

Closure of Accounts 2023/24

Notes to Schools

Not operating a bank account

Headteachers of Nursery, Primary, Secondary, Special
and Short Stay Schools



These closure notes have been written specifically for schools not operating a local bank account during the 2023/24 financial year.

Authority external auditors have significantly increased their recent demands for evidence to substantiate school accounting transactions and there is therefore additional responsibility on all schools to correctly follow the operational guidance and retain appropriate supporting documentation.

Schools are required to meet the following deadlines which are essential in order to meet statutory financial deadlines given the timing of school holidays.

1. Oracle Financial Reports

The automated reports will be issued on the following dates over the year end period.

Date	Period 12 Transaction report	Period 12 Payroll Report	Adj Per Transaction report
Monday 25 March 24	Yes		Yes
Wednesday 27 March 24	Yes		Yes
Thursday 28 March 24		Yes	

You will also receive an ADJ period report which will include:

- Accruals
- CFR corrections (these will net nil)
- De-delegated journal (this will net nil)

During the closure process it is advisable to check the Schools Portal each morning. Please ensure that your reports are downloaded and viewed as soon as they are received.

2. Procedures for Processing Invoices over the Year End

All expenditure for goods delivered, work done, or services provided to the County Council up to 31 March 2024 must be included in the Accounts for 2023/24.

There is always a delay between, for example, buying some supplies, receiving the invoice for those supplies and then payment actually being made to the supplier. Because of the tight timescale, we cannot wait until all the invoices for 2023/24 have been received, authorised and paid before work is started on closing the accounts. Therefore, the following procedures have been adopted.

Schools operating SIMS EDI files

- Schools which operate SIMS EDI files must ensure that the EDI files and corresponding email documents are sent by 5pm on Friday 15 March 2024.
- There will be no exceptions to these deadlines any invoices received after these dates will be posted to 2024/25 accounts. To avoid any overlap schools may wish to wait a couple of days after the deadline before sending in further EDI files and paperwork.
- It is important that all invoices are dealt with promptly during March and forwarded at the earliest opportunity.
- Do not save them all up to the deadline day.
- Please ensure that batches contain a maximum of 15 invoices.

Imprest Claims in respect of 2023/24 must be received by Accounts Payable, Exchequer Services by 5 p.m. at the latest, on 15 March 2024. It is likely that imprest claims will fall below the minimum levels and therefore it would not be deemed material should a March claim not be submitted until the new financial year.



3. Billing requisitions and cancellation forms

All IMS- invoice requisition forms and cancellation forms in respect of income for 2023/24 should be sent no later than midday on 22 March 2024 to:

Exchequer service Income Team.

Cyp.cft.billing@lancashire.gov.uk

Please do not wait until the deadline before submitting the requisitions if you can get them in earlier. Prompt billing is essential throughout the year as it significantly improves the County Council's cash flow.

Please note that, as with all invoices, any requisition forms received after the deadline will go into 2024/25.

4. Year End Accruals – Debtors/Creditors & Payment/Receipt in Advance

As per last year we will request supporting schedules in respect of Year End Accruals for the following:

Expenditure – Creditors	Goods/services received before 31 March 2024 but not yet paid for
Income - Debtors	Income outstanding that was due to school for goods/services before 31 March 2024
Receipts in Advance	Income received before 31 March 2024 relating to goods/service delivered after 1 April 2024 e.g. lettings, school trips
Payments in Advance	Payments made before 31 March 2024 for goods/service that will be received after 1 April 2024 e.g. deposit for school trips

The Year End Accrual workbook will be available to schools w/c Monday 11 March with full guidance on how to complete.

It is important that this form is returned via the schools portal by midday Tuesday 26 March.

The Authority has now set a minimum value of £1,000 per transaction for all schools accruals. Entries cannot be added together to achieve this value.

Accruals can be made for unspent NTP (School-Led Tutoring Grant academic year 22/23 funding) which is to be clawed back by the ESFA, a separate tab is available on the accruals form template for this purpose. Accruals cannot be made for other unspent grant funding at year end (e.g. PE Sports Grant and Recovery Premium), such balances held at 31st March should be added to budget allocations in the new financial year, these balances should also be identified on the committed balances return.

Details to enter for 2023/24

The Auditors have asked us to request some additional information:

- Supplier/Customer Name
Who provided the good/service or who are you owed income from
- Invoice/Order No
If available any information to identify the invoice
- Date Goods/Services Received

Whole Government Accounts – CPID

- To enable us to comply with government requirements we need to identify transactions with other "government bodies".



- Please do not include any amounts owed to/from Lancashire County Council. Journals that have interdepartmental transactions will not be entered.
- All accrual entries will show on the ADJ period Oracle transaction report.

5. Schools Leases – IFRS16

Schools will be required to submit details of schools' leases (further information and template to follow from the Corporate Accounting Team) by the same date as the accruals, **Tuesday 26 March**. An opening position at 31 March is required as IFRS 16 comes into effect from 1 April 2024.

6. Audit

Our external auditors pay particular attention to scrutinising and verifying creditor and debtor details so local information must be available to support the figures you have included in the accounts. External audit use sampling techniques to identify transactions for testing which means that you could be asked to provide supporting evidence for any transaction. Schools must be prepared to submit evidence and are advised to keep a file with supporting documentation.

7. Items not required on return of outstanding forms

Internal Invoices

Arrangements have been made to ensure that all internal recharges (or estimates if appropriate) will be charged to school accounts in 2023/24. Consequently, no entries should be included on the debtor & creditor form for internal items e.g. recharges in respect of digital services, copy direct, grounds maintenance, cleaning, catering etc.

Purchase Card

A Purchase Card is a corporate charge card for use by individually nominated cardholders within approved transaction and cardholder limits. As the system for paying bills relating to purchase cards is automated, you do not need to take any action regarding purchase cards for year-end. Please do not enter purchase card transactions as a creditor on the "Year end debtor & creditor" form.

Supply Teachers (Including LTA payments)

The costs of supply teachers charged to the 2023/24 accounts will reflect payments for the period 1 March 2023 to 28 February 2024. March 2024 supply costs paid in April will be charged to the new financial year 2024/25.

February 2024 LTA costs will be shown on the P12 Oracle report on 31 March.

Schools currently completing Supply Cover Insurance forms need to ensure that all forms have been submitted to the Payments Team for absences up to 28 February 2024 by the 5 March 2024 to enable credits to be actioned. Payment of claims that require queries to be resolved may be delayed, but all valid claims submitted by the deadline will be reimbursed. Schools are encouraged to submit all valid claims as they arise throughout the year to avoid payment delays at year end. In particular, maternity claims should be made when they arise and not held until the return of the post holder. March claims should be submitted at the start of the new financial year. Late claims may not be paid. Please refer to the Supply Scheme details for further information.

For any queries in relation to the completion of the forms please email:

supplyinsuranceclaims@lancashire.gov.uk



8. Schools Income banking

Deposits made on or prior to Friday 22 March are guaranteed to be included in the old year accounts. Deposits made between the 27 to 31 March could be subject to possible delays especially if you do not deposit at a NatWest branch. The majority of income deposited on these dates should be included in the old year accounts. These allocations are final and can't be altered if a receipt credits in the wrong period.

Please ensure income templates are submitted the same day. We will not be able to delay year end closure for missing or late submissions.

Any queries please email:

CYP.CFT.Income@lancashire.gov.uk

9. Capital Codes

Schools that have made capital expenditure during the year should check that capital expenditure and capital income is correctly recorded on Oracle against expenditure range 11091 to 11096 and income codes 26156, 26030 and 26067.

Please ensure that details of any capital invoices received for work completed by 31 March 2024 but not actually paid are included on your outstanding expenditure return.

The above codes will be the only codes used to calculate the capital balance for each school.

The in-year surplus or deficit for capital will then be carried forward to the next financial year in a similar way to the current method of calculating revenue balances.

Capital balances will not impact on clawback policy for excess balances which will only be calculated from revenue balances.

10. De delegated coding correction

A journal will be seen on the Oracle Adj period transaction report which is to adjust the de-delegated funding.

- Debit expenditure codes (E23, E10 and E27) for each individual de-delegation amount, as identified on the funding statement for that financial year.
- Credit code 21049 for the total de-delegation amount (to net the above individual amounts to nil) with a description of "De-delegated adjustment".

Schools will need to replicate this adjustment in Finance 6 as a central adjustment.

11. Final date for queries mid-day 28 March 2024

The deadline for schools to make changes is mid-day Thursday 28 March 2024.

If changes are required, please email:

ctcypsabt@lancashire.gov.uk

12. Final Statement

The Authority will send schools a final statement (CFR) showing the revenue and capital reserves to be carried forward to the new financial year. Schools should report the final outturn position to Governors based on this CFR statement.



Date	Key Action Point
Tue 05/03/2024	Deadline for Supply claim forms up to end of Feb, March claims will go through in following year
Fri 15/03/2024	School invoices for payment submitted to accounts payables (AP).
Fri 15/03/2024	All school Debtor invoice requests to be submitted to Accounts Receivable (AR)
Thu 21/03/2024	Final date for entries on school codes by internal teams (except Schools Accountant)
Tues 26/03/2024	Deadline for outstanding accrual form to be sent through the schools portal
Tues 26/03/2024	Deadline for school lease data submissions
Mon 25/03/2024	Oracle Transaction reports available Period 12 and ADJ per report with Accruals
Wed 27/03/2024	Oracle Transaction reports available Period 12 and ADJ per report with Accruals
Thu 28/03/2024	Final day for schools to notify Schools Accountant of any changes

