



UNIVERSITY OF
CAMBRIDGE

Finance Division

Year end - 2022

Financial Procedures Manual – Chapter 11

Version History

Version number	Issue date	Summary of changes
1.0	1 Jun	Throughout dates updated to reflect 2022 calendar Staff contacts: updated list of Finance Managers and Finance Advisers Key Notes: <ul style="list-style-type: none">• 1.4 Use of Shared Services• 1.5 Getting postings in the correct period• 1.6 Cambridge University Endowment Fund Postings• 1.7 Special Roll Forward Requests• 1.8 Expenses - Concur

This chapter contains information on the basis that the University's year end process works in line with the expected timetable.

If there are any changes, this will be communicated through:

- CUFS bulletins
- Finance User Group (FUG)
- School/NSI/UAS Finance Managers and Finance Advisors

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1. The year-end process and key notes

1.1. Overview

The University's financial year end is 31 July, the date being set by the Office for Students (OfS) and it applies to all higher education institutions. At the end of each financial year the University is legally required to:

- Prepare a set of financial statements (with a prescribed format and content) which includes a *Statement of Comprehensive Income* and a *Balance Sheet*.
- Be subject to an external audit, to enable the auditors to form an opinion on the financial statements. The auditors will examine not just the preparation of financial statements, but also whether or not funding has been used for the purpose that it was given. This will include a review of department accounts and records.
- Submit the financial statements to the Finance Committee and to Council for approval prior to submission to the Office for Students.
- Submit its audited financial statements to the Office for Students.

The financial statements provide important information on the financial position of the University and they can be used as a basis for future financial planning.

1.2. Summary year-end timetable

June	<ul style="list-style-type: none">• Issue of year-end instructions• Year-end seminars• External audit interim visit
July	<ul style="list-style-type: none">• 31 July year end
August	<ul style="list-style-type: none">• Departments process final transactions by mid-August for financial year end• Sub-ledgers (UFS modules) for the July period are closed down• General Ledger 2021/22 is closed
September	<ul style="list-style-type: none">• Departments finalise their own accounts• First draft of University level Financial Statements prepared• Final external audit visit commences• Departments return their own signed-off accounts
October	<ul style="list-style-type: none">• Consolidation and external audit commences
November	<ul style="list-style-type: none">• Final set of consolidated Financial Statements is prepared and external audit is completed• Financial Statements are approved by Finance Committee and by Council• Financial Statements are signed and submitted to the Office for Students

A number of important aspects should be taken into account by departments as they prepare for year end, these include:

Year-end instructions	By following the instructions outlined within these procedures, and respecting the checklist completion dates, departments will ensure that they have accomplished the most relevant actions and facilitated a successful financial close for the University.
Financial Regulations	By following Financial Regulations and relevant accounting procedures during the year the integrity of financial information will be assured.
Funding expenditure from specific income streams	Departments may receive funding from a range of sources which is used to fund different activities. By making appropriate use of the funding and ensuring that the expenditure is accurately recorded against the relevant Source of Funds, the integrity and accuracy of the financial position for each funding source will be assured.
Accuracy of transactions	By focusing on the accuracy and completeness of transactions the quality of a department's accounts will be assured.
Year-end certificate	The Head of Department is responsible for the final sign-off of the department's annual accounts, which is an essential step in the year-end process. In signing off the accounts the Head of Department is helping to discharge his / her responsibilities under University Statutes and Ordinances.

SUMMARY

These year-end instructions include:

- Detailed instructions for all relevant aspects of the year-end process.
- A summary checklist to be used to plan and monitor progress in completing a department's year-end accounts.
- A list of staff contacts to provide advice and assistance.

1.3. Module close dates

All modules will be closed at **5 pm** on the following dates.

Module		Department Close
Purchasing	PO	Fri 5 August
Inventory	INV	Fri 5 August
July Internal Trading	AR	Wed 10 August
Review invoices and close Internal Trading	AP	Mon 15 August
Accounts Receivable	AR	Mon 15 August
Accounts Payable	AP	Mon 15 August
Grants	GMS	Wed 17 August
Fixed Assets	FA	Wed 24 August
General Ledger	GL	Tue 30 August

1.4. Use of Shared Services

To help Shared Services prioritise work for the year end, departments using Shared Services are asked to:

- submit 2021/22 items for processing five working days prior to the closure of AP (by close of business on 8 August)
- **separate** items to be processed in 2021/22 from those relating to 2022/23

However, as the deadline for other departments to raise internal AR invoices to you is 10 August, please continue to send any invoices received as you get them to Shared Services for processing within 2021/22, even if this is after the 8 August deadline. **2021/22 invoices will be prioritised if you alert Shared Services to them.**

Other reminders which are especially important over the busy year-end period:

- Some departments send a large amount of older invoices around year end. Please help Shared Services cope with the tight deadlines by sending invoices in a timely manner throughout the year, and aim to clear any backlog before July. Where possible, sending small, regular batches is preferred to sending large batches weekly/fortnightly.
- Please only flag work as urgent where this is genuinely the case.
- Recoding tasks can be carried out in the department, unless the recoding is required to correct an error by Shared Services. It is unlikely that the team will be able to prioritise recoding requests until after the AP module has closed for 2021/22.

It would be preferable for departments to hold back items for 2022/23 until after the current year-end deadline. If you do submit them over this time, please clearly mark them as relating to 2022/23, and be aware that they may not be processed until after the 2021/22 work is complete.

1.5. Getting postings in the correct period

During the previous year's audit, the external auditors found a number of transactions that had been processed in the incorrect financial year. Departments are asked to review their accounts to make sure transactions are processed in the correct financial year.

Examples for departments to look out for are:

- **Sales Invoices** – Review sales invoices raised in the 2021/22 Financial Year to make sure that the related to goods/services were provided in the 2021/22 Financial Year
- **eSales** – The income received from eSales are in the correct period for the related goods/services provided. The Finance Division will be doing a review of income from eSales to correct transactions that are in the wrong financial year.
- **Purchase Invoices** – Review purchase invoices processed in the 2021/22 Financial Year to make sure that the related to goods/services have been delivered or used in the 2021/22 Financial Year.

1.6. Cambridge University Endowment Fund (CUEF) Postings

Due to the changes of terms of the CUEF, the postings of the July distribution and the June/July revaluation are as follows:

- **July CUEF Distribution**

The accrual for July CUEF distribution will be processed into Department accounts on the 19 August. This will allow departments to review deficits within their accounts before the closure of General Ledger.

The correction of the accrual for the July distribution will be processed through Adjustment Period 1 after the General Ledger has closed to Departments. This will have no effect on Departments July period balances.

- **June/July CUEF Revaluation**

The June/July revaluation will be posted into Departments accounts on the 7 September after General Ledger has closed for Departments. This will be posted into the July period and will show on your final summary report.

1.7. Special Roll Forward requests

Standard roll forward balances will be created as at close of business on 5 September, but the deadline for specific requests is midday, 8 September. The objective is to allow time for specific requests to be submitted to Finance Managers for review.

1.8. Expenses – Concur

For Departments using Concur for their expense claims and Barclaycard coding, we recommend running these reports on Concur before the year end:

Report name:	Report looks for:	Parameters to use:
Expense accrual	Out-of-pocket expense claims started but not submitted/authorised	Run with today's date Select only Cash under Payment Types
Barclaycard transactions not yet claimed	Barclaycard charges relating to 2021/22 which haven't been submitted and coded	Run report from Earliest date to 31-July-2022

Details of how run these reports can be found on the expenses site (must be logged in to Raven):

<https://www.expenses.admin.cam.ac.uk/accessing-reports>

<https://www.expenses.admin.cam.ac.uk/guides-running-specific-reports>

Please ensure all claims relating to 2021/22 are **fully authorised at least two days before the AP closure date** (preferably more). If possible don't mix 2021/22 out-of-pocket expenses with items relating to August 2022 on the same claim.

2. Year-end checklist 31 July 2022

JUNE	Last date	Actions	Done ✓
w/c 30 May	Wed 1 Jun	AP: Supplier statement reconciliations instructions sent to departments	N/A
w/c 13 Jun	Fri 17 Jun	Last CUEF unit trading date for 2021/22	
w/c 27 Jun	Fri 1 Jul	GL: July 2022 Chest Allocation processed	N/A
JULY			
w/c 4 Jul	Tue 5 Jul	PAY: Final date for new staff contracts to be with HR	
	Tue 5 Jul	PAY: Final review department monthly payroll - ensure correct account codes	
	Fri 8 Jul	FA: Distribution of Fixed Asset reports as at 30 Jun to departments	N/A
	Fri 8 Jul	June Trust Fund statements sent out to Departments	N/A
w/c 11 Jul	Tue 12 Jul	PAY: Last date for overtime claims input	
w/c 18 Jul	Wed 20 Jul	AR: Establish all petty cash balances, till floats and advance balances held as at 30 Jun and return <i>Cash Holding Confirmation</i> form	
w/c 25 Jul	Tue 26 Jul	PAY: Final monthly payroll posting	N/A
	Fri 29 Jul	AR: Identify and bank all cash and cheques received up until the end of July	
	Fri 29 Jul	INV: Physical stock take for all departments with stores	
	Fri 29 Jul	PO: Run and review the <i>Open Purchase Order Report - Excel Version</i>	
AUGUST			
w/c 1 Aug	Mon 1 Aug	GMS: Distribution of Grants Report (version 1)	N/A
	Mon 1 Aug	GL: Trust Fund overheads posted (1st posting)	N/A
	Mon 1 Aug	GL: Indirect Cost Contribution (ICC) journal posted (Version 1)	N/A
	Mon 1 Aug	GL: July 2022 Chest Allocation (Second Posting)	N/A
	Mon 1 Aug	PAY: Final input for weekly payroll posting for 2021/22 YE	
	Mon 1 Aug	AP: July Barclaycard statements available	N/A
	Mon 1 Aug	GL: Appropriations in Aid	N/A
	Tue 2 Aug	Interim summary reports sent out to departments (Interim report 1)	N/A
	Wed 3 Aug	GL: Balance and post petty cash journal	
	Fri 5 Aug	PAY: Final weekly payroll posting for 2021/22 YE	N/A
	Fri 5 Aug	AR: Process all cash, cheque and PDQ receipts relating to 2021/22 and run the <i>Receipt Register</i> report(s)	
	Fri 5 Aug	INV: Process all Inventory transactions (NB INV closes 5pm)	
	Fri 5 Aug	PO: Process all PO transactions (NB PO closes 5pm)	
w/c 8 Aug	Mon 8 Aug	AP: Submit 2021/22 items to Shared Services for processing by 5 pm	
	Mon 8 Aug	GL: July 2022 Chest Allocation (Third Posting)	N/A
	Mon 8 Aug	1st interim Trust Fund statement send out to Departments.	N/A
	Wed 10 Aug	AR: Last date for raising Internal Invoices and sending backing	
	Wed 10 Aug	FA: Deadline for Departments to provide Fixed Asset Register	
	Wed 10 Aug	AR: Submit invoice write off forms to Credit Control	
	Thu 11 Aug	PAY: Final date for UPS input for 2021/22 (pay run 19 Aug)	
	Thu 11 Aug	AP: Concur depts: All pre-August Barclaycard transactions to be coded in Concur and fully approved	
	Fri 12 Aug	AR: Bank charges and small balance adjustments posted	N/A
	Fri 12 Aug	AR: Review BACS lists and ensure all BACS income for your department has been receipted	
AUGUST/SEPTEMBER...			

AUGUST (CONT)			
w/c 15 Aug	Mon 15 Aug	AR: Last date to receipt any remaining income, BACS or otherwise, for your department	
	Mon 15 Aug	AR: Last date for issuing invoices to University Group-defined organisations	
	Mon 15 Aug	AR: Raise, complete and dispatch all external AR invoices (NB AR closes 5pm)	
	Mon 15 Aug	AP: Process all remaining 2021/22 Internal Trading AP invoices.	
	Mon 15 Aug	AP: Process all staff and visitors' expenses	
	Mon 15 Aug	AP: Resolved Internal Trading disputes notified to departments	N/A
	Mon 15 Aug	AP: Process all remaining AP invoices (NB AP closes 5pm)	
	Mon 15 Aug	GL: July 2022 Chest Allocation (Fourth Posting)	N/A
	Mon 15 Aug	GMS: Review and clear research grant funds check failures and exceptions	
	Mon 15 Aug	GMS: Correct research grant VAT errors	
	Mon 15 Aug	GMS: Clear suspense grants on Grants module	
	Mon 15 Aug	GMS/GL: Process monthly <i>Barclaycard</i> expenses before AP closes, if using this option	
	Tue 16 Aug	AR: Full individual debt statements emailed to departments	N/A
	Tue 16 Aug	AR: First posting of bad debt provision	N/A
	Tue 16 Aug	FA: CRA to send out July additions not tracked report to departments	N/A
	Tue 16 Aug	PAY: Final UPS payroll posting into 2021/22	N/A
	Tue 16 Aug	GMS: Distribution of Grants Report (version 2)	N/A
	Wed 17 Aug	GMS: Post EC 'PI Time' journals on Grants module	
	Wed 17 Aug	GMS: Finalise and release all research grants journals, including EC <i>PI Time</i> journals	
	Wed 17 Aug	GMS: Overheads and revenue re-run (NB Grants closes 5pm)	N/A
	Wed 17 Aug	GL: Trust Fund overheads posted (2 nd posting if appropriate)	N/A
	Wed 17 Aug	GL: Carbon Reduction Charge (CRC) journal posted	N/A
	Thu 18 Aug	GL: Last date for funds on deposit movement	
	Thu 18 Aug	GL: EC PI Time adjustment	N/A
	Thu 18 Aug	GMS: Distribution of Grants Report (version 3)	N/A
	Fri 19 Aug	GL: July CUEF distribution accrual and deposit account interest posted	N/A
w/c 22 Aug	Mon 22 Aug	Interim Summary Reports emailed to departments (interim report 2)	N/A
	Mon 22 Aug	2nd interim Trust Fund Statement sent out to departments	N/A
	Mon 22 Aug	GL: July 2022 Chest Allocation (Fifth Posting)	
	Tue 23 Aug	FA: Process all amendments to FA register (NB FA closes Wed 25, 5 pm)	
	Wed 24 Aug	AP: Return supplier statements reconciliations	
	Wed 24 Aug	GL: Clear any Trust Fund deficits based on a review of 2 nd interim statements	
	Wed 24 Aug	PAY: Coronavirus Job Retention Scheme Credit (July posting)	
	Thu 25 Aug	AR: Last date to review for bad debts and notify Credit Control	
	Thu 25 Aug	GL: Final journal for Jul-22 VAT return adjustments that impact departments	N/A
	Thu 25 Aug	GL: July 2022 Chest Allocation (Final Posting) - Budget field frozen 25 Aug	N/A
	Fri 26 Aug	AR: Final posting of bad debt provision	N/A
w/c 29 Aug	Tue 30 Aug	GL: CUEF valuation journal posted and departments notified	N/A
	Tue 30 Aug	GL: Process journals for any remaining credit card expenditure	
	Tue 30 Aug	GL: Complete spreadsheets for income and expense accruals	
	Tue 30 Aug	GL: Ensure expenditure is coded against the same SoF as related income, and clear deficits	
	Tue 30 Aug	GL: Final date for sending GL journals for central processing (NB GL closes 5pm)	
	Wed 31 Aug	GL: Final ICC journal posted	N/A
	Wed 31 Aug	GL: Final Trust Fund Overhead Journal posted	N/A
	Thu 1 Sep	Summary Reports - Interim 3 run and emailed to departments	N/A
SEPTEMBER...			

SEPTEMBER			
w/c 5 Sep	Mon 5 Sep	Final Trust Fund statement sent out to departments	N/A
	Mon 5 Sep	Roll forward of balances - basic	N/A
	Wed 7 Sep	GL: CUEF Revaluation posted for June and July (Into July GL period)	N/A
	Wed 7 Sep	GL: Actual July CUEF Distribution posted into Adjustment Period 1	N/A
	Thu 8 Sep	Roll forward of balances – special	N/A
	Thu 8 Sep	Distribution of Year End Certificates to Departments	N/A
w/c 19 Sep	Fri 23 Sep	Return signed year-end certificate(s)	

3. Detailed instructions and timetable

3.1. Payroll and University Payment System (PAY)

Payroll transactions feed into the GL and Grants module in UFS. It is essential that adjustments to pay are processed in the correct period, paying particular attention to staffing movements to minimise overpayments.

Tasks required	Final date for completion	✓
Check all new staff contracts have been sent to HR	Tue 5 Jul	
Review the final department monthly payroll for established staff (stipends, wages, and research salaries etc.) . Please refer to the CHRIS Burst Report to ensure all current payroll account codes are correct	Tue 5 Jul	
Final date for overtime claims input to Payroll	Tue 12 Jul	
Final date for input of weekly payments for the 2021/22 financial year	Mon 1 Aug	
Final date for making UPS* payments on the 2021/22 financial year	Thu 11 Aug	
Accrue for any payroll costs that should be included in the 2021/22 financial year that will miss the deadline. If required, advice on accruals is available from the Central and Research Accounting section Helpdesk. Refer Appendix A for journal example	Tue 30 Aug	

3.1.1 Important dates

Final monthly payroll posting	Tue 26 Jul
Final weekly payroll posting for 2021/22	Fri 5 Aug
Final date for UPS payroll posting into 2021/22	Tue 16 Aug

*University Payments System (UPS) - visiting lecturers, research participants, etc.

3.1.2 Payroll accruals

Overtime and UPS costs etc. for the 2021/22 year should be accrued if you are aware of them, and know they will not make the above deadline dates. This does NOT apply to Grants.

In the GL, there are specific transaction codes that should be used for payroll expenses (Refer <https://www.finance.admin.cam.ac.uk/training/docs> for specifics). The credit transaction code for an accrual is **VBAK**.

All Payroll payments for the July period will be charged to the financial year 2021/22

3.2. Purchasing (PO)

The Purchasing module (which includes iProcurement) is used to create purchase orders (POs) on UFS. This in turn creates a commitment. When the order is matched to an invoice, this becomes an actual expense.

PO module closes at 5pm on Friday 5 August

Tasks required	Final date for completion	✓
Run and review the Excel version of the Open Purchase Order Report	Fri 29 Jul	
Run and review Purchasing Requisition Status report	Fri 29 Jul	
Action remaining items on the DTH (Deliver to Home) Order Report	Fri 5 Aug	
Action remaining items on the Open Purchase Orders Report	Fri 5 Aug	
Action all incomplete POs	Fri 5 Aug	
Action incomplete requisitions or those not converted into POs	Fri 5 Aug	
Finally close Call off orders for 2021/22 financial year (Refer guidelines)	Fri 5 Aug	

NB: These actions are not time dependant and can be completed well in advance of the module close.

<i>Finance Division key dates for information</i>	<i>Key Date</i>
Updated DTH report for year end final review run	Tue 2 Aug
Jul-22 Purchasing Period closed	Fri 5 Aug

In case of queries please contact the iProcurement Helpdesk
Tel. 65101 or email UFS_PO@admin.cam.ac.uk

3.2.1 Run and review the Open Purchase Orders Report – Excel Version (UFS)

This report lists all the PO lines that have not been fully completed, received or fully matched to an invoice. It assists in identifying goods needing to be receipted in the system, and POs or order lines requiring to be cancelled or finally closed. It also provides useful information regarding funds checking and commitments. After running the report, review the outcome and identify the actions needed, as detailed below. ***Pay particular attention to older transactions and those coded against research grants.***

3.2.2 Deliver to Home (DTH) orders

Any orders raised for home deliveries using the University-wide Deliver-to code **DTH** are **excluded** from Departments' standard **Open Purchase Order Reports**. Instead, relevant departmental Key Contacts have been emailed a link to a summary of these orders for their

department which is updated on a weekly basis. This summary needs to be checked and followed up regularly, particularly to ensure the open orders are receipted as soon as possible, as part of the year end essential tasks. If you require this link, please contact procurement.services.enquiries@admin.cam.ac.uk.

Open DTH orders should be actioned in same way as any other orders, see next section.

3.2.3 Action the Open Purchase Order Report/DTH Summary Report

This report lists orders not fully receipted or invoiced, and it can be scheduled. Use the Excel version, and filter on **status**. Although it is recommended that the report be run monthly, in the run up to the year end it is particularly important to establish whether orders need to be receipted so the invoice can be paid, or if applicable, the order finally closed. Finally closing a PO removes the fund commitment but should only be used after all other options exhausted. e-Invoiced orders should **never** be finally closed. As orders/order lines can only be cancelled if items have **NOT** been receipted, it is advisable to check the receipt status by using the **View receipts** function in the **Buyers Work Centre (BWC)**.

Open PO Report Actions	✓
Select and open item from list	
Check whether item(s) received. (If yes, receipt in CUFS.)	
Review items with status Closed for Receiving	
<ul style="list-style-type: none"> Establish if an invoice has been received. 	
<ul style="list-style-type: none"> If not, follow up with suppliers, unless the order is recent. The items must be invoiced before AP closes. Has the invoice been paid separately, i.e. not matched to order? If so, Finally Close the order. The related requisition will automatically be closed. Do not finally close invoices from e-invoiced Suppliers. 	
Review items with status Closed for Invoicing	
<ul style="list-style-type: none"> Establish if items delivered but not receipted 	
<ul style="list-style-type: none"> If yes, complete receipting process, especially in respect of e-invoices Where it cannot be determined that items were received e.g. the requester has left the organisation and the supplier cannot confirm delivery, the order should be finally closed 	

Review items with status Open	
<ul style="list-style-type: none"> If the items was recently ordered 	No action required
<ul style="list-style-type: none"> Open and approved BUT items no longer required or undeliverable 	Cancel PO or relevant PO lines, and let the supplier know.
<ul style="list-style-type: none"> Open and approved AND some items received and partially 	If the goods/services are not going to be received, the unmatched lines must be finally closed .

matched to invoice, BUT still has lines/amounts outstanding	
<ul style="list-style-type: none"> Open but NOT approved, i.e. status is incomplete 	<p>Must be cleared</p> <ul style="list-style-type: none"> If items are required: approve or forward order for approval If items are not required: Cancel order. <p>In order to cancel, first approve. Be careful if marketplace supplier site. Change to any other address for that supplier before approving, then cancel. Use Justification field to give reason, e.g. duplicate order</p>

NB: Do not finally close any order awaiting an e-invoice.
For a list of [e-Invoicing suppliers](#), refer to the Finance website

3.2.4 Run and Review the Purchasing Requisition Status Report

Available in UFS from the **Buyers Work Centre**, the **Purchasing Requisition Status Report** lists requisitions that may require an action.

Any requisitions raised in error or no longer required must be **cancelled**. This must be done by the **requisitioner who initiated it**. If this person is no longer working in the department, contact the [UFS Helpdesk](#). Incomplete requisitions include any that have not been converted into POs.

3.2.5 Finally close Call Off orders against GL funds

For purchases such as contracts, planned orders and scheduled releases, the department may have raised what are termed as **Call Off** orders. These need to be finally closed, and a new order raised for the next financial year. Notify the supplier of the new order number when you action the first call off of the current financial year.

3.3. Accounts Receivable (AR)

AR module closes at 5pm on Monday 15 August

Essential Tasks	Final date for completion	✓
Complete and return Cash Holding Confirmation form for all petty cash, till floats and advance balances as at 30 June	Wed 20 Jul	
Identify and bank all cash/cheques received up to end of July (This includes vending machines, collection tins and drawers!)	Fri 29 Jul	
Receipt all cash/cheques and PDQ income up to 31 July 2022.	Fri 5 Aug	
Raise all 2021/22 Internal Trading invoices	Wed 10 Aug	
Submit invoice write off forms to Credit Control	Wed 10 Aug	
Review and then receipt any remaining BACS income	Fri 12 Aug	
Last date for issuing invoices to Group Defined organisations	Mon 15 Aug	
Complete and dispatch all remaining external invoices	Mon 15 Aug	
Review for bad debts and notify credit control	Thu 25 Aug	

Finance Division key dates for information	Key Date
Bank charges and small balance adjustments	Fri 12 Aug
Full individual debt statements distributed to departments	Tue 16 Aug
First posting of bad debt provision	Tue 16 Aug
Final posting of bad debt provision	Fri 26 Aug

It is essential that customer and internal trading invoices are processed in the **correct** accounting period and **all** receipts are identified and applied to outstanding invoices.

3.3.1 AR module

The AR module will not open for the August period until 5 August 2022. You will not be able to raise August-dated invoices until after this date. The delayed opening date will allow department accounts staff to concentrate on the closing of the July period. Module close date is 15 August.

3.3.2 Confirmation of petty cash, till floats and advance balances

All departments need to confirm their petty cash, float balances and any advance balances as at **30 June 2022** by completing the **Cash holding confirmation** form.

Location: Go to Finance Division website > Staff & Department Services > [Forms](#) > Accounts Receivable. The form is available in PDF or [word](#) format.

Completed forms (including nil returns) should be returned to the Finance Division by 20 July marked for the attention of the Cashiers.

In case of queries please contact the Cashiers, Tel: 48867 or email
UFSCashier@admin.cam.ac.uk

3.3.3 Cash and cheque receipts

Identify all monies received up to close of business on 31 July 2022 whether received via the post or over the counter. This includes monies from the emptying of all vending machines, key deposits and other collection items.

Departments should continue to bank cash and cheques received in relation to the new financial year but will not be able to enter receipt batches on UFS until 5 August, when the AR module is opened for the 2022/23 financial year.

3.3.4 Receipt batches

For all AR transactions please ensure the correct dates are used:

- Receipt batches, receipts and transactions relating to the **old** financial year must have both GL and receipt/transaction dates of **JUL-22**.
- Receipt batches, receipts and transactions relating to the **new** financial year must have both GL and receipt/transaction dates of **AUG-22**.
- Complete all receipt batches for cash, cheques (and if possible PDQ transactions) received by the University on or before 31 July 2022 **using an accounting date of July 2022**.

NB. All cheques need to be dated July 2022 or earlier.

- Run the **Receipt Register Report (UFS)** for each receipt batch and bank as normal.
NB. If you are forwarding cheques to the cashier for banking, please email the receipt batch details. If that is at year end, please specify which financial year it relates to.
- Run the **Unapplied Receipts Register** report to see where receipts have not been matched to an invoice. Apply receipts created against customers to clear outstanding invoices as necessary.

3.3.5 Review for bad debts

A bad-debt provision will be posted into the General Ledger by the Finance Division Credit Control team once AR has closed on the 15 August. The value of the bad-debt provision posted against an invoice is determined by the age of the invoice and the balance due, as per the following:

60 - 182 days past due	25% of the balance due
183 - 364 days past due	50% of the balance due
365+ days past due	100% of the balance due

The bad-debt provision is posted to the original sale's Cost Centre and Source of Funds using a transaction code of **FJNA**

The dates for the processing of the bad debt provision for July 2022 are:

16 Aug	Initial Bad Debt Provision
26 Aug	Final Bad Debt Provision (takes account of August Cash Receipts and adjustments)

On 16 August, Credit Control will distribute the full individual debt statements to departments. These statements detail all overdue debt, and should be reviewed in conjunction with the **Ageing–7 Buckets–by Account Report (UFS)**. Please notify **Credit Control** about any additional doubtful or irrecoverable debtor items by emailing fincreditcontrol@admin.cam.ac.uk on or before 25 August.

3.3.6 BACS receipts, bank transfers and unclaimed PDQ receipts

Please ensure that all income is claimed and receipted from the twice weekly BACS list that Finance Division distribute for GBP, EURO and US Dollars, before AR is closed. July or earlier BACS, any previously unclaimed PDQ bank deposits and counter credits can be claimed by receipting them in the usual way. Ensure you use a July 2022 receipt and GL date.

3.3.7 Internal AR invoices

Invoices for 2021/22 Must be raised with both an invoice date and a GL date of July 2022 on or before 10 August.

NB. Internal Trading AR invoices should, wherever possible, be raised in relation to the period up to 31 July so that the paying department recognises the charge in full in 2021/22. Therefore, departments are encouraged to raise their sales invoices as soon as possible to give receiving departments time to process them.

Invoices for Aug 2022 May not be raised until after the close of the AR module for the current financial year.

NB. As Internal Trading invoice and credit memo transaction types for 2022/23 should not be raised until after the close of July accounts, users will be temporarily disabled from raising internal sales invoices from 10 August (5pm) to 15 August 2022. Therefore, 16 August will be the first possible invoice date.

To send backup documentation to receiving department, use the relevant contact from the list of email addresses
URL: <https://www.finance.admin.cam.ac.uk/departamental-contacts>.
(Finance Division webpage > About > CUFS Departments)

3.3.8 External invoicing – all departments

Ensure that all external sales invoices, together with credit memos, have been raised in order to record all income due and all monies owed to the department.

Run the **Incomplete Invoices Report** to check there are no un-posted invoices.

Refer to **Other Debtors** (in section 3.8 below) if the final date for AR invoices has been missed.

3.3.9 Invoicing – departments with interfaces

Review all AR invoices pulled into the Accounts Receivable module through the **Auto-Invoice** process to ensure there are no errors. Make adjustments if these invoices need to be dated 31 July or earlier.

In case of queries please contact the Accounts Receivable Helpdesk
Tel. 32215 or email UFS_AR@admin.cam.ac.uk

3.4. Accounts Payable (AP)

AP module closes at 5pm on Monday 15 August

Essential Tasks	Final date for completion	✓
Submit 2021/22 AP items for processing to Shared Services by end of the day	Mon 8 Aug	
Clear all remaining Invoices on Hold	Thu 11 Aug	
Concur depts: All pre-August Barclaycard transactions to be coded in Concur and fully approved	Thu 11 Aug	
Recode all 2021/22 Internal Trading AP invoices	Thu 11 Aug	
Notify Finance Division of any disputed Internal Trading invoices	Thu 11 Aug	
Process all remaining 2021/22 AP items	Mon 15 Aug	
Code all remaining Barclaycard expense forms, if using this option	Mon 15 Aug	
Return supplier statement reconciliations to Finance Division	Wed 24 Aug	

Finance Division key dates for information	Key date
List of top 20 suppliers, by value, sent to departments	Wed 1 Jun
July Barclaycard statements available	Mon 1 Aug
Resolved Internal disputes notified to departments	Mon 15 Aug

It is essential that all supplier invoices and all expense claims, whether from employees, students or other individuals, are processed in the correct accounting period.

3.4.1 Accounting for AP invoices

Please ensure that all supplier invoices received after 31 July are accounted for in the correct period.

From 10 August, the AP Team will be issuing **daily** reports listing:

- August invoices posted in July; and
- July or earlier invoices posted in August (if applicable).

This enables users to check invoices have been accounted for in the correct period. In all cases please ensure that invoices are only processed in July if the goods were **received** in July. If an invoice was processed in the wrong period, this must be corrected before AP closes on 15 August. Reports will be sent to the same users as the supplier reconciliation notifications. Please notify UFS_AP@admin.cam.ac.uk if this should be different.

The Accounts Payable module will close at 5pm on 15 August. Invoices relating to 2021/22 processed after this date should be accrued if material in value. This does **not** apply to invoices charged to grants. (Refer **section 3.8, General Ledger, Accruals**).

3.4.2 Review of outstanding invoices

All outstanding invoices must be reviewed and all holds/queries are dealt with accordingly.

- Check the volumes of invoices in various states at a glance using the Cognos AP Dashboard. For guidance refer to the AP training [webpage](#). There is a [video](#) and [documentation](#). The dashboard numbers include:
 - Incomplete Invoices, which are invoices that have never been validated, or need revalidation
 - Invoices on all other types of Hold (excluding SIA and Payment holds)
 - Unprocessed Internal Invoices are those Internal Invoices with remaining balances on the **AZZY** source of funds that need to be recoded
 - Invoices Due for Payment are approved invoices with payment due dates within the next 7 days
 - Invoices Paid Last Week might be useful to you if you're looking to see if a particular invoice has been paid recently
 - Invoices on Secondary Approval Hold
 - Invoices on Payment Hold
- **Validate** and **Secondary Invoice Approve (SIA)** OR **cancel** as appropriate.
- Remove the holds or receipt any delivered goods or services as appropriate.

The CUFS reports, **Invoice Register (UFS)** and **Invoices on Hold Report (UFS)**, are still available and maybe useful if you require an immediate view as the Cognos AP dashboard numbers are only updated overnight.

NB **Invoices on hold** (other than those only awaiting SIA) at period end will **NOT** be accrued or charged in General Ledger. The AP team will regularly distribute the **AP Holds and Unaccounted Transaction Report (UFS)** to departments.

3.4.3 Review Internal AP invoices for 2021/22

To be processed by 15 August with a GL date of July 2022 or before.

For **invoices in dispute**: as all outstanding internal invoices will be automatically validated, departments must place an **internal dispute hold** on relevant invoices. All invoices in dispute which cannot be resolved should be referred to the AP Helpdesk as soon as possible for advice. Disputes resolved by the Finance Division will be notified to departments by 15 August.

Any necessary accounting entries for disputed invoices will be agreed with both departments and posted by Central Finance.

Internal order disputes can still be resolved and corrections posted by Central Finance up until 30 August when the General Ledger closes.

3.4.4 Enter and approve purchase (AP) invoices for 2021/22

Invoices processed after 31 July should be classified between:

- July 2022 or earlier purchases i.e. **ONLY** goods/services **received** on or before 31 July should be recorded in July accounts. The **purchase order date** is **irrelevant**.
- August 2022 purchases (for the new accounting year): For invoices dated July that relate to August purchases (eg. equipment rental payable in advance), the GL date should be changed from July to August.

NB: Goods/services **ordered in July or earlier but delivered/received in August** are **August purchases** and **must be recorded in August**.

For invoices dated August that relate to **July** purchases (where the goods/ services were delivered/received prior to the end of July):

- Ensure that the GL date on the **invoice header** screen and the **invoice line** screen is amended to **31 July 2022** prior to approval of the invoice.
- Do **NOT** change the GL date shown against the VAT line.

For invoices dated August that relate to **August** purchases:

- Retain the **August** GL default date.

NB: The AP module will continue to accept July and prior purchase invoices until 15 August. Thereafter, all invoices will have to be processed in the new accounting year 2022/23. Invoices relating to the 2021/22 year received after 15 August should be accrued as creditors. Refer to the guidance issued within General Ledger, [Accruals](#) section below.

3.4.5 Barclaycard statements

The July statements will be available to download from 1 August and will be posted in AP to the July period. Each cardholder will have their own statement but departments should be able to print/download into PDF all statements in one go.

Departments have the option to process these transactions in AP before it closes, or via a journal in either Grants, before 17 August, or the GL before 30 August.

Balances not cleared before the GL close will roll forward to **AZZY** as part of the normal year end process.

Detailed procedural instructions can be found here:

<https://www.finance.admin.cam.ac.uk/policy-and-procedures/financial-procedures/chapter-6-non-pay-expenditure/credit-card-procedures>

Departments using Concur for their expense claims and Barclaycard coding should refer to Key note [1.8](#)

3.4.6 Staff and visitors' expense claims

Expenses need to be processed in the appropriate financial year. As expenses are paid in arrears, please ensure July (or earlier) expenses have a July 2022 GL date and an appropriate **Expenditure Item Date** if charged against a grant.

3.4.7 Review and return supplier statements

All supplier statements should be reviewed for invoices relating to 2021/22 to ensure they have been processed. Obtain copies of, and process **immediately** any credit notes mentioned on supplier statements not already on CUFS.

- Statements from suppliers should be requested, retained and checked to AP invoices.
- Records should be kept for audit purposes.

On 1 June, Finance Division will send a list to each department of their Top 20 suppliers, by value for the year. From **this** list, you are required to select ten suppliers (having considered both the value and number of transactions). The selected ten supplier statements need to be reconciled as at 31 July.

- The statements from suppliers should be requested and checked to AP invoices.
- Records/statements should be retained for audit purposes.
- The department's ten selected supplier reconciliations should be returned to the Finance Division by 24 August.

3.5. Inventory (INV)

Module closes at 5pm on Friday 5 August

Essential Tasks	Final date for completion	✓
Physical stock take (all departments with stores)	Fri 29 Jul	
Update Inventory balances with the results of stock take	Fri 5 Aug	
Process all receipts and issues of stock up to 31 July	Fri 5 Aug	

Finance Division key dates for information	Key dates
Daily transfer from CUFS Inventory Module to General Ledger and Grants	Mon 1 Aug to Fri 5 Aug
Provide departments with inventory reconciliation	Mon 8 Aug

3.5.1 Physical stock takes

All departments with stores (regardless of whether they are using the Inventory modules in UFS) are required to complete a physical stock count as at 31 July.

It is essential that all receipting into stores and issues from stores are up to date at year end so an accurate stock take can be completed on the last day of the financial year.

3.5.2 Inventory module users only

- Enter results of stock count on the Inventory module - reviewing any material variances.
- Ensure all receipts and issues of stock up to 31 July are processed. This includes issues to or returns from research grants.
- Review and resolve any pending transactions.
- Inform the Inventory Helpdesk of any miscellaneous processing that is required.

3.5.3 Central and Research Accounting

Central and Research Accounting will:

- carry out transfers to the General Ledger and Grants
- process miscellaneous transactions on request
- reconcile the Inventory and General Ledger valuations and provide departments with the reconciliation documents

In case of queries please contact the Inventory Helpdesk
Tel. 66780 or email UFS_INV@admin.cam.ac.uk

3.6. Research Grants (GMS)

Module closes at 5 pm on Wednesday 17 August

Essential Tasks	Final date for completion	✓
Process monthly Barclaycard statements before AP close, if using this option	Mon 15 Aug	
Clear research grant funds check failures and exceptions	Mon 15 Aug	
Correct research grant VAT errors up until the end of June	Mon 15 Aug	
Clear suspense grants	Mon 15 Aug	
Post EC PI Time journals based on timesheets	Wed 17 Aug	
Post all research grants journals	Wed 17 Aug	

Finance Division key dates for information	Key date
Month End processes completed: Non-direct costs, pooled labour, apprenticeship levy transfer	Fri 29 Jul
Central processes completed, including overheads	Fri 5 Aug Fri 12 Aug Wed 17 Aug
Unreconciled suspense items cleared to department GL overhead accounts	Tue 16 Aug
Unresolved Fund Check Failures cleared to grant	Wed 17 Aug
Grants expenditure report issued	Mon 1 Aug Mon 8 Aug Tue 16 Aug Thu 18 Aug

It is essential that exceptions are cleared. This includes funds check failures, suspense grants and expenditure recorded against the incorrect grant

3.6.1 Clear funds check failures and exceptions

Review and clear any funds check failures and exceptions. Where exceptions exist on awards, exception emails are sent to departments daily.

Central and Research Accounting (CRA) will clear all fund check failures through to the original coded award unless otherwise notified by 5pm on 15 August. This may result in awards going over budget.

CRA will notify all departments of fund check failures cleared centrally.

3.6.2 Correct VAT errors

As advised by the Tax Team, raise grant journals to transfer any VAT errors from the **AZZY** (Transactions Pending Transfer) Source of Fund.

VAT errors relating to July 2022 will not be posted until Thursday 25 August. These transactions can remain on **AZZY** and transferred to the Grants Module in the August 2022 period:

Further information and guidance is available from the Finance Division>Training> Guidance & FAQs webpage, [Monthly VAT corrections](#)

3.6.3 Clear suspense grants

Review and clear expenditure posted to suspense grants by 15 August.

Notify Central and Research Accounting of any suspense account items which are research related and are waiting for the grant(s) to be set up by the Research Operations Office.

Any unresolved items in suspense grants which relate to July 2022 or earlier will be transferred to a department overhead GL account (source of fund: **EDAA**) on 16 August. Affected departments will be sent details of this journal.

3.6.4 Post EC PI Time journals

These journals reflect timesheets, as per monthly processes, and should be posted by 17 August.

Timesheets should be completed for previous months **before** the year end period and the relevant journals posted timeously.

Further information and guidance is available from the Finance Division>Training> Guidance & FAQs webpage, [Timesheets](#)

3.6.5 Finalise and release all research grants journals

Departments have two additional days following the closure of the **Accounts Payable** module to review their grants and post correcting grants journals as required.

Departments must ensure that all grants journals have been released in order to allow the Grants module processes to be run (e.g. costing and funds checking) before the module closes for the year end.

NB: Departments are not required to raise accruals for un-posted July invoices relating to research grants.

3.6.6 Research Grant expenditure reporting

Research Grant expenditure reports are distributed as detailed below. The report provides a listing of expenditure in the financial year, but is also available to be run from Cognos on an adhoc basis ([Year End Grant Report](#)).

Date	Report
Mon 1 Aug	1 st Interim
Mon 8 Aug	2 nd Interim
Tue 16 Aug	3 rd Interim (after AP has closed)
Thu 18 Aug	Final (after GMS has closed)

In case of queries please contact the Research Grants Helpdesk
Tel. 64796 or email ufs_grants@admin.cam.ac.uk

3.7. Fixed Assets (FA)

Module closes at 5 pm on Wednesday 24 August

Essential Tasks	Final date for completion	✓
Review Fixed Asset Register	Wed 10 Aug	
Physically verify assets	Wed 10 Aug	
Notify FA Helpdesk of disposals/amendments	Wed 10 Aug	
Return FA register to Fixed Assets Helpdesk	Wed 10 Aug	
Ensure that July not tracked additions are included on register - Refer FA exception spreadsheet	Mon 22 Aug	

Finance Division key dates for information	Key date for information
Distribution of Fixed Asset Register as at 30 Jun	Fri 8 Jul
Exceptions spreadsheet with additions not tracked sent to departments	Tue 16 Aug
Processing of all amendments to FA register	Wed 24 Aug

It is essential that the register is up to date and that assets have been physically verified

3.7.1 Reviewing the Fixed Asset Register

The **Fixed Asset Register** will be sent out by Central and Research Accounting for the period up to the end of June once the FA module for June is closed. Particular attention should be paid to:

- Ensuring that all assets listed can be **physically verified**
- **Nil value assets** – are these still in existence and in use?
- **Responsible employees** – new starters /leavers?
- **Department locations**– any relocations/ expansions?
- **Tag numbers** – are they recorded and correct?
- **Asset additions and disposals** during the 11 months to June
- Appropriate individual **asset descriptions** – e.g. **not** “as attached”

Confirmation of the fixed asset return should be sent to Central and Research Accounting by 10 August with any amendments detailed.

3.7.2 Update the Fixed Asset module

Department users are able to update the following details on the FA module:

- Asset descriptions
- Tag numbers
- Serial numbers, model numbers
- Asset locations
- Responsible employee

Further information and guidance on amending asset information is available:

- [Updating details of Departments Assets](#)
- [Updating an Asset Assignment](#)

3.7.3 July Accounts Payable invoices not tracked as an asset

Review the exceptions spreadsheet sent out by Central and Research Accounting on 16 August for items purchased in July over £5,000, and ensure all asset purchases for July are reflected.

Notify the Fixed Asset Helpdesk regarding any missed assets **before** 24 August.

3.7.4 Central and Research Accounting

The deadline for processing all amendments to the FA register by Central and Research Accounting is 24 August.

In case of queries please contact the Fixed Asset Helpdesk
Tel. 66780 or email UFS_FA@admin.cam.ac.uk

3.8. General Ledger (GL)

Module closes at 5pm on Tuesday 30 August

Essential Tasks	Final date for completion	✓
CUEF units: last instructions to be received by Treasury & Investment Team for 2021/22	Fri 17 Jun	
Process and reconcile petty cash for 2021/22	Wed 3 Aug	
Process credit card expenditure before AP closes if using this option	Mon 15 Aug	
Movement of monies on deposit	Thu 18 Aug	
Clear Trust Fund deficits based on review of 2 nd interim statement	Wed 24 Aug	
Process any remaining credit card expenditure by journal	Tue 30 Aug	
Complete spreadsheets for income and expense accruals	Tue 30 Aug	
Code expenditure to same SoF as related income and clear deficits	Tue 30 Aug	
Submit year-end certificate(s) to Finance Division	Fri 23 Sep	

Finance Division key dates for information	Key Date
Carbon Reduction Charge (CRC) journal posted	Wed 17 Aug
EC PI Time adjustment posted	Thu 18 Aug
CUEF distribution July accrual and deposit interest posted	Fri 19 Aug
Indirect Cost Contribution posted	Mon 1 Aug Wed 31 Aug
Trust Fund overheads posted	Mon 1 Aug Wed 17 Aug Wed 31 Aug
Final journal for Jul-22 VAT Adjustments	Thu 25 Aug
Issue Trust Fund statements to departments	Mon 8 Aug Mon 22 Aug Mon 5 Sep
Chest Allocation	Weekly postings from 1 Aug
Budget field frozen	Wed 24 Aug
CUEF Revaluation posted for June and July (Into July GL period)	Wed 7 Sep
Actual July CUEF Distribution posted into Adjustment Period 1	Wed 7 Sep
Department summary reports, plus distribution of Year End Certificates on 8 Sep	Tue 2 Aug Mon 22 Aug Thu 1 Sep Thu 8 Sep

In case of queries please contact the General Ledger Helpdesk
Tel. 39660 or email UFS_GL@admin.cam.ac.uk

3.8.1 Cambridge University Endowment Fund (CUEF) sales/purchases

There are no purchases / sales of CUEF units at 31 July. The last day for dealing for 2021/22 is 17 June. Contact Treasury if there are any queries.

3.8.2 Process and reconcile petty cash

- The department's petty cash needs to be closed as at 31 July. The GL journal (and Grants journal if necessary) must have a **July 2022** date.
- Petty cash expenditure for August 2022 must be journaled into August 2022.
- The department's petty cash control account balance should reflect the amount of cash held as at 31 July.

NB. It may be that your first visit to the University Cashier after the year end includes two petty cash forms, one for each year. This is expected and acceptable.

3.8.3 Credit card expenditure

Monthly Barclaycard statements will be available to departments from 1 August. Cardholders in Departments using Concur will see transactions in their account as they're incurred through the month.

See Barclaycard instructions in the **Accounts Payable** section, [3.4](#) and ensure any remaining transactions are cleared via GL journals before the module close on 30 August. Ensure expenditure date is 31 July 2022.

Balances not cleared before the GL close will roll forward to AZZY as part of the normal year end process.

3.8.4 Budget Freeze

Chest allocation is processed through Departments accounts as actual income.

Departments are able to move Chest Allocation by using a budget journal and liaising with your School Finance Advisor.

Central and Research Accounting will update the actual income in CUFS on the following days:

Actual Posting of July Chest Allocation	Fri 1 Jul
2 nd Posting of July Chest Allocation	Mon 1 Aug
3 rd Posting of July Chest Allocation	Mon 8 Aug
4 th Posting of July Chest Allocation	Mon 15 Aug
5 th Posting of July Chest Allocation	Mon 22 Aug
Budget field frozen in CUFS	Wed 24 Aug
Final posting of July Chest Allocation	Thu 25 Aug

If a department requires posting of budget journal after the 24 August, please contact your Finance Manager or Advisor who can liaise with central Financial Planning and Analysis.

3.8.5 Monies on deposit

18 August is the last date for placing eligible funds on deposit as at 31 July.

- Departments are reminded that monies should be taken off deposit to reduce account deficits.
- Deposit Account and CUEF interest will be posted on 19 August.
- Details on eligible SoF, how to place money on or take money off deposit are available in the [Investments manual](#) (Chapter 12, *Financial Procedures Manual*).

3.8.6 Accruals

These are amounts owed by the department for goods and services that they have received prior to 31 July. Therefore, their costs need to be included in the 2021/22 financial year. This is done by the process of accruals.

Expenditure accruals occur where:

- Goods/services have been received on or before 31 July but no invoice has been received and therefore not processed on UFS; or
- Goods/services have been received on or before 31 July and the invoice has been received after AP module has closed and therefore the invoice will be processed in AP in 2022/23 financial year.

In case of queries please contact the [General Ledger Helpdesk](#).

Accruals **must** be raised for transactions over £10,000

Instructions:

Guidance on creating journals for accruals is detailed in [Appendix A](#).

- By using the **Auto Reversal** journal category these journals should be automatically reversed into the AUG-22 period. Ensure that you **post/release** the July journal.
- If the journal category **Accrual** is used then you must remember to manually reverse it in the AUG-22 period using the **More Actions** button and to **post/release** both journals.

Sometimes journals need to be reversed in a period later than August. For example, if expenditure has been accrued in July but the invoice is not received until September then the Jul-22 journal should be the **Accrual** type (not **Auto Reversal**) and should be manually reversed in September.

Where accruals for a single Department total over £200,000, you **must** send supporting details to Central and Research Accounting by 30 August.
Detailed supporting working papers must be retained for audit inspection.

In case of queries please contact the General Ledger Helpdesk
Tel. 39660 or email UFS_GL@admin.cam.ac.uk

3.8.7 Unearned revenue

Income should be *deferred* where it has been received by the department in advance of the goods or services being supplied (e.g. trading, course fees). If income received in advance is not deferred, it will be credited and shown in the incorrect financial year.

[Appendix B](#) provides guidance on processing unearned revenue or, in case of queries, please contact the General Ledger Helpdesk.

Income received in advance **must** be deferred for transactions over £10,000. Where unearned revenue for a single Department totals over £200,000, send supporting details to Central and Research Accounting by 30 August. Detailed supporting working papers must be retained for audit inspection

3.8.8 Other debtors

These are amounts owing to the department for services/goods provided but unbilled at the year end. They are the opposite of the accruals described previously. They will arise from goods or services provided to external customers but not yet invoiced on the AR module.

[Appendix C](#) provides guidance on processing accrued income or, in case of queries, please contact the General Ledger Helpdesk.

Accrued Income **must** be raised for single transactions over £10,000. Where accrued income for a single Department totals over £200,000, send supporting details to Central and Research Accounting by 30 August. Detailed supporting working papers must be retained for audit inspection.

3.8.9 Prepayments

A prepayment occurs when a payment has been processed on UFS in advance of the goods or services being received. When this occurs over the year end, the proportion of the payment that relates to goods or services received in the new financial year (August 2022 and beyond) has to be calculated. The expenditure for 2021/22 is then reduced by this prepaid amount.

[Appendix D](#) provides guidance on processing accrued income or, in case of queries, please contact the General Ledger Helpdesk.

Prepayments are only necessary for single transactions over £10,000. Where prepayments for a single Department total over £200,000, send supporting details to Central and Research Accounting by 30 August. Detailed supporting working papers must be retained for audit inspection.

3.8.10 Accruals/deferrals and internal partners

If the expenditure or income that is being accrued or deferred relates to a transaction with another department (e.g. internal trading) please check with the General Ledger Helpdesk before posting the journal. The Helpdesk will be able to check that the other department is making the equal and opposite accrual/deferral. This is important to ensure that the elimination of internal transactions is correct.

3.8.11 Matching the Source of Funds (SoF) for related expenditure and income

Recording expenditure against the same SoF as the related income is an important process for departments.

To achieve the transfer between sources of funds by a GL journal, the net balance of each type of expenditure by a GL journal is moved/transferred using the **original expenditure transaction code** for both the debit and credit entries of the journal.

Example:

- Initially all your photocopying paper expenditure (transaction code **ESFZ**) was coded against SoF **AAAA**.
- However, the department used £100 worth of paper when it was running off posters for an exhibition.
- The exhibition is a trading activity with income on SoF **GAAA**.
- Therefore a journal should be raised to match the paper costs with the exhibition as follows:

CREDIT	U. Dept. CC . AAAA . ESFZ	£100
DEBIT	U. Dept. CC . GAAA .ESFZ	£100

This procedure should **NOT** be used to correct transaction miscoding and applies to movement of expenditure between sources of funds and cost centres only.

If you require clarification please contact your Finance Adviser

Detailed supporting working papers must be retained for audit inspection.

3.8.12 Clearing deficits

Before clearing deficits, department accounts must be reviewed and adjustments made to:

- correct miscoding
- match the SoF coding for related expenditure and income (as above)
- account for accruals, prepayments, other debtors and income accruals (as above)
- remove monies from deposit.

Deficits may then be off-set against surpluses on non-restricted and trading sources of funds by journaling expenditure using the transfer transaction code **EZXX**.

Care should be taken with this process and the transaction code **EZXX** must be used on **both** sides of the journal.

Further information and guidance on their use is available from:

- Your Finance Adviser
- Best Practice [Guide –Transfer Codes](#)
- [Online course - Transfer Codes](#)

3.8.13 VAT transactions

The central Tax Team posts journals to correct Services Tax (reverse charge), Acquisition/Import Tax and sales correction transactions on a monthly basis.

Services Tax	The amount of VAT you would have paid on that service if you had bought it in Great Britain (GB)
Import Tax	The amount of VAT you would have paid on goods if you had purchased them in the UK
Sales Tax Adjustments	Occurs when a sale has been entered with the wrong tax code

In a normal month, any tax adjustments for these items would take place in the month following the original AP or AR entry. However, for the year end, all the **July** AP services/import tax adjustments are posted in the same month. As the Tax Team are not able to work on the July tax adjustments until AP and AR have closed (15 August), postings to department accounts in respect of these adjustments will be posted by no later than the end of **25 August**. The GL closes to departments on 30 August.

3.8.14 Roll forward

In accordance with University policy, year-end income and expenditure totals, by SoF and cost centre, will be rolled forward to create the standard brought-forward balances for 2022/23 by the close of business on 5 September. Any department with specific roll forward requests should submit these to their Finance Manager for input in UFS by no later than midday on 8 September. As part of the preparation of the final accounts, adjustments may be necessary. This means that the balances rolled forward may change. Any such adjustments will be communicated to departments.

Two adjustment periods have been set up on GL for this purpose ADJ1-22 and ADJ2-22. Under certain circumstances, postings into ADJ1-22 are allowed provided prior approval from the Financial Reporting section has been obtained. All year-end postings should be entered into **Jul-22**, and **Jul-22** should be used for all year-end reporting.

3.8.15 Trust Funds

Individual statements for all Trust Funds will be sent to departments as follows:

Date	Statement
Fri 8 Jul	30 June statement
Mon 8 Aug	1 st interim statement as at 31 July (will exclude Jul-22 distribution)
Mon 22 Aug	2 nd interim statement as at 31 July (will include Jul-22 distribution)
Mon 5 Sep	Final statement as at 31 July

Journals are to be processed centrally to transfer expenditure to Trust Funds relating to appropriations in aid and overhead charges. It is planned that all such journals will be included on the **1st interim** statement. All Trust Funds deficits based on a review of **2nd interim** statements must be cleared by 30 August.

In case of queries please contact the Trust Fund Helpdesk
Tel. 66946 or email UFS_TF@admin.cam.ac.uk

3.9. Certification by Head of Department

Final date for completion	Action required										
Fri 23 Sep	<p>Department Summary Reports will be issued electronically to departments as follows:</p> <table border="1"> <thead> <tr> <th></th><th>Date</th></tr> </thead> <tbody> <tr> <td>Interim 1</td><td>Tue 2 Aug</td></tr> <tr> <td>Interim 2</td><td>Mon 22 Aug (following close of AP etc.)</td></tr> <tr> <td>Interim 3</td><td>Thu 1 Sep (after GL closed to departments and final ICC overhead charge)</td></tr> <tr> <td>Final</td><td>Thu 8 Sep</td></tr> </tbody> </table> <p>Cognos users can run additional interim versions of the GL Financial Summary Reports at any time. (The report issued by Central and Research accounting is run using Source of Funds as the first summary line.) The relevant Grants report is the Year End Grants Report (by date range).</p> <ul style="list-style-type: none"> • A year-end certificate letter will be issued electronically on 8 September to accompany the final version of the Summary Reports, together with summary statements of research grant expenditure and aged debtor listings. • Heads of Departments are required to certify their report by completing the electronic form and submitting it to Central and Research Accounting. 		Date	Interim 1	Tue 2 Aug	Interim 2	Mon 22 Aug (following close of AP etc.)	Interim 3	Thu 1 Sep (after GL closed to departments and final ICC overhead charge)	Final	Thu 8 Sep
	Date										
Interim 1	Tue 2 Aug										
Interim 2	Mon 22 Aug (following close of AP etc.)										
Interim 3	Thu 1 Sep (after GL closed to departments and final ICC overhead charge)										
Final	Thu 8 Sep										

4. Staff contacts

Please use the [Contact Us](#) page from the Finance Division webpage for up-to-date entries.

Finance Helpdesks

Accounts Receivable	32215	UFS_AR@admin.cam.ac.uk
Accounts Payable	66888	UFS_AP@admin.cam.ac.uk
Cashiers	48867	UFSCashier@admin.cam.ac.uk
Cash Management	65980	UFS_CM@admin.cam.ac.uk
Fixed Assets	66780	UFS_FA@admin.cam.ac.uk
GL Journals	39660	UFS_GL@admin.cam.ac.uk
GL Reporting	65098	fsg.system.support@admin.cam.ac.uk
Inventory	66780	UFS_INV@admin.cam.ac.uk
Payroll	39779	payrollenquiries@admin.cam.ac.uk
Research grants	64796	ufs_grants@admin.cam.ac.uk
Trust Funds	66946	UFS_TF@admin.cam.ac.uk
Purchasing (iProcurement)	65101	UFS_PO@admin.cam.ac.uk
General Tax enquiries VAT and Customs enquiries	32212 30891	TaxQueries@admin.cam.ac.uk VATQueries@admin.cam.ac.uk

Other key contacts

Cashier	Stuart Emmerson	48867	stuart.emmerson@admin.cam.ac.uk
Credit Control		email	fincreditcontrol@admin.cam.ac.uk
Central & Research Accounting	Mike Sinclair	32350	mike.sinclair@admin.cam.ac.uk
CUEF Investments & Deposit Account	Scott Maclaren	64216	scott.maclaren@admin.cam.ac.uk
Internal Trading disputes	Andrew Weatherley	66220	andrew.weatherley@admin.cam.ac.uk
Research Grants	ROO Department contact	https://researchportal.admin.cam.ac.uk/Raven/contacts/Default.aspx	

Department specific advice

School / Group	Finance Manager	Finance Adviser
Arts & Humanities	Ben Perks 64074 bp245@cam.ac.uk	Lin Cheng 66392 Lin.Cheng@admin.cam.ac.uk
Biological Sciences	Chris Brown 61569 Chris.D.Brown@admin.cam.ac.uk	Adam Durrant 61568 adam.durrant@admin.cam.ac.uk
Clinical Medicine	Robin Uttin 63653 ru208@medschl.cam.ac.uk	Rob Williams 36730 rpw24@medschl.cam.ac.uk
		Philipa Moore (Assistant Finance Manager) 36705 pg317@medschl.cam.ac.uk
Humanities & Social Sciences	Beverley Housden 64081 beverley.housden@admin.cam.ac.uk	Michael Dunn 30701 michael.dunn@admin.cam.ac.uk
		Deana Robinson 30701 deana.robinson@admin.cam.ac.uk
Non-School Institutions	Wendy Thundercliffe 65812 Wendy.Thundercliffe@admin.cam.ac.uk	Catherine Bentham 66597 catherine.bentham@admin.cam.ac.uk
Physical Sciences	Michael Godfrey 67137 michael.godfrey@admin.cam.ac.uk	TBA 30582
Technology	Matt Burgess 65643 mb476@cam.ac.uk	Dan Greenfield 30700 daniel.greenfield@admin.cam.ac.uk
UAS	Mike Millard 65975 michael.millard@admin.cam.ac.uk	Elizabeta Moss 32243 elizabeta.moss@admin.cam.ac.uk

Appendix A: Expenditure accruals

At the end of any month there might be some costs that you know you have incurred but for which you haven't yet received (or logged onto UFS) the invoice.

Example:

- An engineer comes to the Department in the middle of July and repairs a machine.
- You know that he is going to charge you £1,500 for the work but you won't get his invoice until the end of August.
- However, that repair actually took place in July and should therefore be included in the accounts for July.

This is more significant at year end when it is important to get the repair cost in the right accounting year.

The costs are allocated to the correct year by means of a General Ledger journal. This journal is then reversed out in the following month/year so that when the invoice is logged onto UFS and paid in the normal way, you don't have a double charge to your department account.

How to raise the accrual journal

1. Log into UFS in the normal way and go into your department GL responsibility.
2. Select **Journals → Enter**.
3. Click on the **New Batch** button and complete the header details in the normal way.
4. Click on the **Journals** button and start to enter the accrual journal for July
 - a) Period : should be **JUL-22** at this year end
 - b) Category: select **Auto Reversal** from the list of values

The auto-reverse function should only be used when it is appropriate for the journal to be reversed in the next period. When it is not appropriate to reverse the journal in the next period the journal should be entered in the normal way and manually reversed in the appropriate period.

- c) Description: enter as appropriate
 - d) Control Total: enter as appropriate
5. Account codes to be used:

	Debit	Credit
Department code	As normal	As per debit line
Cost Centre	As normal	As per debit line
Source of Funds	As normal	0000
Transaction code	Appropriate to the expenditure being accrued	VBAK (accrual)

6. Save your journal

Post the journal

From the **Navigator** screen choose **Journals > Post**. Enter the batch name to recall the journal and tick the box to select it for posting. Behind the scenes, a second (reversing) journal will be created in the next period and will be automatically posted by the Finance Division.

If the journal category **Accrual** or **Adjustment** is used, then you must remember to manually reverse it in the **AUG-22** period, using the **More Actions** button, and to post **both** journals.

In your accounts...

The accrual journal debits (or charges) expenditure - in place of the absent invoice. The credit entry goes to the **VBAK** balance sheet code, representing a liability for the goods/services received but not yet invoiced.

The reversal journal creates a credit against the original expenditure transaction code (e.g. **EMZZ** from the screen shot above). This in turn is cancelled out by a corresponding debit balance when the supplier's invoice is finally received and processed on UFS in the normal way.

Example:

➤ Current financial year:			
29-Jul-2022	Create journal to accrue expenditure	£1,500	
(No invoice received but expenditure is charged to correct year)			
➤ New Financial Year:			
1-Aug-2022	Journal reverses automatically	(£1,500)	
20-Aug-2022	Invoice for repairs is entered in AUG-22	£1,500	
Effect on expenditure in the new year		£	0

FAQs

Does it matter if I have already raised a purchase order for the goods/services in July?

No

Should I include the VAT element of the goods/service in the accrued total?

Yes

What if the invoice is still not received in August?

Then the accrual journal must be repeated in August. It will reverse in September when, hopefully, the invoice will be entered on UFS

Appendix B: Unearned (deferred) revenue

Income should be **deferred** where it has been received by the department in advance of the goods or services being supplied (e.g. in the case of trading, course fees).

Example: Course fees invoiced on 1 July of £11,000 for a course starting on 5 August.

How to adjust for it

1. Raise a new journal batch and create a journal choosing the category **Auto Reversal**

The auto-reverse function should only be used when it is appropriate for the journal to be reversed in the next period. When it is not appropriate to reverse the journal in the next period the journal should be entered in the normal way and **manually** reversed in the appropriate period.

Choose the period **JUL-22**

Enter a suitable description e.g. Defer AR Invoice 123456 for course starting 5-Aug-2022

2. Code as follows:

	Debit	Credit
Department code	As normal	As per debit line
Cost Centre	As normal	As per debit line
Source of Funds	As normal	0000
Transaction code	As normal (e.g. LAAD)	VZAA (unearned revenue)

3. **Save** your journal.

Posting the journal

From the **Navigator** screen choose **Journals > Post**. Enter the batch name to recall the journal and tick the box to select it for posting. Behind the scenes, a second (reversing) journal will be created in the next period and will be automatically posted by the Finance Division.

If the journal category **Adjustment** is used, then you must remember to **manually** reverse it in the **AUG-22** period, using the **More Actions** button, and to post both journals.

In your accounts...

The deferred income journal will debit (i.e. reduce) income in July. The credit entry will go to the **VZAA** balance sheet code, creating a liability for the income received for which no goods/services have yet been provided.

Example:

Current financial year:

2-Jul-2022	Sales invoice raised	£11,000
29-Jul-2022	Create journal to reduce income	(£11,000)
	Effect on income in the current year	£ 0

(Proceeds of sales invoice is deferred and a liability created on Balance Sheet)

Appendix C: Other debtors (income accruals)

These are amounts owing to the University where we have provided goods or services before 31 July but where we have *not* raised an invoice on the Accounts Receivable system.

Example:

You held a conference on 28 July 2022 for which you will invoice delegates on 30 August 2022 but the AR module for July closed on 15 August.

How to adjust for them

1. Raise an **Auto Reversal** journal in July with an appropriate description e.g. Conference held in July but not invoiced.

The auto-reverse function should only be used when it is appropriate for the journal to be reversed in the next period. When it is not appropriate to reverse the journal in the next period the journal should be entered in the normal way and **manually** reversed in the appropriate period.

2. Code as follows:

	Debit	Credit
Department code	As per credit line	As normal
Cost Centre	As per credit line	As normal
Source of Funds	0000	As normal
Transaction code	UNAA (Other Debtors)	As normal (e.g. LAAC)

3. **Save** your journal.

Posting the journal

From the **Navigator** screen choose **Journals>Post**. Enter the batch name to recall the journal and tick the box to select it for posting. Behind the scenes, a second (reversing) journal will be created in the next period and will be automatically posted by the Finance Division.

If the journal category Accrual or Adjustment is used, then you must remember to **manually** reverse it in the **AUG-22** period, using the More Actions button, and to post both journals.

In your accounts

Income is credited to the department account in **JUL-22** without an invoice being raised. The reversing action of the journal in **AUG-22** means the subsequent sales invoice raised in August is netted off to zero.

Example:

➤ Current financial year:			
29-Jul-2022	Create journal to credit income	£15,000	
	(in lieu of sales invoice not yet raised)		
➤ New Financial Year:			
1-Aug-2022	Journal reverses automatically	(£15,000)	
31-Aug-2022	Create sales invoice	£15,000	
	Effect on income in the new year	£	0

Appendix D: Prepayments

A prepayment is when you pay for goods or services and some or all of those goods/services relate to the next financial year.

Example:

- You are billed in advance for the annual maintenance charge for your equipment of £10,200.
- The invoice is received and processed in July 2022 however it relates to maintenance for the period 1 August 2022 - 31 July 2023.

The expenditure is taken out of the 2021/22 year by means of a journal which is then reversed in **AUG-22** to allocate the cost to the subsequent year.

How to raise the journal

1. Start to enter your journal in the normal way
 - a) Period: should be **JUL-22** at this year end
 - b) Category: select **Auto Reversal** from the list of values
The auto-reverse function should only be used when it is appropriate for the journal to be reversed in the next period. When it is not appropriate to reverse the journal in the next period the journal should be entered in the normal way and manually reversed in the appropriate period.
 - c) Description: Pre prepayment of invoice X for period dd/mm/yy to dd/mm/yy
 - d) Control Total: enter as appropriate
2. Enter the following journal lines:

	Debit	Credit
Department code	As per credit line	As normal
Cost Centre	as per credit line	As normal
Source of Funds	0000	As normal
Transaction code	UNGA (prepayment)	As normal (e.g. EUEF)

3. **Save** your journal

Posting the journal

From the **Navigator** screen choose **Journals > Post**. Enter the batch name to recall the journal and tick the box to select it for posting. Behind the scenes, a second (reversing) journal will be created in the next period and will be automatically posted by the Finance Division.

If the journal category Adjustment is used then you must remember to **manually** reverse it in the **AUG-22** period, using the More Actions button, and to post both journals.

In your accounts

Example:

➤ Current financial year:		
16-Jul-2022	Suppliers invoice entered in UFS	£10,200
29-Jul-2022	Prepayment journal reduces (credits) expenditure	(£10,200)
	Effect on expenditure in the current year	<u>£ 0</u>
➤ New financial year:		
1-Aug-2022	Journal reverses, charging expenditure to dept account	£10,200