

## Document Information

### 1. Document Details

<b>Title:</b>	<b>Accounting Policy for Government Grants and Self-Financing Activities</b>
<b>Author(s):</b>	Project Accountant's Office
<b>Version No:</b>	1
<b>Status:</b>	Approved

**Important Note:** If the 'Status' of this document reads 'Draft', it has not been finalised and should not be relied upon.

### 2. Revision History

Version	Revision Date	Summary of Changes	Changes tracked?
1			
2			
3			
4			

### 3. Relevant Existing/Related Documents

Section 09 of Procedures Manual relating to Self-Financing Activities

### 4. Consultation History

**This document has been prepared in consultation with the following bodies:**

None

### 5. Approvals

**This document requires following approvals (in order where applicable):**

Name	Date	Details of Approval Required
Governing Body	29/01/2021	Approval of the Policy

## 1. Recognition and Measurement

- 1.1 In accordance with FRS102, research grant income is recognised on a performance model or accrual model basis. This policy is applied to grants on a class-by-class basis depending on the funding agency and class of grant.
- 1.2 Where the performance model applies for a class of grant:
- If a grant does not impose specified future performance-related conditions, income is recognised when the grant proceeds are received or receivable;
  - If a grant imposes specified future performance-related conditions, income is recognised when the performance-related conditions are met; and
  - Grants received before performance-related criteria are met (including advance payments on contract signing and pre-financing payments) are recognised as a liability and deferred in the balance sheet until such time as the performance-related criteria are met.
- 1.3 Where the accrual model applies for a class of grant:
- Grants are classified either as grants relating to revenue or grants relating to assets;
  - Income from revenue grants is recognised on a systematic basis over the periods in which the University recognises the related costs for which the grant is intended to compensate;
  - Grant income relating to assets is recognised on a systematic basis over the expected life of the asset; and
  - Where the grant income relating to an asset is deferred, it is recognised as deferred income in the balance sheet.

## 2. Disclosure

- 2.1 All research income and expenditure is shown under the heading 'Research Grants and Contracts'.
- 2.2 The requirements of Circular 13/2014 with regard to the disclosure of grants originating from the Vote of a Government Department/Office or through an intermediary body or bodies are shown as a Note in the financial statements.

## 3. Approval

This policy was approved by the Governing Body on 29th January 2021