

HARLOW DISTRICT COUNCIL

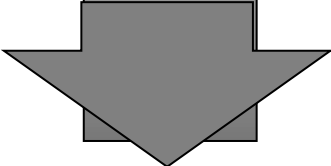
2024/25 YEAR-END CLOSING OF ACCOUNTS GUIDANCE

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KEY DATES

NOW	Read the guidelines – make sure you know what will be required and if in any doubt, contact your Service Accountant
19 March	Debtor Requests – last day for authorised requests to be received in Revenue and Benefits
19 March	Purchase Orders – last day to raise 24/25 purchase orders
20 March	Creditor Invoices – last day for processing in Agresso
27 March	Purchase Cards – last day for transactions to be completed
31 March	Petty Cash & Stock – any cash balances / stock held must be counted and reconciled at close of business today.
4 April	Petty Cash & Stock – certificates to be returned to your Services Accounting Technician
11 April	Accruals forms – all forms to be returned to Accountancy, with full working papers (Revenue. Capital, GF & HRA)
25 April	Carry forward requests – last day to accept requests
25 April	All service based/controllable ledger entries completed
16 May	Provisional Outturn 1st draft of report completed
30 May	Draft Statement of Accounts 2024/25



1. OVERVIEW

- 1.1. These notes provide guidance for all budget holders / cost centre managers in closing the accounts for 2024/25. The notes attempt to strike a balance between defining what is required and providing a succinct and readable set of guidelines.
- 1.2. The key dates in the closure programmes are shown on page 2. Your co-operation is vital to achieving these deadlines and the completion of the accounts by 30 May.
- 1.3. The guide sets out the responsibilities of budget holders / cost centre managers and the commitments made by Finance to support staff during this process and to answer some of the more frequently asked questions which are raised each year.

2. BUDGET HOLDER / COST CENTRE MANAGER RESPONSIBILITIES

- 2.1. Budget holders and cost centre managers have a key role to play ensuring that the Statement of Accounts fairly reflects expenditure incurred during the year and the income due during the year rather than actual money paid or received.
- 2.2. It is therefore necessary to identify all goods and services received for which no payment has yet been made and account for these as creditors; and to identify goods and services provided for which no income has yet been received or an invoice raised and to account for these as debtors.
- 2.3. Remember, the year in which we account for goods and services depends on the **date they are received**, not when they are ordered or when we receive the invoice. If goods or services are received on or before **31 March 2025** they are accounted for as 2024/25 expenditure but if received after **31 March 2025** they are accounted for as **2025/26** expenditure.

3. INCOME

If I receive income (cash/cheques) do I need to do anything?

- 3.1. If you receive cash or cheques directly it is important that this is banked promptly at the year-end. Please ensure all cash and cheques are banked by the end of **31st March 2025** to ensure these are posted into 2024/25 accounts.
- 3.2. Any cash or cheques received after this date will be paid into 2025/26. However, if the cash relates to 2024/25, please talk to your Services Accounting Technician to arrange a transfer.

4. PETTY CASH / CHANGE FLOATS

I hold Petty Cash and/or a Change Float – do I need to do anything?

- 4.1. Any cash held should be counted and reconciled at the close of business on 31st March 2025.
- 4.2. If there are any outstanding cash advances, every effort should be made to clear them before 31st March 2025. If this is not possible, please complete a creditor form for the total of the expected claim.
- 4.3. All balances held must be recorded on a year-end petty cash certificate which will be sent to you by your Services Accounting Technician. These should be completed, signed by the responsible officer and returned to your Services Accounting Technician by 4th **April 2025**.

5. STOCK

What do I need to do if I hold stock?

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- 5.1. If your service holds a stock of goods that will be sold onto the public, then a stock take should be carried out at the close of business on **31st March 2025**.
 - 5.2. Stock balances must be recorded on the year-end **Stock Valuation Certificate** which should be completed, signed by the responsible officer and returned to your Services Accounting Technician by **4th April 2025**.
 - 5.3. If you are not sure whether or not you need to undertake a stock take, please check with your Services Accounting Technician.

6. DEBTORS

What is a debtor?

- 6.1. A debtor is someone who owes money to the Council for goods or services provided on or before 31 March 2025. If you have any debtor invoices to raise for goods and/or services which your department has already provided, please complete invoice requests for these, authorise them and pass them to the Incomes Team in Revenues & Benefits as soon as possible.

What do I do with debtor invoice requests?

- 6.2. Authorised Debtor Invoice requests received by the Revenues and Benefits by 20th March 2025 will be processed as normal and no further action is required. The service will aim to raise the invoices by Friday 28th March 2025.
- 6.3. If you have a debtor invoice request that is for 2025/26 please pass these to the Revenues and Benefits service with '2025/26' clearly marked in red on the top right hand corner of the request, these will be raised after the 31st March 2025.

How do I record a debtor?

- 6.4. Where invoice requests have not been raised but debts are outstanding for goods and services provided on or before 31st March 2025, these should be listed on the year-end Sundry Debtors Accrual Schedule and returned to your Services Accounting Technician by **11th April 2025**.

7. CREDITORS

What is a creditor?

- 7.1. A creditor is someone who the Council owes money to for goods and services received on or before 31st March 2025.
- 7.2. A creditor accrual is **NOT** a way of appearing to have spent your budget – it must relate to goods or services provided but not paid for in the financial year and match with the invoice when received. Finance is required to look closely at creditors raised to ensure that they are valid. External Audit will also carry out a review to assess the accuracy of creditors, and full working papers will need to be provided to substantiate any creditor.

How do I deal with Purchase Orders / Commitments?

- 7.3. Purchase Orders outstanding at 31st March 2025 must either be;
Processed – see 7.4 and 7.5
Terminated – if the order will not be fulfilled, or
Carried over to 2025/26 - if the goods or service have not been received by 31st March 2025. This does not automatically carry over the budget. You will need to make a request for a budget carry over.

What do I do with Invoices?

- 7.4. In order to make payments in 2024/25, all authorised invoices must be received by the payments team by **5pm on Thursday 20th March 2025** at the latest. This will ensure that they are entered into the 2024/25 accounts.
- 7.5. Any invoice received by the payments team after that date will automatically be paid in the financial year 2025/26. If they relate to 2024/25 please make your Services Accounting Technician aware of these invoices to ensure they are accrued for correctly.

How do I do a manual creditor?

- 7.6. Amounts payable for goods or services received on or before 31st March 2025 and where you have not passed an invoice to the payments team by 20th March 2025, should be listed on the year-end Sundry Creditors Accrual Form.
- 7.7. These forms must be completed and returned to your Services Accounting Technician by **11th April 2025**.

What happens if the value of the creditor is unknown?

- 7.8. As creditors should cover any goods or services received but for which an invoice has not been paid, it is quite likely that the value of some creditors will not be known and an estimate will be required. Please do not wait until an invoice is received, your best estimate of the value will be sufficient, but if you need any assistance with estimation please contact your Services Accounting Technician. You will still be required to provide detailed working papers to support your estimation.

What records should I keep/provide?

- 7.9. You should provide all supporting documentation for all creditors (e.g. delivery notes, confirmation of attendance at a course, etc.) so that we can supply this to the External Auditor.

8. ACCUMULATED ABSENCES

- 8.1. The Council must make a provision in the Statement of Accounts for the approximate value of untaken flex and annual leave accrued as at 31st March. This is referred to as the Accumulated Absences provision.
- 8.2. Each manager will be required to complete a return (published alongside this guidance) showing the untaken flex balances for each staff member in their team as at 31st March. This must be returned to the Accountancy team by **11th April**.
- 8.3. The corresponding information for annual leave will be taken from iTrent, so it is vital that leave records are up to date on the system by 31st March.

9. PAYMENTS IN ADVANCE (PIA) / RECEIPTS IN ADVANCE (RIA)

What do I do if I think I have a payment in advance/receipt in advance?

- 9.1. Speak to your Services Accounting Technician who will be able to advise you. A pragmatic approach should be taken and as long as a full year's cost is accounted for in each financial year a PIA or RIA may not be necessary.
- 9.2. If a PIA or RIA has taken place, please complete the year end **PIA/RIA Form** and return to Finance by **11th April 2025**. (A payment in advance accrual pro-forma is attached as an appendix to these guidance notes).

10. CARRY FORWARD REQUESTS

- 10.1. If you have a specific request for a carry forward, please complete a carry forward request form and return to Accountancy by **25th April 2025**.
- 10.2. Carry forward items should have been identified in the period 11 budget monitoring and should be for areas of specific underspends (e.g. a project budget) and not for general underspends (e.g. staffing and running expenses).
- 10.3. Each request will be considered on a case by case basis by the Executive Management Team. .
- 10.4. All carry forward requests (revenue and capital, General Fund and HRA) must be approved by the Executive Management Team, who will make recommendations to Cabinet, and be taken as part of the 2024/25 Outturn report in July 2025. Until carry forwards have been approved **DO NOT** assume you have them, nor start spending against them.

11. CAPITAL

Is capital closure any different?

- 11.1. Accounting for capital spending of the Council involves special care. While in principal the procedures outlined above should be followed for capital as well as revenue, it is essential that capital accruals are recorded on separate schedules from revenue.
- 11.2. If you are responsible for capital spending, you must ensure that all capital accruals are advised to your Services Accounting Technician by **11th April 2025** using the appropriate Capital Creditor form.

Capital Contracts Retention and Certification of Work

- 11.3. Measurement of capital works is vital. Contracts where retention is relevant should be identified and the retention costs reported to your Services Accounting Technician. Where possible, valuations for capital works in progress should be undertaken as close to the 31st March 2025 as possible so that the correct value of works to date is recorded in the accounts. Any invoice submitted relating to such valuations not paid in 2024/25 should be submitted on the appropriate Capital Creditors Form by **11th April 2025**.

Capital Financing

- 11.4. It is important that you know how your capital spend is being financed (e.g. by grant, council borrowing) and that the finance department has all the relevant evidence to back up funding streams.

KEY CONTACTS

Jacqui Van Mellaerts – Assistant Director - Finance	Ext. 6251
Accounting Teams – Completion of accruals advice, flexi leave returns, stock & petty cash certificates and carryover requests	
Jo Barnett – Corporate Accounting Technician	Ext 6226
Richard Criddle – Services Finance Manager (GF/HRA)	Ext. 6223
Amanda Norbury – Service Accounting Technician	Ext. 6254
Andrea Tumova – Service Accounting Technician	Ext. 6219
Michelle Davis – Service Accounting Technician	Ext. 6218
Systems Team – Systems use and access, Purchase Orders, Accounts Payable, general financial advice	
Jo Curran – Systems Business Partner	Ext. 6220
Marie Morris – Systems Assistant	Ext. 6299
