

8. Ordinary School Expenditure

A. Current Expenditure:

- 1. Education – Salaries:** All salaries to part-time and substitute teachers and payments to teachers for education related services including all PAYE and PRSI and all payments to non-teacher supervisors under the Supervision and Substitution scheme.
- 2. Education – Other Expenses:** Includes all teaching aids, consumable materials and all expenses related to curriculum and education activities including expenditure on Religious Education.
- 3. Repairs, Maintenance and Establishment:** Current expenditure related to the upkeep and maintenance of school buildings, grounds, furniture, fittings and equipment, caretaking costs, cleaning, insurance, light, power and heating.
- 4. Administration:** Secretarial salaries and services, printing, postage, telephone and stationery.
- 5. Finance:** Bank interest and charges.

(See Appendix 6 for details)

B. Capital Expenditure and Depreciation:

Capital expenditure is expenditure which is generally of a once off nature rather than recurring. The purpose of capital expenditure is to acquire an asset or advantage of a lasting nature for the benefit of the school. As a rule of thumb, the expected life of an asset is more than one year. For example, the purchase of computer equipment or school furniture is capital expenditure and is reflected in the Balance Sheet while the purchase of computer software, discs and repairs and maintenance are current expenditure which is recorded in the Income and Expenditure Account.

All assets recorded in the Balance Sheet should be subject to Depreciation. In general, depreciation rates are as follows:

- Land and Buildings – 2%
- Furniture and Fittings – 10%
- Computer Equipment – 20%

Annual depreciation, calculated on a straight line basis, is shown as a charge in the Income and Expenditure Account and is deducted from the relevant asset in the Balance Sheet.