

2020/21 End of Year Checklist for Income and Expenditure

3rd Edition

1.0	March Bank Reconciliation and VAT Return
1.1	Run the End of year preparation <ul style="list-style-type: none"> - Click “Processes/ End of year Preparation” - Click “Prepare” and correct any issues identified (by the 2 data integrity checks) - Click “Opening Reports” & verify each report matches the 31/03/20 closing report
1.2	Ensure all Income and Expenditure for 2020/21 has been entered
1.3	Review “Reports / Income / Customer Ledger / Aged Debtors ” <ul style="list-style-type: none"> - Write off bad debts with a contra and put “WRITEOFF<no>” in paying in ref. field - <no> = sequential number for each write off
1.4	Review “Report / Expenditure / Supplier Ledger / Aged Creditors ” <ul style="list-style-type: none"> - Write off bad debts with a contra and put “WRITEOFF<no.>” in cheque field
1.5	Enter Accruals as expenditure transactions for services not charged for but relevant to the current financial year 2020/21 e.g. Audit Fees. <ul style="list-style-type: none"> - click Further Details/ Accruals
1.6	Identify payments for goods/ services to be supplied in next financial year 2021/22 <ul style="list-style-type: none"> - click Further Details/ Prepayment or Spread prepayment
1.7	Identify receipts for goods/ services to be supplied in next financial year 2021/22 <ul style="list-style-type: none"> - click Further Details/ Advance Receipt
1.8	Balance all bank accounts including petty cash up to 31 st March 2021
1.9	<p>Review Final Bank Reconciliations</p> <p>Review all “Uncleared and Unpresented Effects” If you have any uncleared effects which are over 3 to 6 months old, then investigate if they are still valid and take the appropriate action, i.e. delete reconciliation, write off/ cancel transaction with “Contra” button and if necessary issue a replacement cheque by using the “Copy” option.</p> <p>Uncleared Standing Orders and Direct Debits If you have standing orders or direct debits listed under “uncleared and unpresented effects” then make them unpaid by deleting reconciliation, use “Make Unpaid” button and leave them as closing creditors.</p> <p>Uncleared Receipts Only receipts paid into the bank and not yet shown on a 31st March 2021 bank statement can be listed under “uncleared and unpresented effects”. All other uncleared receipts must be made unpaid by deleting the reconciliation, use “Make Unpaid” button and treat them as closing debtor.</p>
1.10	Run the regular data integrity <ul style="list-style-type: none"> - Click “Maintenance/ Database Integrity/ Regular” and correct any issues identified
1.11	Run your VAT return up to 31 st March 2021 <ul style="list-style-type: none"> - Create the debtor or creditor for the final quarter <p>If your VAT Quarter does not coincide with 31st March 2021, run an interim VAT Return up to 31/03/21 and create a closing VAT debtor.</p>
1.12	Review Reports / Financial Status / VAT Summary <ul style="list-style-type: none"> - If this report does not state that it balances you will need to re-run all VAT returns

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2.0	Review Budgets and Reserves
2.1	<p>Budget Analysis Review "Reports / Financial Status / Comparisons"</p> <ul style="list-style-type: none"> - Check for discrepancies i.e. budget over spend - Vire between budgets by adjusting the revised budget column <p>Review "Reports / Budget Headings / Expenditure by Budget Heading"</p> <ul style="list-style-type: none"> - Review the report in line with the comparisons report - Look for income or expenditure posted to wrong budget heading and correct by using "Budget/ Journal Transfers"
2.2	<p>Reserve Movements</p> <ul style="list-style-type: none"> - Income for an earmarked reserve and expenditure funded by an earmarked reserve must be linked to the appropriate reserve via the reserve "Journal" option - Also use "Journal" option for each transfer between general fund and a reserve
3.0	Annual Return
3.1	<p>Year Start Integrity Check</p> <ul style="list-style-type: none"> - Click "Maintenance/ Database Integrity/ Year Start" - If problems are detected, investigate by using the buttons displayed and compare with the closing position for the previous year - Correct ledger dates via "Maintenance/ Alter Received Income" & "Alter Paid Exp" - Correct opening transaction values by ticking "Accruals" on "Further Details" tab
3.2	<p>Verify "Maintenance/ Setup/ Year Start/ Annual Return Figures" are 2019/20 values Verify "Maintenance/ Setup/ Year Start/ Balance Sheet Figures" values are for 31/03/20</p>
3.3	<p>"Reports / Financial Status / Period -Year End Statements/ Trial Balance (TB)"</p> <ul style="list-style-type: none"> - Investigate if it does not state that it balances
3.4	<p>"Reports / Financial Status / Period-Year End Statements/ I&E Account"</p> <ul style="list-style-type: none"> - Verify left hand values match 2019/20 closing values & correct via I&E Quick View
3.5	<p>"Reports / Financial Status / Period-Year End Statements/ Balance Sheet"</p> <ul style="list-style-type: none"> - Investigate if it does not balance
3.6	<p>"Reports / Financial Status/ Period-Year End Statements/ Annual Return"</p> <ul style="list-style-type: none"> - If variation 15% or higher compared to last year explain why by using the "Income and Expenditure Figures by Budget Headings" report and "I&E Annual Return Analysis" report
3.7	<p>Print reports as specified in the "2020-21 End of Year - Reports" document</p> <ul style="list-style-type: none"> - Most reports available via the new internal auditor workflow; "Reports/ Auditor"
4.0	Start of Year
4.1	<p>"Budgets/ Budget Headings – Quick View"</p> <ul style="list-style-type: none"> - Verify that 2021/22 budgets are correct
4.2	<p>Processes/ Start of Year</p> <ul style="list-style-type: none"> - Follow the instructions to start the new 2021/22 financial year
4.3	<p>New Budget Structure for 2021/22 ?</p> <ul style="list-style-type: none"> - Contact EDGE to request help to do this BEFORE entering any transactions

Please see overleaf for instructions on how to explain the values on the Annual Return.

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English Annual Return – explain Boxes 1 to 9

- Box 1 = left hand side value for “Net Assets” on “Consolidated Balance Sheet”
 - left hand side value “Total Long Term Assets” on “Consolidated Balance Sheet”
- Box 2 + Box 3
 - = total net income
 - = right hand side value for “Total Income” on “I & E Account”
 - + right hand side value for Stock Adjustment on “I & E Account” if stock increased
- Box 4 + Box 5 + Box 6
 - = total net expenditure
 - = right hand side value for “Total Expenditure” on “I & E Account”
 - + right hand side value for Stock Adjustment on “I & E Account” if stock reduced
- Box 7 = right hand side value for “Net Assets” on “Consolidated Balance Sheet”
 - right hand side value “Total Long Term Assets” on “Consolidated Balance Sheet”
 - = Left hand side value for “Net Assets” on “Consolidated Balance Sheet”
 - + right hand side value for “Total Income” on “I & E Account”
 - right hand side value for “Total Expenditure” on “I & E Account”
 - + right hand side value for Stock Adjustment on “I & E Account” if stock reduced
- Box 8 = “Total of closing balances” on “Financial Summary - Cashbook“
- Box 9 = “Grand Total” for “Current Value” column on last page of:
Reports/ Assets/ Fixed Assets/ Fixed Asset List

Troubleshooting Boxes 1 to 6 - If you have problems explaining Boxes 1 to 6 above, then use the following checks to help pinpoint the problem:

- Box 2 = Precept received
- Box 3 = right hand “Total Income” on “Income and Expenditure Account” minus Box 2
 - + right hand side value for Stock Adjustment on “I & E Account” if stock increase
- Box 4 = Total of “EXPENDITURE” column in “Income and Expenditure by Budget Heading” report for all budget headings with “4 Staff” in the “Annual Return Box” column
- Box 5 = Total of “EXPENDITURE” column in “Income and Expenditure by Budget Heading” report for all budget headings with “6 Payments” in “Annual Return Box” column
- Box 6 = Right hand side value of “Total Expenditure” on “I and E Account”
 - Box 4
 - Box 5
 - + right hand side value for Stock Adjustment on “I & E Account” if stock reduction

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Welsh Annual Return – explain Boxes 1 to 7

- Box 1 = left hand side value for “Net Assets” on “Consolidated Balance Sheet”
- Box 2 + Box 3
 - = total net income
 - = right hand side value for “Total Income” on “I & E Account”
- Box 4 + Box 5 + Box 6
 - = total net expenditure
 - = right hand side value for “Total Expenditure” on “I & E Account”
- Box 7 = right hand side value for “Net Assets” on “Consolidated Balance Sheet”
= Box 11
 - = Left hand side value for “Net Assets” on “Consolidated Balance Sheet”
 - + right hand side value for “Total Income” on “I & E Account”
 - right hand side value for “Total Expenditure” on “I & E Account”
 - + right hand side value for Stock Adjustment on “I & E Account”

Troubleshooting - If you have problems with the boxes 1 to 7 above, please refer to the “Troubleshooting Boxes 1 to 6” section on the previous page.

○ Welsh Annual Return – explain Boxes 8 to 12

- Box 8 = right hand side value for “Stocks” on “Consolidated Balance Sheet”
 - + right hand side value for “VAT Recoverable” on “Consolidated Balance Sheet”
 - + right hand side value for “Debtors” on “Consolidated Balance Sheet”
 - + right hand side value for “Payments in Advance” on “Consolidated Balance Sheet”
- Box 9 = “Total of closing balances” on “Balance Sheet”
 - = right hand side value for “Cash in Hand at Bank” on “Consolidated Balance Sheet”
 - + right hand side value for “Investments” and “Loans Made” under “Current Assets” on “Consolidated Balance Sheet”
- Box 10 = right hand side value for “Creditors” on “Consolidated Balance Sheet”
 - + right hand side value for “Receipts in Advance” on “Consolidated Balance Sheet”
- Box 11 = Box 7
 - = right hand side value for “Net Assets” on “Consolidated Balance Sheet”
 - = Left hand side value for “Net Assets” on “Consolidated Balance Sheet”
 - + right hand side value for “Total Income” on “I & E Account”
 - right hand side value for “Total Expenditure” on “I & E Account”
 - + right hand side value for Stock Adjustment on “I & E Account”
- Box 12 = “Grand Total” for “Current Value” column on last page of:
Reports/ Assets/ Fixed Assets/ Fixed Asset List