MEMORANDUM

To: Heads of Departments/Departmental Officers/Finance Administrators

From: Director of Finance

Date: July 2019

FINANCIAL YEAR END PROCEDURES AND AUDIT PREPARATION

In order to assist with the closing down of the 2018/19 accounts, will all departments please return the following information to the relevant section of Finance by the dates specified.

1. **“Everyday journals”**

   Everyday journals should always be sent on a regular basis to Budget Support/Faculty Finance – weekly if possible/practical. The cut off for everyday journals for July is close of play Friday 2 August.

2. **All purchase invoices, payment vouchers, non staff/PG Student expenses etc**

   All payment requests should be sent over to Accounts Payable on a regular basis, please make sure to return all outstanding requests to Accounts Payable by Friday 26 July. Please note that processing of such invoices will cease for 2018/19 on Friday 2 August 2018. *If you have electronic copies please email them rather than sending paper copies.*

   2.1 **Expenditure for future Financial Years – 4160 (Pre payments)**

   Invoices received before 31 July where the supply spans the year end should be split accordingly. The amount due up to 31 July being coded to expenditure as usual and the value post 31 July coded to 4160, quoting the correct account code and period for the reversal in the new financial year. If you have any queries regarding such invoices please consult your Faculty Finance Partner in the first instance or Budget Support will also be able to offer advice.

3. **Procurement/Purchase Orders**

   - It is very important that goods receipting is updated in the lead up to the last processing day, which is Friday 2 August. Please ensure that all requesters notify procurement via the Procurement portal that they have received the goods or service during July with the date the goods have been received. Only purchase orders that have been goods receipted will be accrued;
   - Approvers – Please approve any outstanding tasks relating to 2018/19 by Friday 2 August;
• Procurement will review all outstanding orders placed before June 2019. Lists will then be distributed to Finance Partners to review by 10 July. Any orders not required will be closed following the review;
• Finance will distribute potential accrual reports for review late afternoon on 5 August.

Please review these reports and add any additional items relating to 2018/19 and highlight any you believe should NOT be accrued along with an explanation as to why they should not be included. Please do not delete such items. Returns should be sent per the list below no later than Thursday 8 August but any sent earlier will be gratefully received.

Note: If necessary please forward a “nil” return to Budget Support/Faculty Finance so we can ensure that a record has been received from each department. Please advise Budget Support/Faculty Finance who the contact should be in the event that you are away on leave.

Please email the accrual returns as follows:-

Departmental/Project list – budgetsupport@lancaster.ac.uk
Research Grants - rso_postaward@lancaster.ac.uk
Capital expenditure (LEA* and LD*) – capital support@lancaster.ac.uk

4. Internal requisitions (IRs)

Please return to Cashiers by Friday 9 August.

• Must relate to goods received or services performed in the current financial year i.e. must not be for 2019/20. Please use separate IRs if the service spans financial year-end and date accordingly;
• Should always be passed promptly to Finance for processing but particularly in July;
• Will only be processed if both the debit and credit codes are available and the IR itself is correctly authorised by the department incurring the debit;
• IR’s will not be accrued.

5. T & E Card Transaction Logs (pre 20 March 2019 – paper returns)

T & E card transaction logs should be received in Finance by Monday 29 July.

6. T & E Card Transaction Logs (post 20 March 2019 – via staff expenses)

Please ensure that all expenses incurred to 31st July are processed in staff expenses promptly and completed by Friday 9th August at the latest.
7. **Purchasing Cards**

Purchasing card electronic recode and approval should be made by 5.00pm on Friday 2 August to be included in 2018/19. Linda Wardle will remind all card holders by e-mail on 5 and 19 July. Such transactions should always be cleared promptly but particularly in July to ensure that expenditure is recorded in the correct cost centres and projects in the correct year. Please ensure such transactions are also approved by the deadline for inclusion in the correct financial year.

8. **Payroll (Queries to Payroll Office)**

- Any additional payments for the Academic and Other Related payrolls must reach the payroll office by Monday 15 July for payment on 26 July;
- Any ad-hoc fees payments (e.g. fees for external examiners) must reach the payroll office by noon on Monday 15 July for inclusion in the 2018/19 accounts;
- Please note that any payroll or fees expenditure relating to 2018/19 received in payroll by Friday 9 August but not paid will be accrued centrally – it is not necessary to inform us.

9. **Sales Invoices (Queries to Credit Control)**

- Input as soon as possible to allow payment prior to 31 July;
- Invoices raised, relating to 2018/19 MUST be dated on or before Wednesday 31 July 2019 and where possible should be physically raised prior to 31 July 2019;
- Invoices raised in July relating to next year should be coded to “Receipts in Advance” (2019/20 account code is 8023).

10. **General Income**

Please notify Budget Support/Faculty Finance of income due up to 31 July 2019 which has not been invoiced, preferably on a cut and paste journal by Wednesday 7 August.

11. **Research Grants (Queries to the Research Support Office)**

The following should be notified to the Research Support Office by Wednesday 7 August:

- Any research grants that have started or ended;
- Any transfers required in respect of staff time relating to 2018/19 (particularly for clerical and technical staff);
- Any fEC overheads/overhead adjustments relating to 2018/19.
12. **Projects (Queries to Budget Support/Faculty Finance)**

The following should be notified to Budget Support/Faculty Finance by Wednesday 7 August:

- Any projects or short courses which have ended including transfers to close, preferably on a cut and paste journal;
- Any transfers in respect of staff time relating to 2018/19, preferably on a cut and paste journal;

Please note that projects should only continue beyond the year-end if departments can demonstrate the continuation of the activity. Budget Support/Faculty Finance may contact you for further details on specific projects to satisfy audit requirements.

13. **Banking (Queries to Cashiers)**

- Cash and cheques should always be banked in accordance with the University’s Financial Regulations (ie usually within 24 hours of receipt or as specified within Appendix 8 of the Financial Regulations re the Cash Handling Policy). Around the year-end it would be very useful if this could be on the day of receipt. Please ensure that income is banked (where possible) before 12 noon on Wednesday 31 July to ensure it is accounted for in the correct accounting year;
- Please ensure that all income is credited to the correct financial year and if you are in any doubt please contact Budget Support/Faculty Finance. Any income relating to 2019/20 should be coded to “Receipts in Advance,” (2019/20 account code is 8023);
- Please ensure petty cash claims relating to 2018/19 are taken to Cashiers before 12 noon on Wednesday 31 July. Alternatively, if this is not possible please include on your accruals report.

14. **Expenses (Queries to Pam Cardenas/Tina Bleasdale)**

*For Staff - staff.expenses@lancaster.ac.uk*
*For PG Students - student.expenses@lancaster.ac.uk*

- Please ensure that any staff & student expenses relating to 2018/19 are entered into the expenses systems as soon as possible during July to ensure that as many as possible are posted to Agresso in the correct accounting year;
- As departments may no longer be aware of any outstanding expenses for 2018/19 Financial Accounting will review any claims processed after cut off for the first 2 weeks and accrue if necessary. For the avoidance of doubt this claims fully approved up to Friday 9th August;
Unless we inform you otherwise, the August period will open on Monday 5 August for input into 2019/20 and the up-dated accounts to July 2019 will be available for checking on Friday 16 August. Please note that we would appreciate any queries or amendments as soon as possible throughout August but no later than 12.00 noon on Thursday 22 August.

We would like to pass on our thanks for your continued help and support throughout the year.

Best wishes
Sarah Randall-Paley
Director of Finance

If you have any additional queries please contact the relevant department as follows:

accountspayable@lancaster.ac.uk or phone x94142
budgetsupport@lancaster.ac.uk or phone x92359
cashiers@lancaster.ac.uk or phone x93316
creditcontrol@lancaster.ac.uk or phone x92050
rso_postaward@lancaster.ac.uk or phone x94729
capitalsupport@lancaster.ac.uk or phone x92731
agressosupport@lancaster.ac.uk
payroll&pensions@lancaster.ac.uk
procurement@lancaster.ac.uk
staff.expenses@lancaster.ac.uk
student.expenses@lancaster.ac.uk