2022/23 FINANCIAL YEAR END PROCEDURES

Background

Our Regulator, 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 requirement.

This year the closedown period has been left substantially the same as in recent years – i.e., faculties and services will be allowed the same time for reviewing their financial data and processing late prior year entries.

However, the time available after is for Financial Accounting to produce the financial statements. This time is highly constrained. Consequently, there will be no scope for slippage of the deadline dates. Our external audit will commence on 29th 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, scheduled on page 2, should be communicated to all staff dealing with financial matters as soon as possible, to allow appropriate time for the preparatory work. All financial documentation should be dealt with promptly throughout July, and the impact of July-August annual leave on the deadlines must be considered in advance.

No Changes to the process for 2022/23

For the 2022/23 year end, faculties and services are being asked to post their own accruals in similar fashion as in prior years. A list of auto accruals will be released on the 2nd working day for Faculties/Services to review and post by end of day (5pm) on 11th August. Auto accruals are suggested accruals based on the information entered on T1 up to 31st July and satisfying certain criteria. For example, purchase orders with good receipt attached, expenditure claims approved. This functionality will aid with reviewing the transactions in respective areas and save time and resource.

All journals posted to T1 must have all 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 records. This should reduce time spent on searching for any audit evidence, where clear journal narratives and all backup files are attached.

Please note that for a full review of a prepayment, the auditors will need to see the corresponding receipt in the bank account. Based on this, please endeavour adding 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/Procedures%2C%20Forms%20and%20Demos/Year%20End%20posting%20info/Journal%20templates)

[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 14 August for all and by 25 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. Please check all your suspense and net-to-zero nominal codes.

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 Monday 31 July 2023.

To run the year end process, T1 will be temporarily unavailable for posting until Thursday 3rd August. We will send a notification to all users as soon as T1 has re-opened.

From 3 August, for a few days, we will be posting transactions for both 2022/23 (period 13) and 2023/24 (period 1). The aim is to ensure that, during July and August, all 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 21 July will be processed in July as normal. Payments or expense claims that relate to July received in Accounts Payable after this date will need to be accrued for, if material. This is particularly important for research projects which complete on or before 31 July.
2. The 2022/23 external purchase ledger will close at 5pm on the 31 July. All invoices received after this date will be recorded and processed in the 2023/24 on the T1 purchase ledger. A rule based automatic accrual list distributed on 2 August to the faculties/PSs by the finance systems team, will pick up all receipted POs. Faculties and Services will be required to review the proposed list of accruals, manually override where required, and post to T1 by 11 August.
3. Any claims that have been submitted and approved on the *e-claims* system (temporary resourcing) by the end of 31 July will be included within the list of auto accruals that will be sent out to faculties for review and return to the Corporate Accounting for posting. Any claims submitted and approved in July that relate to 2023/24 should be moved to prepayments on a prior year journal. If 2023/24 claim is not approved, it will not be included on auto accrual list. Approve these as soon as T1 re-opens for posting, for all 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 2023, the Planon work in progress figures will be circulated to faculties and services for review. Queries should be directed to the Campus Services Helpdesk campusservices@exeter.ac.uk by Friday 14 July to be resolved prior to year-end. Where necessary journals will be processed by the PS finance team.
5. Any missed journals after Friday 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 purchasing (including foreign payments and creditors)
2. Sales (including debtors)
3. Income/cash/bank
4. Staff & Student expenses
5. Non-staff expense claims
6. Payroll claims and journals
7. Equipment and fixed assets
8. Other key dates
9. Balance sheet reconciliations
10. Summary for faculties and services

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| 1a. EXTERNAL PURCHASES  | CONTACT Tracey Isaacs T.Isaacs@exeter.ac.uk |
| Invoice has been received and matched by 31 July | Do nothing. These will automatically be included in 2022/23. |  |
| Invoice has not yet been received, but a purchase order has been raised and goods received | These will be included in auto accruals list distributed for review on 2 August. | Deadline for receipting: 31 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  | Process invoices as normal in 2023/24, 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 31 July. Unreceipted orders that have been entered on T1 prior to 31 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 2022/23 submit payment request via T1 by 5pm on 21st July.  | Submit to Accounts Payable for processing and inclusion in 2022/23. Non-staff expense claims to be reviewed in T1 by Accounts Payable by 26th July 2023. Any payment request forms in T1 awaiting approval will show as commitments in T1 and should therefore be included in the automatic accruals. If the form is rejected the accrual will be rejected. | Deadline: 21July |
| Payment request forms - NON-STAFF EXPENSE CLAIMS for balance sheet postings only | Non-staff expense claims received in Accounts Payable by 21st July 2023 will be processed by AP team in July and therefore included in financial year 2022/23 | 21 July |
| Last day for new supplier setup to be requested.  |  | Deadline: 21July |
| Faster payment request forms must be received by AP before 1pm for processing on 28 July.Please note that faster payments cannot be made to beneficiaries who has foreign bank details. |  | Deadline: 1pm 28 July |
| If 21 July payment request deadline is missed for goods/services received prior to 1 August 2023 | Post a manual reversing journal to P12 on or before 31 July; or post prior year reversing journal to P13 between 3 -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 31 July.  | Deadline for posting:5pm 11 August |
| ANDSubmit foreign payment request form in normal way to Accounts Payable for processing. |
| For goods/services received on or after 1st August  | Process foreign payment request forms in a usual way in Period 1 and clearly mark as 2023/24 |  |
| 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 2023/24.* |

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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 -31 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 Faculties and Services on 3 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 31 July  | Issue sales invoice as soon as possible after the date of supply. The invoice date should be the date of raising the invoice. | Deadline for posting: 5pm 31 July |
| OR (if invoices are typically issued on your behalf by Accounts Receivable) submit request to Accounts Receivable clearly marked 2022/23 | Deadline for receiving by AR: 5pm 27 July |
| Supplies of goods/services already invoiced in 2022/23 for which a credit note is required | Submit request to Accounts Receivable clearly marked 2022/23 | Deadline for receiving by AR: 5pm 27 July |
| Goods/services supplied after 31 July  | Issue sales invoice as normal in 2023/24 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, as part of balance sheet reconciliations | Deadline: posted by5pm11 August |

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| 3. ACCOUNTING FOR CASH, Finance Operations team reconciliations | CONTACT Tracey IsaacsT.Isaacs@exeter.ac.uk  |
| Cash operations to post final bank transactions for July |  | Deadline:12 noon1 August |
| AP / AR reports for reconciliations can be run following confirmation from Finance Systems Team that T1 is closed for year end procedures. |  | Deadline:1pm1 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 2 August to be reviewed and posted. | Auto accrual posted by 5pm on 11 August  |
| Expense claim for costs that relate to 2022/23, which have not been entered on T1 by 31 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 31 July  | Submit expense claims on T1 in the usual way in 2023/24 |  |

| 4b. STAFF PURCHASE CARDS | CONTACT Tracey IsaacsT.Isaacs@exeter.ac.uk  |
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| Approved purchasing card transactions that relate to the period before 1 August | All purchasing card transactions must be approved by 31 July to be included in auto accrual list for 2022/23. Details of accrual will be sent out on 2 August to be reviewed and posted. | Auto accrual posted by 11 August  |
| Unapproved purchasing card transactions that relate to July and prior period of 2022/23 | Unapproved transactions must be processed manually. Post an accrual on *a prior year reversing journal* in P13. | Must be posted by 11 August |
| Expense claims approved/reconciled for costs that relate to 2023/24 | Scrutinise your auto-accrual report for all claims submitted in the financial year; check for narrative for activity dates in 2023/24. Exclude these from your accrual posting.Approved and reconciled before 31 July PC transactions relating to 23/24 have already been posted in T1 and wont appear on auto-accruals. 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 2022/23, received by AP on or before 21st July, that relate to 2023/24 activity. | Faculties and Services 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 31 July. Prepayments to be posted by Faculties/PS by 11 August  |
| Non-staff expense claims that relate to 2022/23 received by Accounts Payable before 21 July deadline will be processes in 2022/23. For requests received after the 21 July an accrual will be required. | Faculties/Services -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 31 July. | Deadline: to be posted by:11 August |
| ANDSubmit expense claims to Accounts Payable in normal way. All expenses received after 21 July that relate to 2022/23 will be posted by AP team after 31 July into 2023/24. For urgent payments received after 21 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 31 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 performed in 2022/23 processed through the eClaims system (this system is separate to T1) | All eClaims in relation to 2022/23 to be lodged by claimant and approved by 31 July for inclusion on the T1 accrual.  | Deadline: to be approved by 5pm 31 July |
|  | Assistant Accountant (Payroll) to distribute the e-claims (temp. resourcing) information to faculties/services for their review | Thursday 3 August |
|  | Faculties/services to return the reviewed information with cost codes and any required corrections | 2 working days from receiving the information: EOD 7 August |
|  | eClaims to send the updated 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 faculties/services as necessary. | Tuesday 8August |
|  | Assistant Accountant (Payroll) to post the required accrual journal(s) | By end of day Wednesday 9 August |
| Payroll journals | Faculties and PS’ accountants expected to prepare their payroll journals and send them to Assistant Accountant (Payroll) for review and posting as per usual process | By end of day Monday 7 August |
|  | Journals are posted by Assistant Accountant (Payroll) | By end of day Wednesday 9 August |
|  | Faculties and PS accountants to review data and send any correction journals to Assistant Accountant (Payroll) for posting | By Friday 11 August (1pm) |
| Main Payroll and Above & Beyond award accruals | Faculties and PS accountants expected to prepare their payroll journals and send them to Assistant Accountant (Payroll) for review and posting as per usual process | By end of day Monday 7 August |
|  | Accrual Journal(s) are posted by Assistant Accountant (Payroll) | By end of day Wednesday 9 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/Faculties for review and verification. In-year additions will include purchases up to 31May 2023. | 30June |
| Capital equipment schedules (items costing more than £25,000) | Confirmation of equipment purchases exceeding £25,000 for P11 and P12 | Deadline for return: 8 August |
| Inventory schedules (items costing between £500 and £25,000)  | Confirmation of inventory level from the inventory systems | Deadline for return: 8 August |

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| 8a. EVENTS AND B&B | CONTACT Steve Stroulger  s.stroulger@exeter.ac.uk |
| Journal for finalised events | To be posted as prior year journal to P13 | Communicated to Faculties/Services on 3 August. Postings to be completed by 11 August |
| Details of outstanding events not journaled  | To be communicated to originator  | 10 August |

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| 8b. PLAN-ON | CONTACT Steve Stroulger  s.stroulger@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:17 July |
| PlanOn Recharges Journal July | Professional Services to process WIP data on T1 for July 2023  | Deadline:8August |
| PlanOn Recharges  | Recharges to be reviewed and finalised by faculties/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 Damaris, Matos Carmetd.matos-carmet@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: 14 August for all25August for research |

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| 10. Faculties / Services:  |   |
| All faculties and services:Post to Prior year (P13) | * Accruals, Prepayments, Accrued & Deferred Income
* Internal charges / income forms
* Reviewed auto accruals
* Journal adjustments
* Clear suspense accounts
 | Deadline:11 August |
| Research transactions | For non-research projects (source 1) | Deadline: 15th August |
| Access and Participation  | Info is collated for the auditors to review | 16th August |
| High level variance analysis High level commentary without research | Final forecast & year end (excluding research) | Deadline: 17 August |
| Cornwall | Accruals info to Financial Accounting | 22 August |
| Research transactions | For research projects (source 2) | Deadline: 12 noon on 24 August |
| Finalise high level commentary |  | Deadline: 12 noon 25 August |