2021/22 FINANCIAL YEAR END PROCEDURES

Background

Our Regulator (the Office for Students) requires all Universities to submit their audited financial statements and commentaries by 1 December each year. The timetable has been tailored to meet this deadline. In most areas, the closedown period has been left substantially the same as in recent years – i.e., colleges and services will be allowed the same time for reviewing their financial data and processing late prior year entries.

However, the time available after this for Finance Services to produce the financial statements remains time constrained. Consequently, there will be no scope for slippage of the deadline dates. Our external audit will commence on 30th August and the auditors must be in receipt of the complete set of accounts for the University.

Detailed process notes, forms, templates and documentation can be found on the Year End [Sharepoint site](https://universityofexeteruk.sharepoint.com/sites/YearEnd/Shared%20Documents/Procedures%2C%20Forms%20and%20Demos).. The key deadlines, outlined on page 2, should be communicated to all staff dealing with financial matters as soon as possible, in order to undertake all appropriate preparatory work. All financial documentation should be dealt with promptly throughout July, and the impact of any annual leave on the deadlines is considered in advance.

No Changes to the process for 2021/22

For the 2021/22 year end, colleges are services are being asked to post their own auto accruals in similar fashion as in 2 prior years. This will allow more time for the review of the transactions in their respective areas. The auto accruals will be released on the 1st working day and Colleges/Services will have until 11th August to review and post, allowing areas more scope to manage their resources over the financial year end.

All journals posted to T1 must have supporting documentation attached. Where possible this should include 3rd party documents, and details of any calculations. There must be sufficient support provided to evidence that:

* the transaction is required;
* the transaction is posted in the correct accounting period;
* the sums posted are correct.

The auditors will be provided read-only access to T1. This should reduce time spent on searching for any audit evidence, providing clear journal narratives and all backup files are attached.

Please note that for a full review of a prepayment transaction, the auditors will need to see a corresponding receipt in the bank account. Please therefore endeavour to add the date of receipt within the journal narratives or workings attached.

Further instructions on how to process year-end adjustments including accruals and prepayments is available on the Year End web pages and SharePoint site [Journals templates](https://universityofexeteruk.sharepoint.com/sites/YearEnd/Shared%20Documents/Forms/AllItems.aspx?id=%2Fsites%2FYearEnd%2FShared%20Documents%2FProcess%20Notes%2C%20Forms%20and%20Demos%2FJournals%20posting%20info&viewid=45ad8954%2Dac08%2D4839%2D84d0%2Dd8523a96fd83)

[https://universityofexeteruk.sharepoint.com/sites/YearEnd](https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Funiversityofexeteruk.sharepoint.com%2Fsites%2FYearEnd&data=02%7C01%7CT.M.Hitchen%40exeter.ac.uk%7Cb6cf64d5716a405f574408d7cf786b62%7C912a5d77fb984eeeaf321334d8f04a53%7C0%7C0%7C637205988406309328&sdata=2T2A2IpYQdxG9G8kXxVZnJIylIm0L623ofohSggblOM%3D&reserved=0)

Balance sheet reconciliations as of 31 July must be sent to financial accounting by 15 August for all and by 25th August for research. Any adjustments to balance sheet codes must be posted no later than 11 August – there must be no unidentified or incorrect balances remaining after this date. Guidance notes and example reconciliations are included on the Yearend [Sharepoint site](https://universityofexeteruk.sharepoint.com/sites/YearEnd/Shared%20Documents/Forms/AllItems.aspx?id=%2Fsites%2FYearEnd%2FShared%20Documents%2FProcess%20Notes%2C%20Forms%20and%20Demos&viewid=45ad8954%2Dac08%2D4839%2D84d0%2Dd8523a96fd83). Please note that these will be used as audit evidence.

If there are any queries arising or further explanation required, please do not hesitate to contact Tanya Hitchen (t.m.hitchen@exeter.ac.uk) or Olya Noon (o.noon@exeter.ac.uk). There will be few Q&A drop-in sessions scheduled in June for any specific queries.

The financial year end falls on Sunday 31 July 2021.

To run the year end process, T1 will be temporarily unavailable for posting over weekend and on Monday (pm on 30th July -1st August) but expected to re-open at 10-11am on Tuesday 2nd August.

From 2nd August, for a few weeks, we will be posting transactions for both 2021/22 (period 13) and 2022/23 (period 1). The aim is to ensure that, during July and August, transactions are included in the appropriate financial year.

POINTS TO NOTE

1. Correct foreign currency payments and non-staff expense claims received by Accounts Payable, by Friday 22 July will be processed in July as normal. Payments or expense claims that relate to July received in Accounts Payable after these dates need to be accrued for, if material. This is particularly important for research projects which complete on or before 31 July.
2. The 2021/22 external purchase ledger will close at 5pm on the 29 July. All invoices received after this date will be recorded and processed in the 2022/23 on the T1 purchase ledger. A rule based automatic accrual list will be produced by the finance systems support team and distributed to colleges and services on 2nd August. Colleges and Services will be required to review the proposed list of accruals and manually override where required, and post these by 11 August 2021.
3. Any claims that have been submitted and approved on the *e-claims* system by the end of 29 July will be included within the list of suggested accruals that will be sent out to colleges for review and return to the Corporate Accounting for posting. Any claims submitted and approved in July that relate to 2022/23 should be corrected to prepayments on prior year journal. If not approved, then will not be included on auto-accrual list. Approve these as soon as T1 re-opens for posting for payment to be made in August.
4. Direct recharges for jobs which are completed from the PlanOn system for July will be processed during the first week of August. Internal jobs which are in progress will also be recharged based on the costs recorded to 31 July. At the beginning of July 2022, the Planon work in progress figures will be circulated to colleges and services for review. Queries should be directed to the Campus Services Helpdesk campusservices@exeter.ac.uk by Friday 15 July to be resolved prior to year-end. Where necessary journals will be processed by the PS finance team.
5. Any missed journals after Thursday 11 August will need to be submitted to Financial Accounting for consideration against the University’s materiality levels.

The procedures outlined below cover the following financial transactions:

1. External purchases (including foreign payments and creditors)
2. Sales (including debtors)
3. Income
4. Staff & Student expenses
5. Non-staff expense claims
6. Payroll claims
7. Equipment
8. Other key dates
9. Balance sheet reconciliations

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| 1a. EXTERNAL PURCHASES  | CONTACT Tracey Isaacs T.Isaacs@exeter.ac.uk |
| For goods and services received by 29th July: |  |  |
| Invoice has been received and matched by 29th July | Do nothing. These will automatically be included in 2021/22. |  |
| Invoice has not yet been received, but a purchase order has been raised and goods received | These will be included in the list of auto accruals, distributed for review on 2nd August. | Deadline for receipting: 29 July |
| If a purchase order has not been raised | Not included in auto accruals. Process a manual accrual on a reversing prior year journal. Post in P13 for reversal in P1. | As soon as possible, but before 5pm on 11 August |
| Goods/services received on or after 1st August 2021 | Process invoices as normal in 2022/23 Period 1  |  |
| *Note**The above notes are for purchase invoices received in relation to purchases that have been appropriately raised as POs and receipted on T1 before or on 29th July. Unreceipted orders that have been entered on T1 prior to 29th July but not marked as receipted will not be included on the auto accrual. These must instead be manually posted on a reversing prior year journal.* |
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| 1b. PAYMENT REQUESTS (INCLUDING FOREIGN PAYMENT REQUESTS  | CONTACT Tracey IsaacsT.Isaacs@exeter.ac.uk  |
| For goods/services received in 2021/22 submit foreign payment request forms to AP by 5pm on 22 July in the usual way\* \*This relates to *manually raised* payment requests outside of T1 | Submit to Accounts Payable for processing and inclusion in 2021/22 | Deadline: 22July |
| Last day for new supplier setup to be requested.  |  | Deadline: 26July |
| Faster payment request forms must be received by AP before 1pm for processing on 29thPlease note that faster payments cannot be made to beneficiaries who has foreign bank details. |  | Deadline: 1pm 29 July |
| If 22nd July payment request deadline is missed for goods/services received prior to 1 August 2022\*\* This relates to *manually raised* payment requests outside of T1 | Post a manual reversing journal to P12 on or before 29th July; or post prior year reversing journal to P13 between 2 -11 August. For exchange rates see <http://www.xe.com/ucc/> This is particularly important for research and other externally funded projects that complete on or before 29th July  | Deadline for posting:5pm 11 August |
| ANDSubmit foreign payment request form in normal way to Accounts Payable for processing in 2021/22 |
| For goods/services received on or after 1st August  | Process foreign payment request forms as normal in Period 1 clearly mark as 2022/23 |  |
| Notes*The key date is the date goods and services are received, not the date of the invoice, nor the date the invoice is received; you cannot choose in which year’s budget to apply costs, you must account for the costs in the year to which they apply.* *Where a part delivery has been made, do not process the invoice for part- payment. Include the part amount due as an accrual on a manual reversing journal and process the whole invoice in 2022/23.* |

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| 1c. CREDITORS *(where the University owes money)* | CONTACT  Olya Noono.noon@exeter.ac.uk |
| Goods/services supplied to the University prior to 1st August for which there is no purchase order. | Post a manual reversing journal in to P12 or prior period reversing journal to P13 – estimate if necessary.This is particularly important for research and other externally funded projects that complete on or before 31 July. | Deadline for posting:P12 -29 JulyP13-5pm 11 August |
| Goods/services supplied to the University prior to 1st August for which there is a purchase order. | Ensure that PO is receipted for the record to be populated on auto-accruals list. Review and post the auto accrual circulated to Colleges and Services on 2nd August. | Deadline for posting: 5pm on 11 August |

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| 2a. SALES INVOICES (external) | CONTACT Glenn Allen glenn.allen@exeter.ac.uk |
| Supplies of goods/services made up to and including 29th July  | Issue sales invoice as soon as possible after date of supply. An invoice date should be the date when an invoice is raised. | Deadline for posting: 5pm 29 July |
| OR (if invoices are normally issued on your behalf by Accounts Receivable) submit request to Accounts Receivable clearly marked 2021/22 | Deadline for receiving by AR: 5pm 27 July |
| Supplies of goods/services already invoiced in 2021/22 for which a credit note is required | Submit request to Accounts Receivable clearly marked 2021/22 | Deadline for receiving by AR: 5pm 27 July |
| Goods/services supplied after 29 July  | Issue sales invoice as normal in 2022/23 dated August |  |

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| 2b. DEBTORS *(people who owe the University money)* | CONTACT Olya Noono.noon@exeter.ac.uk |
| Goods/services supplied by University prior to 1st August for which the invoice has not been issued by end of July  | Post a prior period reversing journal into period 13.(£500 is the suggested materiality level)Nil Returns are also required | Deadline: posted by5pm11 August |
| Goods/services to be supplied by University after 1st August for which the invoice has been issued by end of July | Colleges/services to post deferred income for these and send a list of such invoices to Financial Accounting team, if total value is over £50k | Deadline: posted by5pm11 August |

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| 3. ACCOUNTING FOR CASH, Fin.Ops.reconciliations | CONTACT Tracey IsaacsT.Isaacs@exeter.ac.uk  |
| Cash ops to post final bank transactions for July |  | Deadline:12 noon30 July |
| AP / AR reports for reconciliations can be run |  | Deadline:12noon2 August |

| 4a. STAFF AND STUDENT EXPENSE CLAIMS | CONTACT Tracey IsaacsT.Isaacs@exeter.ac.uk  |
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| Expense claims entered and submitted on T1 for expenditure that occurred prior to 1st August  | These will be converted to an auto accrual. Details of accrual to be sent out on 1 August to be reviewed and posted by 11 August  | Auto accrual posted by 11 August  |
| Expense claim for costs that relate to 2021/22, which have not been entered on T1 by the 29 JulyThis is particularly important for research and other externally funded projects that complete on or before 31 July  | Post a prior period reversing journal in period 13.ANDSubmit expense claims on the expenses system in the usual way | Deadline: to be posted by 5pm 11 August |
| Expense claims for costs incurred after 29th July  | Submit expense claims on T1 in the usual way in 2022/23 |  |

| 4b. STAFF PURCHASE CARDS | CONTACT Tracey IsaacsT.Isaacs@exeter.ac.uk  |
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| Approved purchasing card transactions that relate to July and prior period of 2021/22 | All purchasing card transactions must be approved by 29th July to be included in 2021/22. Such transactions will be converted to an auto accrual. Details of accrual will be sent out on 1 August to be reviewed and posted by 11 August | Auto accrual posted by 11 August  |
| Unapproved purchasing card transactions that relate to July and prior period of 2021/22 | Unapproved transactions have to be processed manually. Post prior year reversing journal in P13. | Must be posted by 11 August |
| Expense claims for costs that relate to 2022/23 | Scrutinise an auto-accrual report for all claims submitted in the financial year; check for narrative for activity dates in 2022/23.Extract these as prepayments and post prior period reversing journal to P13 after 1 August. | Colleges / Services to post by 11 August |

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| 5. NON-STAFF EXPENSE CLAIMS | CONTACT Tracey IsaacsT.Isaacs@exeter.ac.uk  |
| Non-staff expense claims for costs incurred in 2021/22. | Non-staff expense claims received in Accounts Payable by 28th July will be processed by AP team in July and therefore included in 2021/22. | Deadline: AP to receive by 28 July |
| Non-staff expense claims for costs incurred in 2021/22, received by AP on or before 28th July, that relate to 2022/23 activity. | Colleges and PS- report these as prepayments by posting a manual reversing journal in P12 or prior year reversing journal in P13, | Deadline: to be posted by AP team by 5pm 29 July. Prepayments to be posted by Colleges/PS by 11 August  |
| Non-staff expense claims that relate to 2021/22 which were presented to Accounts Payable after 28 July deadline. | Colleges/PS -report as accrued costs by posting a prior period reversing journal to P13.This is particularly important for research and other externally funded projects that complete on or before 29th July. | Deadline: to be posted by:11 August |
| ANDSubmit expense claims to Accounts Payable in normal way. All expenses received after 28 July that relate to 2021/22 will be posted by AP team after 31 July into 2022/23. For urgent payments received after 28 July to be processed by end of July, please communicate with AP team to avoid double-posting. |  |
| Non-staff expense claims for costs incurred after 29th July | Submit expense claims to Accounts Payable in normal way. |  |

| 6. PAYROLL CLAIMS & Journals | CONTACT Melanie Philpottm.e.philpott@exeter.ac.uk |
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| Claims paid via ‘Claims Payroll’ for work done in 2021/22 processed through the eClaims system (this system is separate to T1) | All eClaims in relation to 2021/22 to be lodged by claimant by 29 July 2022 for inclusion on the T1 accrual  | Deadline: to be approved by 5pm 29 July |
|  | Assistant Accountant (Payroll) to distribute the e-claims information to colleges/services for their review | Wednesday 3 August |
|  | Colleges/services to return the reviewed information with cost codes and any required corrections | 2 working day from receiving the information: 5 August |
|  | eClaims to send update file to Assistant Accountant (Payroll) with any additional claims made relating to prior year to determine any potential additional accruals. Assistant Accountant to liaise with colleges/services as necessary. | Monday 8August |
|  | Assistant Accountant (Payroll)to post the required journal(s) | By 9 August |
| Payroll journals | Colleges and PS’ accountants expected to prepare their payroll journals and send them to Assistant Accountant (Payroll) for review and posting as per usual process | Friday 5 August |
|  | Journals are posted by Assistant Accountant (Payroll) | Tuesday 9 August |
|  | Post- journals data is reviewed, any issues resolved | By 11 August |

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| 7. EQUIPMENT | CONTACT Olya Noono.noon@exeter.ac.uk |
| Capital equipment schedules (items costing more than £25,000) | Assets register data to be issued to PS/Colleges for review and verification. In-year additions will include purchases up to 31May 2022. | 30June |
| Capital equipment schedules (items costing more than £25,000) | Confirmation of equipment purchases exceeding £25,000 | Deadline for return: 8 August |
| Inventory schedules (items costing between £500 and £25,000)  | Confirmation of inventory level by individual Colleges/Services. | Deadline for return: 8 August |

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| 8a. EVENTS AND B&B | CONTACT Tony Hollox  t.hollox@exeter.ac.uk |
| Journal for finalised events | To be posted as prior year journal to P13 | Communicated to Colleges and Services on 2 August. Postings to be completed by 11 August |
| Details of outstanding events not journaled  | To be communicated to originator  | *8*th August |

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| 8b. PLAN-ON | CONTACT Anna Whitrow a.d.gillbard@exeter.ac.uk |
| PlanOn data pre-July | Professional Services to send out WIP data up to June  | Deadline: 7July |
| PlanOn queries | Queries on the issued data to be raised with Campus Services helpdesk campusservices@exeter.ac.uk | Deadline:15 July |
| PlanOn Recharges Journal July | Professional Services to process WIP data on T1 for July 2022  | Deadline:8August |
| PlanOn Recharges  | Recharges to be reviewed and finalised by colleges/services  | Deadline: 11 August |

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| 8c. STOCK | CONTACT Olya Noon o.noon@exeter.ac.uk |
| Stock takes must be completed for all areas as at 31 July  | Details of stock takes and any required adjustments must be posted by 11 August | Deadline: 11 August |
| 9. Balance sheet reconciliations | CONTACT Julie Martinj.martin@exeter.ac.uk |
| Reconciliations to be completed across all balance sheet nominal accounts for area of responsibility | Notes on reconciliations can be found on YearEnd SharePoint, Training and process notes | Deadline: 15 August for all25August for research |

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| 10. Colleges / Services:  |   |
| All colleges and services:Post to Prior year (P13) | * Accruals, Prepayments, Accrued & Deferred Income
* Internal charges / income forms
* Auto accruals
* Journal adjustments
* Clear suspense accounts
 | Deadline:11 August |
| Research transactions | For non-research projects (source 1) | Deadline: 17th August |
| High level variance analysis High level commentary without research | Final forecast & year end (excluding research) | Deadline: 19 August |
| Research transactions | For research projects (source 2) | Deadline: 24 August |
| Cornwall | Accruals info to Financial Accounting | 22 August |
| Finalise high level commentary |  | Deadline: 26 August |