

**Frequently Asked Finance Questions raised by Schools Capital**

Electronic Schools’ Post

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| **Importance etc.** | **Question** | **Answer** |
| For InformationAll schools | **How do I know whether an item of expenditure is capital or revenue?** | Further guidance can be found in the [capital section](https://www.schoolsurf.suffolkcc.gov.uk/docs/unrestricted/Finance_Service/Capital_and_Mutual_Loans/Guidance/index.aspx) of SchoolSurf and LMS document 2011/27.If you are still unsure of the classification please email the details through to the Corporate Finance Team on financestrageyandaccounts@suffolk.gov.uk  |
| For InformationAll schools | **We intend to redecorate the school hall, could this be charged to capital?** | No, this is classed as maintenance and should be charged to revenue. |
| For InformationAll schools | **We have purchased a new projector which has been charged to capital but I am unsure whether the mounting kit, cables and delivery charge can also be charged to capital?** | Yes, any costs for goods or services required to bring an asset into use can be charged to capital, therefore as the mounting kit, cables and delivery are costs required to bring the asset into use these can be charged to capital. |
| For InformationAll schools | **Our school roof is leaking and needs repairing, can we charge this to capital?** | No, as the roof is merely being repaired this can not be charged to capital. However, if this was a new roof rather that just a repair this could be charged to capital |
| For InformationAll schools | **We are purchasing a replacement cable for one of our laptops can this be charged to capital?** | No, as this is a replacement cable it can not be charged to capital. |
| For InformationAll schools | **We are in the process of replanting our raised beds with shrubs and flowers, can we charge this to capital?** | No, this is not a valid capital expenditure item as it is not enhancing an existing asset. |
| For InformationAll schools | **For health and safety reasons we are looking to replace our changing room floor tiles with new non-slip flooring, can this be charged to capital?** | Yes, this is an enhancement to the existing asset and can be charged to capital. If new flooring is a direct replacement, such as the carpet in a classroom being replaced by another carpet then this should be charged to revenue. |
| For InformationAll schools | **We currently have a capital project taking place at school; does this mean that we can charge items that would not normally be charged to capital to the project?**  | No, the only exception to this is if they are costs for goods or services that are required to bring a new asset into use. |
| **For Information**All schools | **We are currently purchasing a minibus with another school – how do we transfer the capital or revenue income to the purchasing school?** | Email the details to the Corporate Finance Team on financestrategyandaccounts@suffolk.gov.uk . We can arrange journals to satisfy the accounting requirements of both schools and make sure we only end up with one asset on the asset register.  |
| **For Information**All schools | **We are receiving funding from CYP to pay for some capital items, how should we receive this funding?** | All funding received from CYP should be transferred to the school as additional capital income. You shouldn’t receive credits against expenditure codes. |