



Community Engagement Process: Ideas for New Strategic Science Capital

Definition of Capital

Capital can be defined as an asset that has a useful life exceeding one year and that costs more than

£10k. It can be anything from equipment to buildings, from IT software to supercomputers.

What can be capitalised?

- Labour/development costs associated with the creation of the asset, providing the input from an individual is for a significant sustained period of time within the period of development.
- Any expenditure incurred to enhance an off the shelf instrument.
- Transport and delivery costs.
- Installation costs.
- Significant enhancement of facilities e.g. installing air-conditioning to regulate room temperature for sensitive scientific equipment.
- Components less than £10k, where those components are combined to form an operational piece of equipment, and where the individual component can't function on its own.

What can't be capitalised?

- Items under £10k.
- Servicing and warranty costs, e.g. maintenance or license agreements.
- Items in a network that are under £10k and can function individually, separate from that network.
- Routine repairs and maintenance, e.g. painting and decorating.
- Minor enhancements to facilities.
- Renting (e.g. land).

Contact capitalrequirements@nerc.ac.uk if you have any questions.