

Capital  
and  
Revenue  
Expenditure  
and  
Receipts

**Accounting for non-current assets**

Candidates will look at the classification of business expenditure with particular reference to the treatment of assets used in the longer term in a business. Candidates will also consider the purpose and methods of recording the cost of using those assets over time and the subsequent change in value.

**Capital and revenue income and expenditure**

Candidates should have an understanding of:

- the difference between the treatment of capital and revenue income and capital and revenue expenditure
- the effect on profit/loss and asset value of the incorrect treatment of capital and revenue expenditure



