**Processing of School journals:**

Schools are now expected to process miscoding journals internally on FMS via a cash book journal 0% VAT, rather than using the journal template and submitting them directly to SAT, except for journals regarding miscoding salaries. This will enable schools to control the process and ensure journals are processed in a quick time frame.

Cost sharing, movement of grants, internal recharges and miscoding salary journals should be emailed to [sat@suffolk.gov.uk](mailto:sat@suffolk.gov.uk) for uploading. Before sending your journal always check that your journal is miscoding salaries, cost sharing, movement of grants or an internal recharge:

* Cost sharing journals are used when an internal recharge does not apply. The same ledger codes for both the debit and credit side should be used.
* Movement of grants journals are used to move funds received from the main school of a dual placed pupil to another school. Only grant ledger codes should be used for both the debit & credit side.
* Internal recharges are used for salaries between schools, and where a school has paid the full cost for a course attended by staff from other school. The school that has paid the original cost will process an internal recharge charging the other schools. The valid codes for Internal recharges between LA schools are 38896 Payments to Other Schools and 81221 Income from Services Provided.

**Any journals that do not comply with the above will be returned and not processed.**

Movement of budgets should continue to be reflected in your termly virements emailed to [sat@suffolk.gov.uk](mailto:sat@suffolk.gov.uk).

**VAT codes in Fusion have been updated:**

The following VAT codes are currently available for use B, C, M, N, P, W, X, Y. Please ensure to not use any other VAT codes as the file will reject. The introduction of two new vat rates [12.5%](https://www.gov.uk/government/publications/introduction-of-a-new-reduced-rate-of-vat-for-hospitality-holiday-accommodation-and-attractions/introduction-of-a-new-reduced-rate-of-vat-for-hospitality-holiday-accommodation-and-attractions) and 8% along with the guidance on how to add them to your FMS system will be confirmed soon.

**Please ensure to only use these tax codes and avoid setting up new tax codes without SAT’s approval.**

**Invoices without LEA references cancelled:**

School invoices received via invoice integration without an LEA reference will be deleted going forward. It is the school’s responsibility to ensure invoices have the correct LEA reference to pay suppliers. If your invoice is deleted due to not providing an LEA reference, you will need to reconcile the original invoice and process a negative central payment to reverse it on FMS. Ensuring to add the LEA reference before reprocessing the invoice, and altering the invoice number slightly, to avoid invoice references being duplicated.

Please contact the Schools Accountancy Team [sat@suffolk.gov.uk](mailto:sat@suffolk.gov.uk) with any queries.

**Nil VAT files**

To ensure all VAT files are recorded as being returned, schools will need to email [sat@suffolk.gov.uk](mailto:sat@suffolk.gov.uk) confirming any VAT files that are nil.