**Monthly VAT Corrections**

Each month, where errors have occurred effecting VAT on purchase invoices charged to research grants, the Tax & Property Finance Section, Finance Division, will email your department with the list of VAT amounts that have been processed incorrectly and need adjusting. The email will detail:

- the invoice number that the VAT adjustment relates to;
- the GL code that the VAT adjustment has been posted to in your accounts ready for correction: your departmental research cost centre plus the source of funds and transaction code below:

Example: **AG.AAAA.EZZM  (where ** is your department code)

Example: xxAG.AAAA.EZZM (where xx is your department code)

If your department has more than one research cost centre, the cost centre from the original transaction will be used. Always use the GL code you have been given in the email from the Tax & Property Finance.

PLEASE NOTE: you **must not** use the above G/L code for any other purpose.

**Making the adjustment**

1. In Accounts Payable look up the invoice number and make a note of the research grant distribution codes (project, award task etc)

2. In the Grants module enter a Grants Journal with lines to transfer the VAT adjustment from the GL code (**AG.AAAA.EZZM) onto the Grant it should relate to. Don’t forget to save your journal, submit and release it.

<table>
<thead>
<tr>
<th>Original VAT correction was…</th>
<th>Grants Journal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debiting the GL code</td>
<td>Debit the Grant and credit your GL code</td>
</tr>
<tr>
<td>Crediting the GL code</td>
<td>Credit the Grant and debit your GL code</td>
</tr>
</tbody>
</table>