MORAY COUNCIL

YEAR-END PROCEDURES PACK

ECONOMY, ENVIRONMENT
& FINANCIAL SERVICES
February 2020

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Please ensure you understand and follow the procedures contained within this pack.

If you require any help, please contact the Accountancy Helpline.
(01343) 563125

FOREWARD BY THE CHIEF FINANCIAL OFFICER

The financial year is rapidly drawing to a close and, as is usual, Financial Services have developed a year- end pack of instructions to facilitate the smooth closure of the accounts.

The deadlines in the pack have been worked out to allow all the many year- end procedures to dovetail and to be completed in time so that the statutory deadline for the preparation of the accounts, approval by members and submission to the auditors can be met. So the deadline dates are of great importance. We have very little leeway and your co-operation in adhering to them is of great importance for this corporate process.

The various year-end procedures have been designed to ensure that the basic accounting principle of matching income and expenditure to the correct financial year is achieved, with as little scope for error as possible from any of the people involved in the process, be they finance staff or other departmental staff. This is a key area for our auditors, and one which they pay keen attention to. In this they are supported by the work of the Internal Audit section.

Effectively the year-end pack is a small but vitally important part of the tools used to project-manage the preparation of the annual accounts. I hope that it clarifies the role which you have in this corporate process and assists you to play your part in the success of this major annual task.

Lorraine Paisey

Chief Financial Officer

PURCHASE ORDERING SYSTEMS

ORDERS FOR GOODS/SERVICES REQUIRED PRIOR TO YEAR END

Only goods/services received by the 31 March 2020 are eligible for inclusion in the 2019/20 accounts and therefore any purchase that has to be made from that financial year will have to be requisitioned in good time. All orders for 2019/20 spend **must be placed on the requisition system before 2 March**.

Any requisition received after 2 March, will be considered New Year spend and will not receive any preferential attention.

The Payments section usually encounters a high volume of orders during March and whilst the section will endeavour to ensure that all orders are placed before 11 March, this cannot be guaranteed. Some orders may be subject to a long lead in time and even if the order is processed, it may not be available for delivery until after year end.

Please ensure that Budget Managers authorise any old year orders as soon as possible as they are not sent to suppliers until this is done and any delay may result in delivery beyond 31 March.

CORPORATE PROCESSING UNIT (CPU) ORDERS

Automatic Goods Receipting is in operation for orders placed through the procurement team and requires **no action** by departments **unless the following circumstances apply:**

- If your order was placed and authorised **on or before 11 March 2020,** but was **not received by 31 March 2020**
- If your order was placed and authorised **after 11 March 2020** and the goods were received **before 31 March 2020.**

Then please notify goods receipting on – grn@moray.gov.uk

Orders for the New Year can be processed as normal from 1 April 2020.

PURCHASING CARD ORDERS

Please ensure that all transaction logging and authorisation are completed as quickly as possible during the last two weeks of March 2020.

Actual transaction dates are automatically recorded on the card system and will be used to determine ‘Old Year’ and ‘New Year’ spend.

EXPENDITURE – CAPITAL AND REVENUE

Budget managers are reminded that expenditure should only be met from the budgets for the period in which goods and services were received.
Goods and Services **received by 31 March 2020** must be charged to the 'Old Year'.
Goods and Services **received after 31 March 2020** must be charged to the 'New Year'.
Any expenditure on works **partially complete at 31 March 2020** can be accrued. Contact your service accountant for advice.

Internal Audit will be undertaking compliance testing on invoices passed for payment immediately prior to the year end and checking that goods and services were actually received prior to 31 March 2020.

CAPITAL EXPENDITURE

Payments Section will process 2019/20 invoices received by **noon on 3 April 2020.**

ALL INVOICES RECEIVED AFTER THAT DATE WILL BE CHARGED TO THE NEW YEAR.

Capital works completed/in progress at 31 March 2020, for which an invoice has not been received, must be accrued. Please contact Douglas McLaren, Accountant, for advice. (01343 563133)

REVENUE EXPENDITURE

ACCOUNTS PAYABLE INVOICES

Payments Section will process 2019/20 invoices received by **noon on 3 April 2020. Please ensure that the Accounts Payable documentation is clearly marked with the appropriate year for payment.** This will be checked and confirmed by Accountancy before processing.

As all orders/payments should be made via Payments there should be no invoices other than recurring charges or stock system purchases that should be directly received by Departments to process. Indication of the appropriate year should be given when processing stock interfaces.

NO REVENUE EXPENDITURE WILL BE WRITTEN BACK AFTER MONDAY 6 APRIL 2020. IT WILL BE CHARGED TO THE NEW YEAR.

INCOME

CASH/CHEQUES

All services who use the CAPITA Pay360 Income Solution, (Pay.net), to administer receipt of cheques and cash are to ensure that they cash up in time to allow Cashiers the opportunity to carry out the Cashier Banking process by the end of play 31 March 2020 (last banking day before year end). Cashier Bankers are to make sure Cash ups are completed and funds are banked before end of business 31 March 2020. As is normal with this system no income sheets are required.

Staff that do not use Paye.net are to deposit no later than 3 April 2020 all cheques received on or before 31 March 2020. Income Sheets should preferably be emailed to banking@moray.gov.uk in the Payments Section to identify sums deposited at the bank. If you normally bank weekly, and your banking day falls mid-way through the week, please ensure a further income sheet is prepared to account for the income received for the balance of the week to 31 March 2020.

For any old year cash/cheques received after **3 April 2020**, please contact Accountancy for advice.

ACCOUNTS RECEIVABLE (AR) INVOICES

Please ensure any backlog of invoice processing is cleared by **mid-March**. If any Departments anticipate a problem, they should contact Accountancy. For information please note that the AR system will be denied to end users from midday 31 March to allow for invoice printing.

Departments should create **all** invoices for the old year by **4:00p.m on 3 April 2020**. These invoices will automatically be posted to period 1 of 2020/21 but will be written back by Accountancy to period 13 in 2019/20.

Any Department wishing to raise a New Year invoice during the period 1 - 3 April should contact Accountancy for instructions.

Invoices raised on or after 3 April will **not** automatically be written back by Accountancy and will remain in period 1 of the New Year.

Any Department wishing to raise an Old Year invoice after that date should contact Accountancy.

No Old Year invoices will be written back after 6 April 2020.

TRADE UNION REPORTING

Last day for returns to be submitted to HR in order to fulfil statutory reporting deadline is **Monday 13 April 2020**.

INVENTORY AND VALUATION OF STOCKS

A full inventory and valuation of stocks is required as at close of business on **31 March 2020**.

A de minimis stock value of £6,000 per establishment has been set, and all services holding stocks valued in excess of this amount should carry out a stock take. Internal Audit has already been in contact with sections expected to carry out a stock take to agree procedures.

All completed stock sheets to be sent to Internal Audit by 6 April 2020.

If you are in any doubt as to whether your stockholding should be valued for year end accounting purposes please contact Internal Audit on Ext: 3057

WORK-IN-PROGRESS

Any work in progress as at **31 March 2020** will have to be valued for inclusion in the Final Accounts as at that date. A list is required for each service area showing the jobs concerned and the value of labour and stores involved. Such information should be available from Work Tickets for jobs uncompleted as at **31 March 2020.**

For audit purposes, persons preparing such lists should certify, date and sign for the valuation of Work-in-Progress on the last sheet prepared by them as well as initialling each sheet.

Work-in-Progress returns are expected from Trading Operations. **These should be submitted to your Accountancy representative by 6 April 2020.**

IMPRESTS AND CASH FLOATS

Staff responsible for petty cash imprests and/or cash floats with a combined value of over £200 are required to complete the certificate on page 9 as at **31 March 2020.**

Returns are expected from the following offices and should be submitted to Linda Cameron, Room 146, HQ, Elgin by 6 April 2020.

IMPRESTS

Cala, Linkwood	Ms J Cremin
Centralised Fund (mail room)	Ms S Strong
Child Protection Unit	Ms E Sutherland
Criminal Justice - North Guildry Street	Mrs E Smith
Elgin CEC (Trinity Road)	Mrs N Gerrard
Elgin Library	Ms R Stephen
Forres Academy	Ms S Hindle
Forres Swimming Pool	Mr K Brown
Keith Grammar School	Ms S Henderson
Keith Swimming Pool	Mr K Brown
Lossiemouth High School	Ms J Simpson
Lossiemouth CEC	Mr K Brown
Woodview (formerly Maybank)	Ms K Coleman
Milne's High School	Mr M Vanhoof
Moray Employment Training	Ms M Clark
Murray Street Project, (HQ Room 101)	Ms W Davidson
PTU Buses (driver floats)	Ms S McGlinchley
Social Work – Continuing Support Team East (Buckie Office)	Mrs S Hay
Social Work – West Team (Forres House)	Mrs S Roy
Social Work - Continuing Support Team East (Keith Resource Centre)	Ms J Thompson
Social Work – West Team (Beechbrae)	Ms R Madden
Speyside High School	Mr A Bell
Throughcare/Aftercare	Mrs S Christie
Trading Standards	Ms K Shand

If your service does not appear above, and you feel it should, please contact Linda Cameron on Ext 3105.

Staff holding floats or imprests valued at or below £200 need **not** submit a return at the year end.

IMPREST/CASH FLOATS OVER £200

DEPARTMENT .....

SECTION/LOCATION .....

NAME OF IMPREST/FLOAT HOLDER .....

I certify that as at 31 March 2020 the position with regard to the Imprest/Cash Float, for which I am responsible is as follows:-

(1) The **TOTAL** approved combined imprest/cash float is: £

(2) Actual cash on hand amounts to: £

Signature: .....

Designation:.....

Date: .....

RETURN TO LINDA CAMERON, SECRETARIAT, ROOM 146, HQ BY 6 APRIL 2020

KEY DATES

Date	Purchase Ordering Systems	Accounts Payable (Purchase Invoices)	Accounts Receivable (Sales Invoices)	Cash/Cheques	Stocks, Work in Progress,Trade Union reporting and Imprests & Cash Floats
2 March 2020	Last day for placing orders on the requisition system.				
31 March 2020 **FMS not available after 4:00pm**	Last day for receipting via Payments Section				Stock take complete by close of business
31 March 2020			Access to AR system denied at midday		Imprest & cash floats at close of business. W-I-P at close of business.
1 April 2020 **FMS not available a.m.**	Purchasing card and Goods Receipting posted to 'New Year'.				
3 April 2020		Noon Deadline for: • receipt of Capital Invoices • receipt of 'old year' invoices.	4pm Deadline to create 'old year' invoices. (Will be written back by Accountancy)	Last day to bank cash/cheques received by 31 March 2020.	
6 April 2020		Last day to charge to 'old year' (Revenue only)	Last day to write back 'old year' invoices. Invoices raised on or after this date remain in period 1 of the 'new year'		Imprest and cash floats returns to Linda Cameron. Completed stock sheets to Internal Audit. Completed W-I-P sheets to Accountancy.
13 April					Trade Union returns completed by departments and sent to HR