

## The University Chart of Accounts

The Chart of Accounts detail how expenditure and income is recorded within your department's accounts in the General Ledger. There is a set structure to allow the University to consolidated and report across all departments.

When you wish to buy or make a sale, you will specify where the expenditure or income is to be allocated within your department's Chart of Accounts. This could be coded to a:

- (i) departmental budget or funds (also known as a "charge account" )
- (ii) Research Grant/Project
- (iii) combination of the two.

General ledger account codes are made up of six segments:

- Organisation (1 character)
- Department (2 characters)
- Cost Centre (4 characters)
- Source of Funds (4 characters)
- Transaction (4 characters)
- Spare (4 zeros)

They are normally written in a string format e.g. U.AG.AGAA.AAAA.ESBC.0000.

Transactions that relate to Research Grants have their own coding system to record the type of specific information required for reporting to sponsors. However, when the information is transferred into the General Ledger, it is automatically summarised and converted into the above standard format.

Below is a summary of the structure and logic behind each segment of the General Ledger code. [Chapter 3](#) of the Financial Procedures Manual provides more detailed information on each segment.

### Organisation Segment

This is used to split transactions by legal entity. Normally this will be **U** for departments within the University of Cambridge.

### Department Segment

This is used to define the department or institution processing the transaction, e.g. AG for the Finance Division. The first letter can help to indicate the group to which the department belongs.

Department code range	Area
0	University balance sheet
A-B	Unified Administration Service (UAS)
D	Non-School Institutions (NSI)
E	Other
G	School of Arts & Humanities

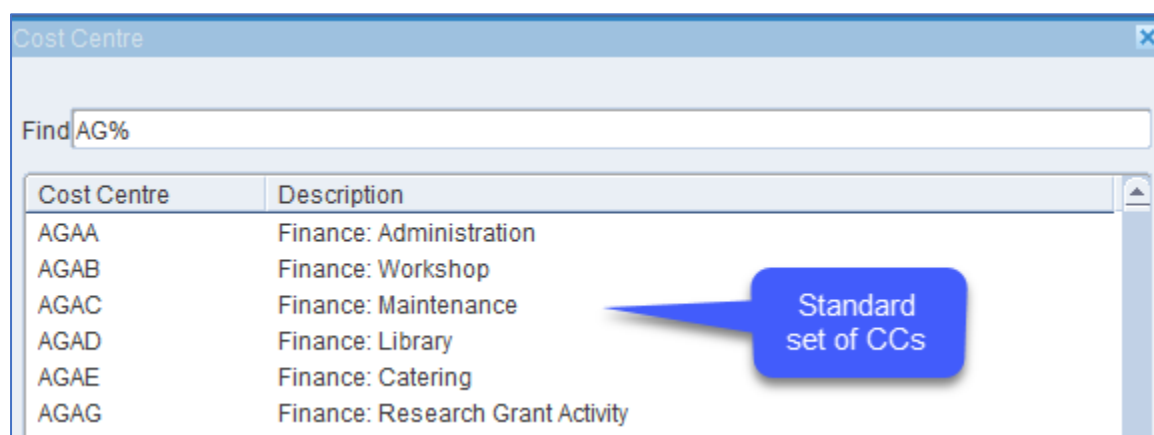
J	School of Humanities & Social Sciences
K-M	School of the Physical Sciences
N	School of Technology
P	School of the Biological Sciences
R-S	School of Clinical Medicine
U-X	Various but principally Non-School Institutions (NSI)
W	Investment accounting (central use only)

### Cost centres

Cost centres allow departments to organise and group their accounts to reflect their own departmental set up/activities. Expenditure (and income) is then allocated to the appropriate Cost Centre. This enables departments to manually set budgets for each activity and monitor its performance.

The Cost Centre code is comprised of four characters: the first two are normally the department code and the next two identify the particular activity or budget holder.

Each department has been set up with a standard set of Cost Centres covering activities such as administration, workshops, library and research grants. Other Cost Centres specific to the department can be added at the request of the department. An example of some of the Finance Division's codes is given below.



Cost Centre	Description
AGAA	Finance: Administration
AGAB	Finance: Workshop
AGAC	Finance: Maintenance
AGAD	Finance: Library
AGAE	Finance: Catering
AGAG	Finance: Research Grant Activity

If your department has any **trust funds** then you also use two specific *Cost Centres*:

ZZYA permanent trust fund capital

ZZYB spendable trust fund capital

### Source of Funds codes

Funding for the University's activities comes from many different sources. The University has a responsibility to its sponsors, donors, and government funders to separate, manage and report (in most cases) on the activities based upon the *Source of Funds*.

The *Source of Funds* code is represented by four characters, which are the same across all departments. Although the list is very long there is a logical structure.

1 <sup>st</sup> Letter	Type
0	Balance sheet
A	Chest
B	Recoverable from external sources
C	Recoverable from internal sources (central use only)
E	General reserves
F	Specific reserves
G	Self-supporting activities
H	Specific donations
I	Specific endowments
J	Specific grants
K	Trust funds
L	Trust funds appropriations
M	Research grants and contracts
P	Building projects
R	General endowments (central use only)
T	Investment account (central use only)
U	Pension funds (central use only)
X	Associated bodies
Z	Depreciation (central use only)

### Transaction Codes

Transaction Codes are used to describe the type of expenditure or income e.g. a book or room hire charges. Accurate selection of transaction codes is important for reporting and control purposes. The code consists of four characters. The first identifies the broad transaction category, the next three categorise the transaction in more detail. For example, if you were ordering some box files you would select transaction code ESBC.

This is broken down as follows:

- E Expenditure on Consumables account
- S Stationery and Office Supplies
- BC Box Files

The first character of the transaction code

There are a number of broad categories but the ones you will most commonly use are:

- E** Consumables expenditure
- L** Other operating income

The majority of the time you will be selecting a code that relates to either expenditure or sales/fees. There are long lists for each, but as with sources of funds there is a logical sequence behind them and you may find the following paragraphs helpful. These are also available in Chapter 3 of the Financial Procedures manual.

1. Expenditure transactions codes starting with E\*\*\*

<b>A</b>	Audio-visual and Multimedia
<b>B</b>	Library and Publications
<b>C</b>	Catering Supplies and Services
<b>D</b>	Medical, Surgical and Nursing Supplies and Services
<b>E</b>	Agricultural/Fisheries/Forestry/Horticultural Supplies and Services
<b>F</b>	Furniture, Furnishing & Textiles
<b>H</b>	Cleaning Materials & Equipment, Janitorial supplies
<b>J</b>	Utilities
<b>K</b>	Computer
<b>L</b>	Laboratory & Animal House Supplies and Services
<b>M</b>	Workshop & Maintenance Supplies (Lab and Estates)
<b>P</b>	Printing
<b>Q</b>	Telecommunications, Postal and Mail Room Services
<b>R</b>	Professional & Bought in Services
<b>S</b>	Stationery & Office Supplies
<b>T</b>	Travel & Transport (incl. Vehicle hire and subsistence)
<b>U</b>	Safety & Security
<b>V</b>	Vehicles (Purchase, Lease, Contract Hire)
<b>W</b>	Estates & Buildings
<b>X</b>	Miscellaneous/unclassified

2. Other Operating Income codes starting with L\*\*\*

L codes can broadly be categorised as:

<b>LA..</b>	Other Services Rendered
<b>LB..</b>	Catering
<b>LC..</b>	Health & Hospital Authorities
<b>LD..</b>	Released from Deferred Capital Grants
<b>LE..</b>	Transfer from Cambridge Assessment
<b>LF..</b>	General Donations
<b>LG..</b>	University Companies
<b>LH..</b>	VAT Rebate
<b>LJ..</b>	Room Hire
<b>LK..</b>	Other
<b>LL..</b>	Discount Taken
<b>LM..</b>	Property Income

<b>LN..</b>	Press & Publications Income
<b>LP..</b>	Pensions Income
<b>LR..</b>	Computer Related Sales
<b>LZA.</b>	Overhead Recovery
<b>LZB.</b>	Labour Recovery
<b>LZD.</b>	Trust Fund Recovery
<b>LZE.</b>	Research Grant Revenue

#### Spare Code

There is a spare field at the end of the coding string in case the University decides to expand the accounting code structure in the future. The field must be populated with 0000 (four zeros) and is the only choice for this segment.