FINANCIAL YEAR END

2023/24
Welcome to the Year-End Opening Ceremony
Order of Ceremony

- Overview of 2022/23 Results
- What Happens at Year End?
- Key Processes
- Lessons Learned
- New for 24
Order of Ceremony

• Overview of 2022/23 Results
• **What Happens at Year End?**
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- New for 24
EVENT 1: OVERVIEW OF 22/23
## EVENT: OVERVIEW OF 22/23

<table>
<thead>
<tr>
<th></th>
<th>Academic University</th>
<th>Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>1,615</td>
<td>2,518</td>
</tr>
<tr>
<td>Expenditure</td>
<td>1,363</td>
<td>2,318</td>
</tr>
<tr>
<td>Surplus/(deficit) before other gains/losses</td>
<td>252</td>
<td>200</td>
</tr>
<tr>
<td>Net assets</td>
<td>5,663</td>
<td>7,168</td>
</tr>
<tr>
<td>Gain/(loss) on other investments</td>
<td>47</td>
<td>66</td>
</tr>
</tbody>
</table>
AUDIT FINDINGS
22/23

• Cut Off
• Segregation of Duties
• Tracking Fixed Assets – Nil Value Assets

Video of Audit Findings available online
EVENT 2: WHAT HAPPENS AT YEAR END?

Going for gold!
YEAR-END ROAD MAP

July
Finance Committee review accounting policies

June
Interim Audit
YEAR-END ROAD MAP

**August**
- Complete transaction processing
- Sub-ledgers closed

**September**
- External Audit
  - Auditors on site from 11 September
YEAR-END ROAD MAP

November
Council – approve and sign

October
Finance Committee – first draft of accounts
EXTERNAL AUDITORS

AUDITORS
Academic University/Cambridge University Press and Assessment - PwC
Other subsidiaries – PEM

DEPARTMENT VISITS
These are being done as part of the interim audit in June/July
Departments have been selected – you should know who you are!

AIM OF AUDIT
Provide an independent audit opinion on the University’s accounts
True and fair view

WHAT THEY WILL BE LOOKING AT
Examining accounting systems
Testing how controls are operating
Sampling transactions
Identifying any cut off issues
Ensuring funds have been properly applied
## Key Dates 2024

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shared Services submission deadline</td>
<td>Thu 8 Aug</td>
</tr>
<tr>
<td>Fixed asset returns due</td>
<td>Mon 12 Aug</td>
</tr>
<tr>
<td>Close Internal Trading - Raising (AR)</td>
<td>Mon 12 Aug</td>
</tr>
<tr>
<td>Concur 2023/24 spend approved</td>
<td>Tue 13 Aug</td>
</tr>
<tr>
<td>Close AR and AP (including Internal Trading)</td>
<td>Thu 15 Aug</td>
</tr>
<tr>
<td>Close Grants</td>
<td>Mon 19 Aug</td>
</tr>
<tr>
<td>Last date for moving funds on/off deposit</td>
<td>Tue 20 Aug</td>
</tr>
<tr>
<td>July CUEF distribution posted</td>
<td>Wed 21 Aug</td>
</tr>
<tr>
<td>Last date for VAT journals to departments</td>
<td>Wed 28 Aug</td>
</tr>
<tr>
<td><strong>General Ledger</strong></td>
<td></td>
</tr>
<tr>
<td>- Final date for GL journals</td>
<td>Fri 30 Aug</td>
</tr>
<tr>
<td>- CUEF June/July revaluation</td>
<td>Mon 9 Sep</td>
</tr>
<tr>
<td>- Balances rolled forward (basic/special)</td>
<td>Thu 5/Mon 9 Sep</td>
</tr>
<tr>
<td>Year-end certificates due</td>
<td>Tue 24 Sep</td>
</tr>
</tbody>
</table>
Dates for the New Year 2024/25

PO/GL/AP/Grants Open

Accounts Receivable Opens

Internal Trading Opens

August 2024

<table>
<thead>
<tr>
<th>Sunday</th>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
<th>Saturday</th>
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<td>31</td>
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September 2024

<table>
<thead>
<tr>
<th>Sunday</th>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
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<td>28</td>
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<tr>
<td>29</td>
<td>30</td>
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</tr>
</tbody>
</table>
Dates for the New Year 2024/25

**August 2024**

- **PO/AR/AP/Grants**
  - Aug-24 Closes

- **Fixed Assets Aug-24 Closes**

**September 2024**

- **Aug-24 Deposit deadline**
- **GL Aug-24 Closes**
ADDITIONAL VIDEOS

- CUEF changes
- E-sales
- Cognos AP Dashboard
YEAR-END RESOURCES

- Guidance VIDEOS linked from FPM Chapter 11 year-end page
- Each CUFS module has its own set of topics
- Short videos for each key point
- Link to guidance document where relevant
Event 3: Key Processes
Submit items for processing in the July period by c.o.b. on **Thursday 8 August** (five working days before AP closes)

**Separate batches by financial year**
(we will prioritise 2023/24 invoices)

Make sure you highlight genuinely urgent 2024/25 work (in the email subject line)
If you receive 2023/24 internal invoices after 8 August, please send them to Shared Services as soon as possible and highlight the year in the email subject line.

Remember you can re-code invoices (including internal invoices) in your department.

Please remember to put two-character department code in email subject line.
SHARED SERVICES

EMAIL HEADER 23/24 ITEM

To
○ Shared Services Finance

Cc

Subject
AG A Invoice for processing

Dept Code
A= 2023/24

EMAIL HEADER URGENT 24/25 ITEM

To
○ Shared Services Finance

Cc

Subject
AG URGENT B Invoice for processing

Dept Code
B= 2024/25
Supplier Statement Reconciliations will be done centrally as at last year end.

All outstanding invoices must be reviewed and all holds/queries dealt with appropriately.
COGNOS AP DASHBOARD

Invoices Awaiting Secondary Approval: 40
Other Invoices on Hold: 26
Invoices Due for Payment: 138
Unprocessed internal Invoices: 32

Invoices on Payment Hold
Incomplete Invoices: 66
Invoices Paid last Week: 130
Suppliers Expiring Soon: 4
INTERNAL TRADING – RULES

**DO**

- Raise internal invoices as early as possible
- Send any supporting documentation by email
- Liaise with the paying department for any last-minute invoices
- Follow procedure where a dispute arises

**DON’T**

- Accrue internal income
- Raise internal invoices for goods and services supplied in the new year
PURCHASE ORDERS

PO Module Closes 5pm Wednesday 7 August

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Cancel requisitions raised in error/no longer required

Review and action open purchase orders
- Establish if goods received
- Establish if invoiced
- Cancel if not required
- Finally close if applicable

Do not finally close purchase orders from e-invoicing suppliers if the invoice is still outstanding.

ufsenquiries@admin.cam.ac.uk
ACCOUNTS RECEIVABLE

For all income received up to Wednesday 31 July 2024 please ensure that July dates are entered in both batch/receipt date and GL date fields when receipting so that they are accounted for in the correct financial year.

Do NOT raise any August dated invoices until after the AR module for the new financial year opens Wednesday 7 August. This is to avoid an August invoice posting into July GL in error.

Queries: UFS_AR@admin.cam.ac.uk

Debt management:

Please review your Department Debt Statements - year end should be used to review your oldest, at risk and uncollectable debts.

Take this opportunity for ‘housekeeping’: identify all items that need to be written off & ensure all write off forms have been completed, approved and passed to Credit Control by Monday 12 August.

Queries: fincreditcontrol@admin.cam.ac.uk
Run reports to look for the following (dated up to July 2024):
- Unclaimed expenses
- Unprocessed Barclaycard transactions

Make sure all of these are ‘claimed’ and fully approved by the end of **Tuesday 13 August** (i.e. at least two days before AP closes on Thursday 15 August). Separate 23/24 claims from 24/25 claims.

Ensure claims relating to 23/24 made in August have a **claim date of July 2024** or earlier, else they will go into August GL period.

Accrual for unclaimed spend (after AP closes on Thursday 15 August)

[https://www.expenses.admin.cam.ac.uk/](https://www.expenses.admin.cam.ac.uk/)
**CUEF YEAR-END CHANGES**

- **July distribution to be reversed in 2024/25 financial year**

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<table>
<thead>
<tr>
<th>Department Accounts</th>
<th>GL Period</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>July</td>
<td>ADJ1</td>
</tr>
<tr>
<td>Accrual for July distribution</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>June revaluation</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>July revaluation (1)</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>True up July (2) distribution</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

*Video available from Treasury to go over this in more detail.*

treasury@admin.cam.ac.uk
<table>
<thead>
<tr>
<th>VAT ADJUSTMENTS</th>
</tr>
</thead>
</table>

| **Services Tax** | The amount of VAT you would have paid on that service if you had bought it in the UK |
| **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 incorrectly entered with the wrong tax code |

All postings to department accounts in respect of these adjustments will be posted no later than the end of **Wednesday 28 August**

(GL closes Friday 30 August – Grants already closed)
CHEST ALLOCATION
HOLDBACK MECHANISM

- Initial Distribution <100% in Aug 2023
- Distribute remaining % if required

<table>
<thead>
<tr>
<th>Source of Funds Code</th>
<th>Source of Funds Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAAA</td>
<td>CHEST NON PAYROLL</td>
</tr>
<tr>
<td>ABAA</td>
<td>CHEST STIPENDS</td>
</tr>
<tr>
<td>ABHB</td>
<td>CHEST ALLOCATION HOLDBACK</td>
</tr>
<tr>
<td>ACAA</td>
<td>CHEST WAGES</td>
</tr>
</tbody>
</table>

TIMELINE TO ASSESS NEED FOR FURTHER DISTRIBUTION (UP TO 100%)

<table>
<thead>
<tr>
<th>Event Description</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>GL close to Departments</td>
<td>Fri 30 Aug</td>
</tr>
<tr>
<td>FPP confirm value of holdback</td>
<td>Mon 2 Sep</td>
</tr>
<tr>
<td>FPP process journals to ABHB</td>
<td></td>
</tr>
<tr>
<td>School Finance Business Partners/Advisers post local budget journals</td>
<td>Between Mon 2 Sep and Wed 4 Sep</td>
</tr>
<tr>
<td>CRA post matching income journals</td>
<td></td>
</tr>
</tbody>
</table>
Event 4: Lessons Learned & Best Practice
The date of **receipt**

**Not** the year that the income relates to

Bank all cash and cheques up to 31 July
CUT OFF – SALES INVOICING

The date of **supply** of the goods/services

Examples of issues found in previous years

- **Rental Income** for rent period in the next financial year – income was recognised in old financial year

- **E-sales income** recognised in old financial year for conferences/courses in the next financial year

- **Fee income** recognised in old financial year for conferences/courses in the next financial year

Finance Division will review sales invoices raised around the year end
CUT OFF - E-SALES

Use E-Sales instead of AR where possible. This alternative way to receive income covers delegate registrations as well as the sale of "single" items.

Examples:

• Conference over multiple days
• One day workshops
• Seminars and lectures
• Short courses
• Library fines
• Bench fees
• Deposits for visiting academics
• Memberships
• Course fees
• Books and publications
• Subscriptions
• Concert or lecture places
• Student clothing and equipment

However, beware year end cut off dates - when income received vs date of event!

E-Sales will be reviewed by the Finance Division and deferred in Department accounts.

Please send your queries to onlinesales@admin.cam.ac.uk
CUT OFF – ACCOUNTS PAYABLE

The date of supply of the goods/services

CUT OFF EXAMPLE

A consultancy firm came into the Department in July and completed all the work by the end of July 2024

Invoice was received in August, dated August 2024

The invoice requires processing into the July 2024 period through AP or accrued if AP is closed

Daily AP verification reports will be sent out to departments from Monday 12 August. Departments may need to provide evidence to the Finance Division that AP invoices have been recorded in the correct year.
CUT OFF – ACCOUNTS PAYABLE

The date of supply of the goods/services

Research grants - Please let CRA know of any invoices that need accruing or prepaying and we will post these into the GL centrally. Adjustments will not appear on the grants module.

Daily AP verification reports will be sent out to departments from **Monday 12 August**. Departments may need to provide evidence to the Finance Division that AP invoices have been recorded in the correct year.
GL ACCRUALS AND PREPAYMENTS

Detailed supporting working papers must be kept for audit purposes

<table>
<thead>
<tr>
<th>Type</th>
<th>Description</th>
<th>Transaction code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accruals</td>
<td>Goods/services received by the University by 31 July, for which no invoice in AP</td>
<td>Cr VBAK</td>
</tr>
<tr>
<td>Prepayments</td>
<td>Invoice processed in AP in advance of the goods/services being received</td>
<td>Dr UNGA</td>
</tr>
<tr>
<td>Unearned revenue/income</td>
<td>Income received by the University in advance of goods/services being delivered to the customer</td>
<td>Cr VZAA</td>
</tr>
<tr>
<td>Other debtors</td>
<td>Amounts owing for goods/services provided by the University, but not invoiced in AR at 31 July</td>
<td>Dr UNAA</td>
</tr>
</tbody>
</table>
Where accruals or prepayments for a single institution total over £200,000 you **must** send supporting details to CRA by 30 August.

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

Detailed supporting working papers must be kept for audit purposes.
Fixed Asset registers to be sent to department contact on **Wednesday 10 July**

Confirmation due back by **Monday 12 August**

You need to:
- Check all **additions** and **retirements** are tracked
- Check all assets are all **tagged**
- Carefully check all asset **locations** and update

**Physically verify** all assets – most important task
NIL VALUE ASSETS

Currently c.5,500 nil value assets

Under increasing audit scrutiny

Ensure the University still owns them, and they are still in use
When discarding lines relating to anything in July, the negative line will now show in August – NOT Jul as may be expected. This will affect year-end figures.

Instead of using the discard functionality enter a negative line - so you are able to select the GL period to match the original lines.

Last year end the Finance Division put through correcting journals into Department accounts, including to Research Grants. This was very time-consuming and we appreciate your help in avoiding this as much as possible this year.
Accounts Payable (AP)

Discard Lines

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BEST PRACTICE

- Share your good practice with us (and other departments)
- Watch out for fraud
- Concur Barclaycard claims up to date
- Meaningful descriptions
- Clearing grant suspense accounts
- Reviewing and clearing AZZY balance
- Transaction code usage
- Segregation of duties
- Balance sheet recs
- Raise Purchase Orders
Clear grants suspense by Thursday 15 August

Notify CRA of items waiting for ROO set up

Any items relating to July 24 or earlier still in suspense grants will be transferred to departments on Friday 16 August

ufs_grants@admin.cam.ac.uk
Event 5: New for 24/25

+ support available
# FORTHCOMING ATTRACTIONS 2024/25

<table>
<thead>
<tr>
<th>FTP</th>
<th>Projects</th>
</tr>
</thead>
</table>
| Finance Transformation Programme | • Strategic Procurement and Purchasing  
|                             | • Finance Systems Replacement  
|                             | • Enhancing Financial Transparency  |
|                             | • AP Invoice Automation – coming late 2024, through 2025  
|                             | • Ind-E pay roll out to support UPS decommissioning                      |

<table>
<thead>
<tr>
<th>Data cleanse</th>
<th>Other</th>
</tr>
</thead>
</table>
| • Suppliers (including deactivations)  
| • Payroll codes  
| • Chart of accounts  
| • Fixed assets  |
| • Finance Regulations review  
| • Backfill to assist departments with FSR support                         |

Improvements often come from discussions at FUG and with department contacts.
SUPPORT

BULLETINS/
UFS MODULE
HELPDESKS
SUPPORT

REGULAR FUG AND RGUG MEETINGS
SCHOOL FINANCE
BUSINESS
PARTNERS AND
ADVISERS
Q&A

- Questions and answers will be added to the year-end webpage FAQs.
- Key email contacts:
  - Shared Services: SharedServicesFinance@admin.cam.ac.uk
  - Grants helpdesk: ufs_grants@admin.cam.ac.uk
  - GL helpdesk: ufs_gl@admin.cam.ac.uk
  - General helpdesk: ufsenquiries@admin.cam.ac.uk

- Contact Us | Finance Division (cam.ac.uk)
THANK YOU