

Appendix 1 - University Financial Coding Structure

The University of Glasgow has a specific Financial Coding Structure that allows users to enter information into Agresso in a specific way. The financial codes that are associated with all transactions in the finance system are detailed below.

Coding Structure in Agresso

Agresso's coding structure is account-driven. Each account has an account rule associated with it. This rule determines which other posting attribute fields are required with the account. During requisition entry, once a product code is entered it is automatically linked to an Account code, the screen automatically presents only those fields that can be completed.

The University Financial Coding Structure in Agresso is -

- Account:** **AAAAA (Alphanumerical)** – When entering the Account it will determine which of the other posting strings are required *N.B. The account code can either be 4 digits or 5 digits long depending on the account code*
 .e.g. 7270 - AUDIO VISUAL SUPPLIES
 41707 - Sales of education related goods
- Cost Centre:** **AAAAAAA (Alphanumerical)** – This is the Cost Centre code. This is automatically back filled when the Sub-Project is entered. Therefore using the example 10305200 the following sub elements are composed from the Cost Centre:-
 College - (first digit) - 1 = Arts
 School/Research Institute - (first 3 digits) - 103 = Humanities
 Subject (first 5 digits) - 10305 = Classics
 Sub-Structure (last 3 digits) - not used within all subjects – i.e. 200 = Latin
 Therefore the Cost Centre for Latin is 10305200
- Sub-Project:** **NNNNNN-NN** -This is the specific unique identifier for each Sub-Project in Agresso.
 e.g. 112345-01 = Finance Office Running Costs,

Depending on which account code is used may also require the following information fields to be populated:

- Cat 3** Staff ID / Asset number - Asset Number for FIXED ASSETS only.
Cat 4 Post Number
Cat 5 Appointment Number
Paycode Paycode - This is the different components of pay.
 For example: 1000 is basic pay, 1270 is CONTRACTUAL OVERTIME
- Value** FTE Value – Used for Student Lifecycle Sub-Project only
Number Academic Year - Used for Student Lifecycle Sub-Project only

Product Codes

Whenever raising a Requisition a Product Code must be used. This is to determine what type of purchase is being made. The objective has been to make coding easier, with the additional benefit of true expenditure management information for the university.

Each Product Code is automatically linked to an Account code and a VAT code (though the VAT code can be amended if there is a VAT Exemption certificate. See information about VAT codes further on).

There are two types of Product Codes:

- B.) Generic Product Codes - These are used when raising requisitions Agresso apart from E-Procurement Punch-out Suppliers or Stores Orders. The User will choose what type of Purchase is required and select the relevant Generic Product Code.

C.) Stores Product codes - Within the University of Glasgow there are various Schools who have their own internal stores. These product codes are only used by staff within Life Sciences/ Chemistry for requisitions against Life Sciences /Chemistry stores.

See website for more info on products: <http://www.gla.ac.uk/services/agresso/financialcoding/productcodes/>

VAT on Agresso

Introduction

In Agresso, the VAT on every transaction is recorded separately. This allows the University to maximise recovery of VAT and ensures that VAT regulations are complied with.

VAT on Agresso

In Agresso, VAT is recorded using tax codes. The tax code determines the percentage of VAT to be calculated on the net amount of the transaction line. Agresso determines whether the VAT is recoverable by referring to a table that holds those Sub-Projects on which VAT on purchases can be recovered. Separate tax codes exist for VAT on purchases and VAT on sales.

VAT on Purchases

The following VAT codes should be used on requisitions; purchase orders; purchase invoices and purchases credit notes:

AS	Standard rated – 20.0% on purchases
AE	Exempt on Purchases (e.g. education courses or conferences)
AZ	Zero-rated goods (e.g. books)
EF	Where a VAT 'exemption' certificate has been completed (Equipment used in Medical or Veterinary research, charity, advertising)
EU	Foreign order (VAT not charged by supplier but may be charged later)
A0	Outside the scope of vat should be used in the UK where the supplier is not vat registered or the supplier is a private individual and for some expenditure. It might also be used for Student Fees
AL	Lower rated - 5% on purchases (Utilities)
AM	Middle rated - 8% on purchases

See the link below for Types of Purchases and relevant VAT code:

[VAT codes for Purchases](#)

VAT on Sales

The following VAT codes are automatically fixed depending on the Product Code Selected. These Sales VAT codes are used for Sales Invoices and Sales Credit Notes.

BO	Outside the scope of VAT
BR	Outside the scope with the right of recovery(income from outside the EU where there is a supply)
BE	Exempt Income (Educational Courses or conferences, provision of education)
BZ	Zero Rated (Sale of books)
BS	Standard rated 20%
BT	VAT at 17.5% (Must only be used for invoices prior to 1 st December 2008)

Sub-Projects

Sub-Projects on Agresso have a VAT status of recoverable, partially, or non-recoverable. This determines how the VAT is dealt with when charges are posted to the General Ledger. Users do not have to decide if a Sub-Project is VAT fully, partially or non-recoverable, as Agresso handles this automatically.