

Financial Year End Procedures 2014/15

1. Introduction

The University's financial year ends on the 31st July. Each year the Finance Office must publish a set of audited accounts for the whole University which give a true and fair view of the finances of the University.

Everyone's co-operation is essential to ensure that transactions such as purchases and income are recorded in the correct financial year. This document lays down the timetable and procedures departmental administrators need to follow so that this task is achieved.

2. Financial Year Dates

2014/15 - 1 August 2014 to 31 July 2015 is **known in this document as the closing year.**

2015/16 - 1 August 2015 to 31 July 2016 is **known in this document as the new year.**

3. Deadlines for Departments

Description	Time	Day	Real Date
Fixed Assets Verification Return	5pm	Friday	31 July
Income & Debtors Invoices	2pm	Friday	31 July
Banner ALL sessions to be closed by	5 pm	Friday	31 July
Petty Cash Imprests	5pm	Friday	31 July
Operating Leases Return	5pm	Monday	3 August
Staff Expense Claims	5pm	Friday	7 August
The Creditor System July Period (Period 12) will remain open for the input of Late arriving invoices for goods/services received in the closing year up to	5pm	Friday	7 August
Journal Accruals/Pre-Payments of Invoices/Income - notice to Accountants	5pm	Friday	14 August
Journals & Recharges	5pm	Friday	14 August
Manual Expense Accruals Return	5pm	Friday	14 August

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Pre-paid Goods & Services Return	5pm	Friday	14 August
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4. Invoices for Goods and Services (Creditor Invoices)

This section provides information on how to deal with invoices for goods and services received and the Agresso Creditors and Purchase Ordering System.

4.1 Accruals Accounting - Which Year is the Expenditure Recognised ?

The rule for determining whether an invoice charge is posted to the closing year or the new year is based upon the date of receipt of the goods or services.

If goods are received or the services used on or prior to 31 July then the invoice charge must be posted to the closing year.

If the goods are received or the services used on or after the 1 August then the invoice charge must be posted to the new year.

In some cases invoices may relate to services used either side of the year end date (e.g. annual maintenance contracts, annual subscriptions, quarterly rentals, quarterly utility bills etc.). In these cases the invoice charge will need to be split between the closing year and the new year (*this is normally calculated pro-rata on a time apportioned basis*) by way of posting a manual journal adjustment to the system.

4.2 Registration of Creditor Invoices on Agresso

The July 2015 accounting period on Agresso will remain open for the registration of all creditor invoices dated on or before the 31 July 2014 until the 7th August (no invoices dated from 1st August onwards will be registered until after the 7th August cut-off).

4.3 Creditor Invoices with or without Purchase Orders

Creditor invoices dated on or before the 31 July which have been both registered and approved on or before the 7th August will be posted to the July accounting period. Any invoices in workflow and not approved by this date will fall into the August accounting period and will need to be accrued. To minimise the number of accruals required, ***it is imperative that departments are fully up to date with both their creditor invoice coding and approval and purchase received confirmations by the 7th August.***

To facilitate the accrual of prior year charges after the 7th August, ***the Goods Received field on the coding string will be used.*** All non-pay expenditure account codes will trigger the input of a mandatory "Goods Received" period to be entered in the form "**mmmyy**" (see below). The default value will be "N/A" and the user will be required to change the default to the actual month and year of delivery. The word "**RANGE**" can be used as a valid value on input to indicate those services received across more than one period.

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Gross amount	Account	Costc	Project	Goods received	Activity
17.56	501 Stationery	1020 Finance Office	G70200 Finance Office	JUL10	NANONPAY Non Academic - Non Pay expenditure

As at the 14th August, accruals will be identified from the system centrally by the Finance Office for transactions falling into the following categories:

- Creditor invoices posted to the August accounting period with a Goods Received date on or before the 31 July 2015.
- Creditor invoices posted to the August accounting period with a Goods Received date entered as "RANGE".

Based on this system information the Finance Office will upload accrual journal postings on behalf of departments to post the expenditure into the closing year. Departments will be provided with a report of the items being accrued.

On the 14th August, ALL departments must complete a manual expense accruals return (in the form set out below) for all manual and Agresso purchase orders for goods/services received/used on or before the 31 July 2015, and for which the invoice has not been registered or approved in workflow by the close of business on the 14th August 2015.

4.4 Manual Year-end Expense Accruals Return

All departments are required to complete this mandatory return to include all transactions as explained in the foregoing section. The attached 'Outstanding Goods and Services Received' form, should list all relevant items where the value is material to the year end accounts. In this case material means those individual order/invoice transactions greater than £5,000 each (including VAT). A copy of the purchase order and goods received note must accompany each item on the list. **Note: it is an external audit requirement for each department to make a submission. If there are no relevant transactions to include please mark as "Nil" return. Forms should be submitted to the Finance Office by close of business on the 18th August at the latest.**

The information from the list will be used by the Finance Office to create accrual journals to post the expenditure into the closing year.

4.5 Pre-paid Goods and Services Return

In some instances invoices will be posted to the closing year for goods/services that are received/consumed in the new year. This is unusual, but may happen in the case of say maintenance agreements, annual subscriptions and periodic rentals which are paid in advance (and in some cases the period of supply may span both the closing and new financial year).

Any such pre-paid expenditure needs to be manually adjusted by way of journal posting to remove it from the closing year and book it to the new year.

All departments are required to complete a "Pre-paid Goods and Services Return" to include details of all prepaid expenditure charged to the accounts in the closing financial

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year where the impact is material to the year end accounts. In this case material means those individual invoice transactions where the prepayment amount is greater than £5,000 (including VAT). **Note: it is an external audit requirement for each department to make a submission. If there are no relevant transactions to include please mark as "Nil" return. Forms should be submitted to the Finance Office by close of business on the 18th August at the latest.**

5. Petty Cash

All petty cash reimbursement requests should be sent to Payments Office in Central Finance in the usual way. However, there are two additional tasks, which should be undertaken at the yearend.

Immediately prior to your final reimbursement batch of the closing year, reconcile the petty cash float to the original float value with another member of staff present.

If the float is short and the difference is less than £5, then write off the amount by entering it as a transaction into the final reimbursement batch, and include with the batch your reconciliation signed by both members of staff present. Use any departmental cost code appropriate.

If the float is over and the difference is less than £5, then pay the money into Cashiers, together with a copy of the signed reconciliation. Use any departmental cost code as appropriate.

If the difference is more than £5 then advice should immediately be sought from the Accountant in Finance who normally deals with your accounts.

On the 31st July, Reconcile the petty cash float using the attached 'Petty Cash Reconciliation' form, the certification should be signed and dated by the two members of staff responsible for checking the float. Send the form to the Accounts Receivable Section of Finance. **This is a mandatory return for all petty cash floats.**

6. Purchase Orders

Before the end of July cancel any orders that are no longer required.

7. General Ledger - Journals

All registered journals are now transacted through Agresso workflow and must be input and approved by 5pm on 14th August. For journals relating to the closing year the period must be 201412 and for journals for the New Year 201501

Note: the transaction date in Agresso does not automatically determine the period and you must ensure that the correct period is selected when you enter the journal.

After the deadline, journals for the closing year can only be posted by Finance, and you should contact the Accountant in Finance who normally deals with your accounts for further advice as soon as possible. All closing year transactions should be notified to Finance by no later than 21st August.

8. Income and Sales Orders

All sales orders are now transacted through Agresso workflow. Orders for the sale of goods or services supplied by the University prior to August 1st must be input and

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approved at Departmental Level by 12 noon on the 31st July to ensure they are dealt with in the Finance Office before the 5 o'clock deadline

Sales orders that arrive in workflow after 2 o'clock on the 31st July will not be approved until the 3rd August and will therefore be processed in the new financial year.

After the 31st July, any sales for the closing year must be notified to the Accountant in Finance who normally deals with your accounts as soon as possible and no later than 14th August.

All receipts of cash, cheques and credit cards must be banked on the day of receipt.

9. Fixed Assets Verification Return

Equipment purchases relating to high value individual items costing more than £10,000 are capitalised on the University's balance sheet as fixed assets. During July, those departments who have such assets will be sent a schedule of those items held on the University's balance sheet as at the previous financial year-end. These returns will request departments to undertake a physical verification of all the items listed. The purpose is to confirm whether the assets are still in use, or whether they have been scrapped or disposed of, in order that we can ensure the gross cost is properly reflected in the University's audited accounts. Your returns should be completed and sent to the Finance Office by the 31st July in accordance with the instructions circulated.

10. Operating Leases Return

For the purposes of preparing the University's audited accounts the University is required to identify all amounts paid and payable under both lease and hire purchase agreements during the course of the closing financial year. Details are required for all lease and hire purchase agreements that have been live in the closing financial year.

During July all departments will be issued with more detailed instructions and a proforma return to be completed and sent to the Finance Office by 3rd August.

11. Help Desk

Enquiries concerning: any aspect of Agresso please contact the Helpdesk on:-
Extension 2636 Email: agressohelpdesk@bangor.ac.uk

Enquiries concerning: Payroll can be referred to Linda Chapman, the Payroll Manager.

Extension 2054 Email: fos010@bangor.ac.uk

Enquiries concerning: Payments to Suppliers, Petty Cash reimbursements and Journals can be referred to Jacquie Williams, the Payments Manager

Extension 2050 Email: fos001@bangor.ac.uk

Enquiries concerning: Income/Debtors and Petty Cash Reconciliations can be referred to

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Hilary Jones , the Accounts Receivable Supervisor

Extension 2055 Email: h.jones@bangor.ac.uk

Year end timetable matters can be referred to Selwyn Hayward, Deputy Director of Finance

Extension 2053 Email: s.hayward@bangor.ac.uk

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PETTY CASH RECONCILIATION AS AT 31 JULY 2015

HELD BY _____ PETTY CASH PROJECT _____

Item	Value	Value
£50 Notes		
£20 Notes		
£10 Notes		
£ 5 Notes		
£ 1/2 Coins		
£50p Coins		
£20p Coins		
£10p/ 5p Coins		
£2p / 1p Coins		
Total Currency	>>>	
Receipts Held (List items)		
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
Total Receipts not yet reimbursed	>>>	
Receipts reimbursed but cheque not yet received : Trans No _____	>>>	
Reimbursement Cheque received but not yet cashed: Cheque No _____	>>>	
Total Held in Petty Cash Float	>>>	
Compare to		
Original Petty Cash Value	>>>	
Difference (Short / Over)	>>>	

We certify that this represents a true and correct balance of the Petty Cash Float as at 31st July _____.

Signed _____ Name _____ Date _____

Signed _____ Name _____ Date _____

PLEASE RETURN THIS FORM TO HILARY JONES , SUPERVISOR ACCOUNTS RECEIVABLE (NOT PAYMENTS OFFICE)

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Agresso System Dates and Period Codes

201400	Opening Balances for 2014/15
201401	Aug 2014
201402	Sep 2014
201403	Oct 2014
201404	Nov 2014
201405	Dec 2014
201406	Jan 2015
201407	Feb 2015
201408	Mar 2015
201409	Apr 2015
201410	May 2015
201411	Jun 2015
201412	Jul 2015
201413	Reserved for Finance

201500	Opening Balances for 2015/16
201501	Aug 2015
201502	Sep 2015
201503	Oct 2015
201504	Nov 2015
201505	Dec 2015
201506	Jan 2016
201507	Feb 2016
201508	Mar 2016
201509	Apr 2016
201510	May 2016
201511	Jun 2016
201512	Jul 2016
201513	Reserved for Finance