ENTER € AMOUNT	NOMINAL CODE	ENTER € AMOUNT		NOMINAL CODE	ENTER € AMOUNT	€	NOMINAL CODE	€ AMOUNT
Bus Escort Grant	2171 or 2150		3294	20,472.00	Bus Escort Salary Expense	4196/4200	12000	7992	2150	7992
					Bus escort grant administration allowance		480			

The element of the payment received for the new year should be included in the balance sheet as a grant received in advance and reversed at the beginning of the new financial year.

Journal entry at year end	DR	CR
Bus Escort Grant Income - 3294	€7,992	
Grants Received in Advance - 2150		€7,992

Example 4: Deficit on previous year funding and advance grant received after 31st of August.

Description	Amount
Grant received for previous year	€10,000
Less Bus Escort wages cost	(€12,000)
Less administration allowance (4% of wages cost)	(€480)
Equals deficit on previous year funding	(€2,480)

Example of calculation using FSSU template for manual reports:

GRANT	Balance Unspent B/fwd		Current Year Grant Income			Current Year Expenditure		Current Year Surplus/Deficit	Total Grant Unspent	
	NOMINAL CODE	ENTER € AMOUNT	NOMINAL CODE	ENTER € AMOUNT		NOMINAL CODE	ENTER € AMOUNT	€	NOMINAL CODE	€ AMOUNT
Bus Escort Grant	2171 or 2150	10,000.00	3294		Bus Escort Salary Expense	4196/4200	12000	-12480	2150	-2480
					Bus escort grant administration allowance		480			

The deficit should be included in the balance sheet as a grant due until the balancing grant is received. The journal should be reversed at the beginning of the new financial year or when the grant is received, as appropriate.

Journal entry at year end	DR	CR
Grants Due - 1730	€2,480	
Bus Escort Grant Income - 3294		€2,480