

Attention school finance officer

For your attention and action

Dear Colleague,

Closedown 2020-21

The following is the 2020-21 accounts closedown procedures for maintained schools, the tasks generally replicate the processes being undertaken each month by schools and generally replicate those of previous years. See month-end processes checklist at end of this communication.

The end of the Spring term and the Easter break are aligned this year with the last school day for the spring term is the same as the year end on Wednesday 31 March 2021. Schools are reminded to take care during the last week of the spring term as all accounting transactions and entries into the school's SAP accounts from 1 April 2021 will be in the new 2021-22 financial year.

Any transactions raised by schools made into the 2020-21 accounts after the dates shown will be moved to the new financial year 2021-22.

The financial accounting period 2020-21 will close on 31 March 2021, schools will have access to and be able to access their accounting systems to this date. Schools are again asked and strongly advised to complete the necessary closedown tasks as early as possible and not process any accounting transactions, (raise POs, goods receive, pay invoices, process journals etc.) after 31 March, trying to post them into their 2020-21 accounts. This in effect means schools accounts, requiring school input will cease to be available for use at close of business on 31 March 2021. Payroll charges, procurement card transactional details and other end of month payments relating to March processed by the local authority (through Hampshire IBC) will however be made into schools' accounts and posted into what will be at that time the "old" financial year (2020-21).

The need for schools to generate accruals is now considered immaterial to either schools' individually or the local authority's overall accounts. Therefore, schools will not be asked to, be expected to or permitted to raise any accruals. Other local authority sections supplying services (meals and cleaning costs) to schools have been asked to ensure that their charges are processed into school accounts before end of the financial year or, if not material, carried over into next year (2021-22). Schools are therefore asked to give priority to any internal trading documents they receive during the final months of the financial year and process them promptly.

Given the above, it is expected that the schools' balances will be compiled and provisional confirmed before the end of May 2021. Schools will, of course, continue to have access to their financial records and will be able to include a near exact 2020-21 balance in their budget plans for 2021-22, long before any confirmation of the figures is issued by the local authority.

In addition to these year-end (monthly) tasks you need to undertake in your school's financial records you are also required to make the following returns:

- Capital return - A capital return pre-populated from your SAP account will be made available to schools around 22 March 2021. Schools will be asked to confirm the figures and return to graham.clare@Oxfordshire.gov.uk by return but no later than **26 March 2021**.
- Please note that due to COVID there is no requirement for schools to produce a return for all new leases during 2020-21.
- Local Expenditure Accounts – Schools are required to reconcile expenditure processed through this account and ensure that the account is topped-up before year-end.
- **Schools are required to complete an annual non-pay benefits return (reference P11D return)**. The IBC is required to make annual returns to HM Revenue and Customs (HMRC) showing all (non-pay) benefits provided to employees for itself and its partner organizations (including Oxfordshire). In order to make the return, details of all benefits and the employees who received them need to be provided, and a request for this information and explanation of what is required are attached. It is not expected that schools will have much to report or list on this return. Again, these returns should be sent to payrollsupport@hants.gov.uk by **31 March 2021**.
- All forms included with this document will also be included the local authority's Intranet.

The work undertaken by schools' supplements that which is completed by the local authority's Corporate Finance team and is included as part of the local authority's year-end accounts (Section 251 Outturn Statement) and draft Consistent Financial Reports produced for schools.

Closedown Key Points

There are a few points concerning the returns and closedown process to bring to your attention.

1. Please use the e-mail address stated as it has been specifically set up for this type of purpose. Capital returns to graham.clare@Oxfordshire.gov.uk and P11D returns to payrollsupport@hants.gov.uk
2. Where schools miss any deadline, or errors have occurred, the local authority (LA) may be required to make its own adjustments to comply with accounting policies and closedown instructions. This may cause some additional work within the school as you may need to provide a reconciliation statement between your financial figures and those published in Section 251 Outturn statement.
3. Your school's Consistent Financial Report (CFR) will be generated centrally by local authority's Corporate Finance, agreeing the figures to the local authority's published Section 251 figures.

4. All transactions generated by schools into their financial records must be processed by 31 March 2021. Any transactions to be entered after that date must be recorded in the 2021-22 financial year's accounts.

5. Although a period (month) 13 relating to 2020-21 will be opened in the local authority's accounts, schools are not permitted to make any entries in this period, no agreement from local authority's Corporate Finance to do so will be given. Any actual transactional entries made into this period will be undertaken by local authority's Corporate Finance only.

6. It is important that all those within schools responsible for closedown read and fully understand these guidance notes and any implications before beginning any of the identified month end/year-end closedown tasks.

Hopefully, based on the above and the guidance notes that follow you will appreciate that there is relatively little additional work related to closedown other than the routine monthly tasks currently being undertaken by you.

KEY DATES

DATE	WHO	ACTION
End of each month	School	Undertake and process all month end tasks as required. If you have any problems or concerns, please do not hesitate to contact your school's named Education Finance Services (EFS) finance adviser.
End of each month	School	Review possible capital coding errors (cost centre and/or gl coding) and correct
31 March 2021	School	Deadline for submission of P11D
Provisional 15 March 2021	School	All transactions relating to school's <u>capital</u> accounts to be completed
26 March 2021	Corporate Finance and schools	Pre-populated Capital return to be sent to all schools from the centre. Schools should validate their capital return figures and return to Centre by 26 March
26 March 2021	School	Last date for schools to enter invoices relating to goods and services in 2020-21 for spend to be included in 2020-21.
26 March 2021	School	Last day for LEBA transactions for 2020-21 to be recorded via the IBC Portal for LEBA accounts to be reconciled and claims submitted for approval
Provisional 29 March 2021	School	Schools to notify local authority of any changes or discrepancies on draft capital return
Provisional 29 March 2021	All	Last date for internal trading requests to schools for internal goods and services provided or received in 2020-21
DATE	WHO	ACTION

31 March 2021	School	Last day to bank income received locally and complete the local banking for on the IBC Portal
31 March 2021	School	Schools to review and authorise invoices submitted for payment for goods and services received in 2020-21
31 March 2021	School	Last day for approving LEBA claims for 2020-21
31 March 2021	School	Deadline for submission P11D non-pay benefits returns
31 March 2021	School	Last date to raise a customer invoice for goods and services provided in 2020-21
31 March 2021	School	To complete internal trading requests received Incomplete documents will be deleted by 31 March 2021
31 March 2021	School	TERM ENDS
1 st April 2021	Corporate Finance	Period 13 (2020-21) opens but not to be accessed by schools.
1 st April 2021	All	New financial year 2021-22 begins.
1 st April 2021	Corporate Finance	For 2020-21 accounts, Corporate Finance will begin their reconciliations of the school accounts. Adjustments will be made to the schools accounts for the following: <ul style="list-style-type: none"> • Clearing unattached gl codes, if school have not cleared these codes. Adjustments to ensure these items appear within the schools reporting • Capital postings – If schools have not performed their monthly processes to clear revenue postings against capital cost centres and capital postings against revenue cost centres we will make adjustments to balance the accounts to issued figures. • Re-align costs in community focused cost centres if not resolved by school • Movement to reserves and third party balances. These may be posted to the central control accounts to ensure they do not appear on schools reports. • Any other adjustment that is requested by the Finance Business Partner – CEF.
1 to 16 April 2021	School	Schools Easter (April Holiday)
July 2021, date to be confirmed	Corporate Finance	Estimated date for final submission of Consistent Financial reporting (CFR) returns for 2020-21 to DfE.

If you have any problems or concerns, please do not hesitate to contact your school's named Education Finance Services (EFS) finance adviser (telephone number specific).