Year End Notes for FMS6 users

We recommend reading through these notes completely before starting the year-end process.

Further more detailed notes on running closedown within FMS6 are issued by ScoMIS

How do I balance SIMS to FINEST?

Follow the normal monthly routine to investigate why a variation exists between FMS6 and FINEST using Reports | General Ledger | Trial Balance | Summary Trial Balance | By ledger code, select the month and fund, then print the report. Use this report to check that the balance brought forward (opening balance) and entries for the current month are both correct for each ledger code. Use General ledger | Chart of Accounts Review to evaluate any discrepancies. You will be able to identify what is wrong by checking that the individual transactions recorded for the month in FMS6 are the same as those appearing on the FINEST report and then take corrective action.

If there are any variations for which you cannot account then raise the query directly with Finance Services by E-mail Fineduc@devon.gov.uk or seek advice from your Finance Support Officer.

How do I prepare for year-end?

To prepare for closedown, start by running year-end checks (Reports | Year End | System Checks). It is good practice and helpful to print these reports out. Any potential problems with year-end will be identified for you and enable you to resolve them straightforwardly.

Check invoices

Check that invoices yet to be reconciled (which appear in Central | Manual Reconciliation) are genuinely recent ones. When in Central | Manual Reconciliation use the Sequence button to put the list in "Pay By" order - this may help spot the older items. This is useful, as some items might have been reconciled as Direct Central Payments (Central | Central Payments) when they should really have been done as reconciliation of an invoice (Central | Manual Reconciliation). This means the item may appear both as an actual and as a commitment, a double count that the process of checking to FINEST does not reveal.

Corrective action: Identify the entry in the General Ledger | Chart of Accounts Review to determine the ledger code, fund code, cost centre, amount and period. Then make a contra entry with the same details but with a negative amount as a direct central payment (Central | Central Payments). Next reconcile the invoice properly in Central | Manual Reconciliation, remembering to enter the appropriate period.

Review orders

Review the outstanding orders within the system by using Reports | Accounts Payable | Purchase Order Reports | Purchase Orders and select Outstanding Orders and after printing, checking to see which orders appear to have commitments outstanding against them

- Have they been completely invoiced?
- Has the invoice been inadvertently cleared through the non-order invoice process?
- Check any free text orders; if the order is complete cancel any outstanding commitment.
- Have the goods been included on another invoice? If so you should cancel the commitment.
• Are the goods still required? If not cancel the order (through Accounts Payable | Purchase Order Processing) and tell the supplier. Are the goods going to be supplied in the future? (E.g. are they no longer made or out of print). If they will not be supplied cancel the remaining part of the order. Confirm this with the supplier.

The items that are left will be those that will transfer to the New Year.

How do I review and clear unwanted Staffing commitments?

Regular action should be taken to review and clear any outstanding staffing commitments. To do this, use Salary Projections, highlight each cost centre and use view details to determine if there are any outstanding commitments for that cost centre. If any commitments need cancelling use the Clear Commitments icon to select the month and then clear any outstanding commitments. Although you are strongly recommended to ensure that outstanding commitments are cleared, it is possible to close the old year without clearing every one.

How do I ensure all payments are cleared?

Warning: From the moment you create the New Financial Year you will be asked to select the financial year to work on when running the software. It is then possible to change financial years from within the software.

Outstanding invoices

These need to be cleared; you may find it useful to check through the route Central | Manual Reconciliation that all items that have been invoiced have been authorised.

Please ensure that all invoices for goods received are entered into SIMS, and sent using SCRAPS for payment, but remember to take advantage of the suppliers’ settlement terms, this means even if settlement is not due until later on, the transaction will get into the old year. Please process any Devon County Council external type invoices in the same way but do not defer payment. If you defer payment, this will cause problems with the interface to the sundry debtors system and may lead to problems over reminders etc. When paying DCC bills, enter today’s date.

Final old year payment of Bills

The last day that invoices can be authorised in the old year appears in the timetable.

These payments must be transmitted to County Hall by the published time. Make sure that you allow time for your transmission to go through.

If the published timetable permits the transmitting of payments for the old year during early April, it is essential that the correct year is chosen. This is shown here

Where you are paying a new creditor and you do not have the Creditor number (LEA reference) you can obtain this as normal otherwise please FAX a copy of the invoice to the SCRAPS team on Exeter 382926 by the published deadline.

http://www4.devon.gov.uk/private/resources/dfs/eal/closing_down/schools_yearend/ve44.shtml
It is your responsibility to make sure you allow time for your transmission to go through. If payments are authorised and sent after this time they will be paid and appear in FINEST in the NEW YEAR.

خلاف، If any bills are processed in SIMS after this in the old year problems will occur. This will involve you in additional work to correct matters.

If any transmissions include items that payments are unable to process they will delete them. If they are unable to resolve the difficulty they will notify you but you will need to cancel the old year entries and add the item to your creditor returns.

Bills relating to the old year and not paid by the SCRAPS deadline should only be processed in the New Year after preliminary closedown has been run. These should only relate to goods received in the old year but where the invoice was received after the SCRAPS deadline. Remember to include these on your Creditor schedule.

REMEMBER THAT CREATING CREDITORS ENTRIES DOES NOT INVOLVE ANY CASH BEING PAID TO SUPPLIERS. INVOICES SET UP AS CREDITORS IN THE OLD YEAR STILL NEED TO BE ENTERED AND PAID IN THE NEW YEAR

How do I deal with internal bills/invoices?

Particular care needs to be taken with internal bills/invoices. It is good practice to process and authorise internal bills/invoices in FMS6 when they are received. Take care to check the Financial Year to which they relate before processing. This appears next to the code to be charged. Make sure you have entered and authorised the bill before running the preliminary closedown routine. Old year internal bills will appear in FINEST month 12 regardless of the date shown on the printed copy.

What should I do if after authorising payment I miss the deadline?

All is not lost but you will be involved in extra work. You should include these items on your creditor return. Hold the batch until the New Year and transmit in the normal way. The batch will fail reconciliation; you will need to manually reconcile the entries in the old year and delete from suspense in the New Year. Do not include this batch in your FMS6 journal. You will not be able to complete your March supply until the batch has been sent.

How do I deal with bills relating to the New Year?

You will need to enter these in the New Year

Check you are working in the correct year before starting

You are advised not to process Invoices for New Year items before the published date. If this is an order invoice you may run preliminary closedown but not before the published date.
**How do I deal with Petty Cash?**

This needs to be balanced and all entries to 31st March brought to account. Transmit your claim to the payments section by the published deadline, but by 31st March at the latest. Ensure that cash in hand and at bank agrees with the FMS6 cash in hand figure. If having sent your claim you have to make any late payments relating to the last days of March or if you have any vouchers not entered to FMS6 hold them over and enter these in the New year.

**How do I deal with claims?**

**Claims for additional hours and overtime (non teaching staff)**

These should be completed up to the last working day and after certification sent to the payroll section by FIRST CLASS POST, to arrive no later than the published deadline. We will try to identify those claims relating to the old year. Claims coded to the **overtime code (08)** and paid in April will be charged to the old year.

It is important that the correct sub code for overtime 08 is used or we will not be able to automatically recognise the payments. **DO NOT** include work done on days on or after 1st April. It is your responsibility to ensure that we have taken back all appropriate overtime to the old year.

**Travel Claims - Final Claims**

Please ensure that all travel claims are made up to 31 March and sent to the payments section by FIRST CLASS POST to arrive no later than the published deadline earlier if possible. **DO NOT** include journeys for 1st April or later.

**Claims for Supply Teaching**

These should be completed up to the last working day of March only and after certification uploaded preferably on the same day to the payroll section. Manually certified claims should be sent by FIRST CLASS POST. In all cases claims must **arrive** by the published deadline. Claims sent after this will need to be entered on creditors returns. Claims paid in April will be charged to the old year. **DO NOT** include claims for work done 1st April or later.

**Claims for Interview Expenses**

Claims should be forwarded to the Payments Team in the normal way. These should be marked Old Year on the coding grid. If these do not appear on Month 12 they should be added to the external creditors return. Any claim for a successful candidate starting employment in the New Year should be added to the creditor schedule and released for payment once the candidate commences work.
**How do I deal with outstanding income?**

**Cash**

Ensure that all outstanding non-invoice income has been paid to bank on or before **31st March**. This will be the final date on which money can be banked in order to get into Month 12. Money banked after this will be credited to the New Year. Any banking up to and including the 31st March should not be entered on debtor schedules. If the cash is banked on or after 1st April but relates to the old year it will need to be put on the debtors return.

**Debtors**

Ensure that all CT10/3 forms for inclusion in the old year are sent to the income section to arrive by the deadline. Any entries that fail to get into month 12 will be processed in the New Year and will need to be included on debtors returns. It is your responsibility to ensure that your debtors accounts are in the correct year.

**How do I deal with month 12?**

**Download & Reconciliation**

Month 12 remains open until the **published deadline** part way through April. Download data is available on a daily basis and automatic reconciliation should be run after each download. Any queries or items remaining should be raised before your Easter break. This is to allow sufficient time for any queries to be looked at before the end of the financial year. Any items that are left in suspense need to be looked at promptly so that those that are not recognised are investigated **as a matter of urgency**. As in all months a trial balance should be undertaken to ensure that FINEST agrees with FMS6. However almost all of the work can be done before the printout arrives.

**Creation of creditors and debtors returns.**

**It is most important that you do this in conjunction with the notes.**

These are submitted using a computer program. It may be helpful to check your outstanding commitments, (using Reports | Accounts Payable | Purchase Order Reports | Purchase Orders) before creating the return. Allow sufficient time for outstanding suppliers’ invoices to arrive before starting this process. The processing of your returns for input to FINEST is undertaken against a very tight deadline so it will be helpful if returns could be sent promptly. Additional creditors may be sent as additional files.

If there are any queries we will use e-mail or fax to raise them; if possible please respond by the same means. We will amend the return if necessary for entries that might result in double counting. If you think a mistake has been made in "bringing them to account" then please phone your usual contact in Finance Services at County Hall. Please send the information **once** only. Written confirmation is not required. Send only an e-mail. Do not fax or post copies of data sent by e-Mail. IF ANY CHANGES ARE NECESSARY YOU MUST PUT THE DETAILS IN WRITING. (FAX OR E-MAIL WHERE POSSIBLE). AMENDMENTS WILL NOT BE MADE ON A VERBAL REQUEST ALONE. Additional entries may be created using the program. The absolute deadline for these entries is shown on the timetable.
How do I put my creditors and debtors into SIMS?

SIMS Entries & Processes

Creditors & Debtors entries need to be input to FMS6 from the returns you have created. This can be done by creating a reversing journal transfer or by creating a normal journal.

Which to choose?

Reversing journal (recommended)

This is recommended for most situations. These can be entered in FMS6 before and after running preliminary closedown. This option will save work, as it will create the necessary ‘opposite’ entries in the New Year. If an adjustment does prove necessary after preliminary closedown you will be able to enter a further adjustment Journal (Year end adjustment reversing).

Normal journal

If you want to use normal journals and enter a “mirror image” journal in the New Year then this can be done before running preliminary closedown. After running preliminary closedown you will be able to enter year end adjustments in the Old Year and further normal journals in the New Year. Normal journals are better suited to circumstances where the cost centre structures may have changed and different codes apply in the new year.

You will not be able to pay old year bills in the New Year until you have run preliminary closedown. However even if you wait a few days you will still be able to meet most suppliers payment terms.

Detailed notes on Journals in FMS6 are provided for the users and are available on the ScoMIS website.

How do I do a preliminary or final closedown?

Detailed notes are available to assist you to undertake this procedure.

You may choose to wait for the carryforward notification before running final closedown provided that FINEST and FMS6 balance and you are satisfied there are no outstanding items you may run Final Closedown. Take a backup before commencing.

Conclusion

If you work through each stage in a logical manner and follow the notes then we are confident that you should have a successful closedown!