**Capital and revenue expenditure**

Income and expenses can be classified under the headings **capital** and **revenue.**

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| --- | --- | --- | --- |
| **Income** | | **Expenses** | |
| **Capital income** | **Revenue income** | **Capital expenditure** | **Revenue expenditure** |
| Funds received from the organisation owner or from the sale of non-current assets | Funds received from the sale of goods or services | Amounts spent on non-current assets | Amounts spent on day-to-day operational expenses |
| **Examples**  Cash injected into an organisation by the organisation owner  Proceeds from the sale of a vehicle or machine. | **Examples**  Sales of goods or services  Rent received  Bank interest received | **Examples**  Motor vehicles  Machinery  Buildings  Office equipment  Computer equipment | **Examples**  Electricity  Wages  Insurance  Travel costs  Motor expenses  Rent and rates  Printing and stationery |