

ANNEX A**YEAR END 2019-20 - NOTES FOR GUIDANCE****General**

1. Although under and over spending will be carried forward into 2020-21 school budgets, the year-end procedures are still important. It is a statutory requirement that the County Council's Annual Accounts, of which each school's accounts form a part, reflect the cost of services actually provided in the financial year.
2. This means that, in principle, payments actually made or income received in 2019-20, but which relate to a future financial year (payments/receipts in advance), and commitments for goods not yet received should be excluded from the accounts for 2019-20.
3. Conversely, goods or services actually received in 2019-20 and for which payment has not yet been made to the supplier (creditors) should be included in the accounts.
4. Income relating to 2019-20 but not received (debtors) should also be included. If a debtor's invoice has been raised this will already have been accrued for the financial year 2019-20. If a debtors invoice has not been raised these items must still be included in the accounts.
5. Electronic forms on which accruals for income and expenditure, income received or payments made in advance (LB9) are to be listed, is available for schools with a deadline time/date for return of 16.00 on **23rd March 2020**.
6. The County Council, in line with correct accounting practice, **does not allow accruals for internal suppliers** i.e. HR, Payroll, Finance etc. Invoices from these internal suppliers therefore **cannot** be included on the list of creditors.

Travel Claims

8. Travel claims are now paid as part of payroll for schools using LGSS Payroll. Any travel in April's payroll that relates to the 2019-20 financial year will automatically be charged to the new financial year.

Internal Invoices

9. All internal invoices e.g. HR, Payroll, Finance or other NCC service providers must be paid before **23rd March 2020** to facilitate the end of year closedown of NCC accounts.

Virement/Advances**10. Virements**

- The deadline for virements to be received at county is **16th March 2020**.

11. Advances

- Advance 12 will be paid into the schools local bank account for the 2019-20 financial year.

Final Year End Local Bank Account Returns

- 12 Instructions for the submission and completion of year end returns are included in Annex B as applicable.
- 13 LB4 – VAT Expenditure Return for the quarter **1st January to 22nd March 2020**. This must be completed and returned with the relevant attachments **by 12.00 23rd March 2020**. Guidance notes for the electronic VAT return are also included with the form.
- 14 LB6 – Local Bank Account Reconciliation as at 31 March 2020 to be completed and returned with the relevant attachments **by email no later than close of business 24th April 2020**.

Year End Balances

15. As schools have been receiving monthly ERP Gold reports, budget monitoring should have identified any expenditure or income incorrectly coded to your school and adjustments made accordingly.
16. Any balances from 2019-20 (surplus or deficit) will be carried forward to the new financial year.
17. On **2nd April 2020**, schools will be sent their Period 12 ERP Gold report. **It is important that every school checks this report on receipt and notifies LGSS Schools Finance of any discrepancies in their year end balances on this report by no later than close of business 3rd April 2020**. This will allow for investigation and any corrections to be done on the ERP Gold account before balances are confirmed on the SB1 Form (School Balances Return).
18. An Excel version of the SB1 Form (Schools Balances Return) will be published on **24th April 2020** notifying all schools of their final balance figure and requesting apportionment to the following areas:

<u>Balances</u>	<u>2019-20 Code</u>
B03 Devolved Formula Capital Balance	T3100
B05 Other Capital Balances	T3110
B01 Committed Revenue Balances	T2030
B02 Uncommitted Revenue Balances	T2035
B06 Extended School Balances	T3090

19. **The SB1 form is to be completed and submitted by close of business on 1st May 2020.** Allocations and supporting details will be checked on receipt and balances will be added to the school's budget on ERP Gold for 2019-20 and used for completion of the statutory CFR return.
20. An example of the SB1 form is available on the LGSS Schools Finance website for information and to assist schools in identifying the planned use of their carry forward in preparation for completion of the actual SB1. Guidance notes for completion are included.
21. Schools holding partnership funds as part of their balances are no longer required to submit a separate return.

Other Year End Reports

23. To comply with the International Financial Reporting Standards (IFRS) and NCC external audit requirements, schools are also required to submit the following returns:

- **Balances and Reserves Report 2019-20** to show all cash balances and reserves held by schools as at 23rd March 2020. A copy of the report is to be forwarded to LGSS Schools Finance **by 12.00 on 23rd March 2020** as an email attachment (Excel or PDF) to finschools@northamptonshire.gov.uk

The route in FMS is: Reports
 General Ledger
 Balances and Reserves

- **Complete an updated or new Annual Lease Return** to report any changes to the return submitted for 2019-20 (i.e. leases with annual payments of greater than £2,000).

The revised (or new) Annual Lease Statement should be submitted to LGSS Schools Finance by email by no later than **9th March 2020**.

If you have not made any changes since the first return or have a nil return for leases, please email "**Lease Return – no changes**" or "**Lease Return – Nil return**" to Finschools@northamptonshire.gov.uk by no later than **9th March 2020**.

24. The electronic forms on which Accruals for 2019-20 are to be listed (LB9 etc) is available on the LGSS Schools Finance website with a deadline for return of **23rd March 2020**.

25. Period 12 ERP Gold reports will be issued on **2nd April 2020** which will include all year end accruals transactions. This will provide schools with the opportunity to identify any mismatches with the school account and notify LGSS Schools Finance **by no later than close of business on 3rd April 2020**.
26. The electronic form for the FMS to ERP Gold Reconciliation (LB26) should already be in use by schools – this is to be completed and returned **by 3rd April 2020**.
27. LB8 – FMS Year End Reports. To be completed and returned with the relevant attachments **by 24th April 2020**.
28. LB14 – Confirmation of Final Closure 2017-18. To be completed and returned with the relevant attachments **by 7th May 2020**.