The Health Professions Council
Finance & Resources Committee Meeting

Financial Procedures

From Secretary to the Committee

A Financial Procedures Manual has been drafted and approved by the Auditors. The Committee is asked to note the document and pass individual comments to the Finance Director.

Health Professions Council

Financial Procedures

August 2002

Contents

1.1   Receiving and Recording Fee Income

1.1.1   Income for fees is received in the Registration Department. Details are input to the Care System in E numbered batches. At the end of each day a journal is created, containing all the days' batches, and saved in an ASCII file. File path:

Mnt on 'L2000' (L:)\Import

All previous file names, E numbers and dates are recorded manually on a record sheet in the relevant file.

1.1.2   Select the subsequent file number from the written record (format is NL followed by numbers).

1.1.3   Check that the ASCII file contains the subsequent E numbered journals and record file name, E numbers and dates in the manual record sheet.

1.2   Importing Fee Income Data to SAGE

1.2.1   Import data by logging on to SAGE and select the file path:

Accounting System\Nominal Ledger\Untilities\File Maintenance\Import Ledger file

'File Type' – select **Trans** from the drop down menu

'Enter file path' - : L: \ import \ NLxxxxxx (file name) then press RETURN

Click on 'Print'

Select the latest 'NOM_LEDGER UPDATE' and double click to open

Scroll through the file and check that no double entries exist

Scroll to end of file and check that 'No of Postings Ignored' = 0.

1.2.2   Run the Trial Balance as follows:

Accounting System\Nominal Ledger\Reports\Financial Statements\Trial Balance\Print (this will calculate the Trial Balance)

When complete click on PRINT SPOOLER to select and view the 'Trial Balance'.

1.2.3   Use the 'Balance' from the Trial Balance figures for the current month to update the Income Analysis in Excel, the file path in Excel is:

Richard on 'hpc_files\users' (N:) \HPC\Analysis & Rec's\HPC-Income Analysis

1.2.4   On completion, journal entry monthly income per profession from the income code to the deferred income code for each profession:

create a journal

enter spreadsheet figures for each profession by type of income (retention,

registration – full, registration – part)

post journal.

This takes all income for the month out of the income code for each profession by type.

1.2.5   The actual income for the month (by profession and type) as calculated by the spreadsheet should then be posted back to the income code:

create a journal

enter spreadsheet figures for each profession by type of income (retention,

registration – full, registration – part)

post journal.

1.2.6   Reconcile the spreadsheet balance to the Trial Balance totals by profession and type of income.

SECTION 2 – INVESTMENT INCOME

2.1   General

2.1.1   Brokers Carr Sheppards Crosthwaite manage a portfolio on behalf of HPC. The value is approximately £2 million. A deposit account is used to purchase and sell investments (shares, Bonds, Unit Trusts etc).

2.2   Purchases

2.2.2   When Carr Sheppards Crosthwaite make a purchase they should send a 'Contract Note' to HPC (Management Accountant) which states details of the purchase and value. The amounts should be posted to SAGE. This is usually done at the end of the month.

2.2.3   In SAGE, select the file path:

Accounting Systems\Cash Book\Transaction Entry\Payments\N/L Payments

From the Bank Account scroll bar select:

'NW4' - PORTFOLIO INVESTMENT ACCOUNT

For each payment enter:

- The relevant Nominal Ledger code (4101- Investments @ Cost)
- Select the icon 'Not Vatable'
- The transaction date (settlement date)
- In 'Narrative' enter details of purchase including type amount and name
- Enter the amount of payment, then press ENTER.

2.3   Sales

2.3.1   When Carr Sheppards Crosthwaite sell an investment they should send a 'Contract Note' to HPC (Management Accountant) which states details of the sale and value. Any profit or loss should be calculated by comparing the sale price to the previous month's valuation of the investment. The amounts should be posted to SAGE. This is usually done at the end of the month.

2.3.2   In SAGE, select the file path:

Accounting Systems\Cash Book\Transaction Entry\Payments\N/L Payments

From the Bank Account scroll bar select:

'NW4' - PORTFOLIO INVESTMENT ACCOUNT'

For each payment enter:

- The relevant Nominal Ledger code (4101)
- Select the icon 'Not Vatable'

- The transaction date (settlement date)
- In 'Narrative' enter details of sale including type amount and name
- Enter the amount of payment, then press ENTER
- The sale price should be coded to the 'Portfolio' code (4101) and any profit or loss to the 'dis on inv (Realised)' code (1404).

2.4   Monthly Income

2.4.1   Carr Sheppards Crosthwaite should send a Monthly Income Statement which should detail any dividend payments and interest. A Consolidated Tax Certificate should also be received each month detailing interest received on the deposit account.

2.4.2   In SAGE, select the file path:

Accounting Systems\Cash Book\Transaction Entry\Payments\N/L Payments

From the Bank Account scroll bar select:

'NW4' - PORTFOLIO INVESTMENT ACCOUNT'

For each payment enter:

- The relevant Nominal Ledger code (1403)
- Select the icon 'Not Vatable'
- The transaction date (last day of the previous month)
- In 'Narrative' enter 'Portfolio' Income
- Enter the amount of payment, then press ENTER.

Note: Other transactions (i.e. Rights Issues) can also occur and action to be taken should be taken on an individual basis.

2.5   Revaluation of the Portfolio

2.5.1   Carr Sheppards Crosthwaite should send a monthly summary showing the current value of the Portfolio. The new value of the Portfolio should be input to SAGE on a monthly basis.

2.5.2   In SAGE create and post a journal coded as follows:

If the Portfolio has made a profit -	CR - P & L on Investments (unrealised) 1405
	DR – Portfolio 4101
If the Portfolio has made a loss -	CR –Portfolio 4101
	DR - P & L on Investments (unrealised) 1405.

2.6   Investment Reconciliation

2.6.1   All entries to SAGE should also be recorded on an excel spreadsheet. This information should then be used to update Investments data in the Monthly Management Accounts and for reconciliation purposes.

2.6.2   Each month in Excel, if this has not already been done, create a new folder and copy in the previous month's Schedule Listing:

Richard on 'hpc_files\users' (N:) \HPC\Month End\ 'Current Month folder'(ie August)\Schedule Listing 'MMMM'(ie August)02

Select the sheet ' Investments' and update to reflect all the transactions made in the Cash Book and Nominal Ledger (sales, purchases, profit/loss on sale, dividend payments, interest and revaluation).

The totals of transactions should reconcile to the details held on the Trial Balance.

Once updated, this information feeds directly through to the Monthly Management Accounts data.

SECTION 3 – MISCELLANEOUS INCOME

3.1   General

3.1.1   Miscellaneous income is received by cheque and usually covers fee assessments, refunds from suppliers' etc.

3.1.2   Any income of this type should be record in the Miscellaneous Income Book and details should include:

- Date
- Cheque number
- Reference or invoice number
- Narrative
- Nominal Ledger code
- Amount
- Date the Cheque was banked and the paying in slip number.

3.1.3   When paying the income into the bank the separate paying in book should be used.

3.1.4   On receipt of the relevant bank statement coding to SAGE should be carried out (refer to **SECTION 6** for this process).

3.1.5   All remittance advices should be retained.

3.2   Banking

3.2.1   On receipt of any cheque, a paying-in slip and stub in the allocated book should be completed. The paying-in slip should be removed and along with the cheque(s) taken down to the Registration Department who arranges banking the income.

SECTION 4 – PURCHASE LEDGER

4.1   Payments

4.1.1   Purchase Orders should be completed for all purchases, authorised by the relevant Line Manager/Budget Holder and submitted to the Finance Department.

4.1.2   Invoices received should be physically matched to the relevant purchase order and each stamped with the number (follow on from the previous number used), stamped and signed as examined by the Purchase ledger Officer.

4.1.3   On SAGE, create a batch and code all amounts to the 'PL – unauthorised Invoices' code (6302). This is a control account used, pending invoice authorisation.

4.1.4   The purchase order and invoice should be sent to the Line Manager/Budget Holder, who should check the invoice details, authorise the invoice and return the documents to the Finance Department.

4.1.5   On receipts of the authorised invoices, the Purchase Ledger Officer should then create a batch and recode the invoice amounts from the 'PL – unauthorised Invoices' to the correct department expenditure code.

4.2   Expenses

4.2.1   HPC has 10 committees for which committee members can claim expenses:

HPC Council
Education and Training Committee
Investigating Committee
Conduct & Competence Committee
Health Committee
Finance & Resources Committee
Registration Committee
Communications Committee
Consultation Steering Group
Audit Committee.

4.2.2   Members complete an 'Expense Claim for Council or Committee Members' form (see Appendix D) and submit this to the Purchase Ledger Officer. All expense claims should be supported with appropriate receipts.

4.2.3   The procedure for 4.1.3 to 4.1.5 is repeated. The expense claim should be sent to the Budget Holder responsible for the committee meeting for authorisation.

4.3   Assessment Payments

4.3.1   For every assessment the Assessor completes an A4 'Assessors Fees and Incidental Expenses' form. The Assessor submits each form to the Overseas Department who authorise the form and send it to the Finance Department.

4.3.2   For self employed Assessors, payments are made for the gross amount on a weekly basis. These are put through in a batch as explained in 4.1.3 to 4.1.5.

4.3.3   Assessors employed by HPC are paid monthly via the last payment run of the month.

4.3.4   At the end of each month, the Purchase Ledger Officer creates a manual list stating the Name of Assessor and the number of assessments carried out. This list is passed to the Financial Accountant.

4.3.5   The Financial Accountant carries out a payroll run on SAGE Payroll to enable the relevant tax and National Insurance Deductions to be calculated. On completion, The Financial Accountant passes the deduction amounts per Assessor to the Purchase Ledger Officer.

4.3.6   The Purchase Ledger Officer batches all the forms as described in 4.1.3. This codes the gross amount to the relevant department code. A credit note is then created for the total amount of deductions. This is coded to 'Assessors – NI & Tax Control' code 6309. For the process of Credit Notes see 4.8.5 – 4.8.6.

4.4   Payment Runs

4.4.1   The payment run is carried out every Friday.

4.4.2   In SAGE, select the file path:

Accounting Systems\Purchase Ledger\Remittance Cheque Production, select 'AUTO' and on completion 'PRINT'. This prints the Suggested Payment Run (all payments due for that week).

4.4.3   The Financial Accountant reviews the Suggested Payments Run and checks suppliers and amounts and then signs the report as evidence of review.

4.4.4   Any changes should be made and then the following actions carried out produce the payment run:

- *Accounting Systems\Purchase Ledger\Remittance/Cheque Production*

- At 'You already have a suggested payment file in use, do you wish to start again?' enter 'Y' for yes. The system will run through the supplier accounts, click continue

- For 'Date of Remittance' enter 'today's date or if month end has not been completed, the last day of the previous month', press RETURN

- Confirm 'Yes', press RETURN. It will run through the supplier accounts and return to the payment screen

- Select 'Suggested Payment Report' and print

4.4.5   The Financial Accountant reviews the final Suggested Payments Run and checks suppliers and amounts and then signs the report as evidence of review.

4.5   Payments by BACS

4.5.1   In SAGE, select the following file path:

Accounting Systems\Purchase Ledger\Remittance/Cheque Production, press 'PRINT'

Enter Message' To be paid by BACS on '2 days after the run"

Insert date (bank accounts should be credited 2 days after the bank transfer to NATWEST), press RETURN

Select 'pay by credit transfer'

At 'DO you need to line up remittances?' select 'No'

Check date of remittance (amend if incorrect)' select 'Accept'

Select 'Print All accounts', press RETURN

At 'Bank Account Number' enter 'NW'

At 'Next Number' enter the next autopay number to follow on from the previous run, press RETURN

At 'All Accounts', press RETURN

At 'Account Number', press RETURN

At 'First Account', press RETURN

At 'Last Account', press RETURN. The system will run through the accounts, then press ESCAPE

Load the printer with the BACS Remittance Advices (tray 1 and face up)

Select 'Print'

Once printed each remittance advice should be checked to the details for each payment on the 'Suggested Payments Run' report

Manually enter the BACS number and amount of payment for each supplier from the 'Remittance Posting List' report onto a BACS form (see Appendix A). The submission total on the front sheet should agree to the total on the 'Suggested Payment Run' report.

The BACS form should be faxed to NATWEST (Fax number: 0870 5329631) and a copy of the transmission confirmation kept with the original BACS form in the BACS file.

If NATWEST have any queries, they should contact within the hour. If no contact, then post the remittance advises to suppliers.

4.6   Payments by Cheque

4.6.1   In SAGE, select the following file path:

Accounting Systems\Purchase Ledger\Remittance/Cheque Production, press 'PRINT'

Enter no Message

Select 'pay by cheque'

At 'Do you need to line up remittances?' select 'No'

Check date of remittance (amend if incorrect)' select 'Accept'

Select 'Print All accounts', press RETURN

At 'Bank Account Number' enter 'NW'

At 'Next Number' enter the next cheque number to follow on from the previous run, press RETURN

At 'All Accounts', press RETURN

At 'Account Number', press RETURN

At 'First Account', press RETURN

At 'Last Account', press RETURN. The system will run through the accounts, then press ESCAPE

Load the printer with the cheques (tray 1 and face up, first number to be used on top)

Select 'Print'

Once printed each cheque should be checked to the details for each payment on the 'Remittance Posting List' report. If correct stamp the invoice 'Paid' and 'today's Date and write cheque number on the invoice.

Pass cheques and back up documents to 2 signatories as per the 'Suggested Bank Mandate Arrangements' (see Appendix B).

Once cheques have been signed, post cheques to suppliers.

4.7   Manual Payments

4.7.1   Manual payments to suppliers by cheque should not be encouraged and only carried out if necessary.

4.7.2   A Cheque Request form (see Appendix I) should be completed and authorised by the Line Manager / Budget Holder.

4.7.3   A cheque should be written out and signed by 2 people from the 'Suggested Bank Mandate' form (see Appendix B).

4.7.4   For manual cheque payments via the Purchase Ledger, the coding transactions should be carried out to ensure that the transaction is accounted for in the correct accounting month.

4.8   Supplier Statements

4.8.1   On receipt of any supplier statement, the Purchase Ledger Officer should check each invoice on the statement. If paid, tick the statement and state the date paid.

4.8.2   If any invoices are outstanding, investigate and contact the supplier and request a copy invoice and if necessary contact the Line Manager/Budget Holder or person who made the order.

4.8.3   When all invoices on a statement are ticked off as paid and the date noted, file in the 'Supplier Statement' file.

4.9   Credit Notes

4.9.1   Line Managers/Budget Holders should inform the Purchase Ledger Officer if a credit note is required when authorising an invoice.

4.9.2   A credit note should be requested from the supplier and the invoice out on 'HOLD' (i.e. not paid) until the credit note is received.

4.9.3   To 'HOLD' an invoice, in SAGE select the file path:

AccountingSystems\PurchaseLedger\Account Maintenance\TransactionEntry\Allocate/PostPayments, then enter 'NW' and the 'Supplier Code, press ESCAPE

Select the required invoice, press return

In the column 'Paid?' enter 'H'.

Note: 'Q' can also be used for invoices with queries. To remove the 'H' or 'Q' press return in the column 'Paid?'.

4.9.4   When the credit note is received, write the relevant stamp number on it.

4.9.5   In SAGE, select the file path:

Accounting Systems\Purchase Ledger\Transaction Entry\Credit Note

Enter 'Supplier number'

In Reference enter 'the invoice stamp number'

In their reference enter 'Credit note number'

In trans date enter 'date received'

Enter the amount.

4.9.6   Credit notes should be coded to the correct account on SAGE. This is done in the same batch process as the invoices. SAGE will automatically recalculate the correct invoice amount.

4.10   Creating a New Supplier on SAGE

4.10.1 Select the next supplier number form SAGE.

4.10.2 In SAGE, select the file path:

Accounting Systems\Purchase Ledger\Account Maintenance

Enter the following details for the supplier on the screen:

> Name and address
> Post Code
> Contact name and telephone number
> Days payments are due
> Indicate whether supplier is to be paid by BACS or cheque.

4.10.3 If payments are to be made by BACS their name of their bank, sort code and account number are required.

Allocate the next BACS number from the NATWEST allocation sheet.

Complete a 'Autopay Insertion / Amendment' form (Appendix C) with the new supplier details. This should then be faxed to NATWEST.

Note: Supplier records can only be deleted from SAGE if no transaction has been made. However, the BACS number can be deleted from NATWEST's records by informing the bank using the 'Autopay Insertion / Amendment' form.

4.11   Preparing for Month End

4.11.1 In SAGE select the file path:

Accounting Systems\Purchase Ledger\Reports\Account Analysis\Unauthorised Transactions
and PRINT the report. This lists all invoices in the control account pending authorisation.

Chase up any outstanding amounts with the appropriate Budget Holder.

4.11.2 Following the final payment run of the month, in SAGE select the file path:

Accounting Systems\Purchase Ledger\Reports\Payments Control\Aged Creditors and PRINT the report. This lists all aged creditors over 30 days.

The Financial Accountant should review the report for:

- Supplier names and authenticity
- Reasons for any creditor amounts over 30 days
- Large amounts
- Any credit notes.

Any adjustments that are resolved should be made, the report reprinted and reviewed again.

The report should be signed off as evidence of review by the Financial Accountant.

4.11.3 The Purchase Ledger should then be closed off (see **SECTION 10**).

4.12   Purchase Ledger Control Account Reconciliation

4.12.1 At the end of the month:

Print the Purchase Ledger Control code (6301) balance and the Aged Creditors report, the balance of each should be the same. Any differences should be investigated.

Documentation should be signed to evidence reconciliation and review by the Management Accountant.

Print the Unauthorised Control code (6302) and the Unauthorised Invoice report, the balance of each should be the same. Any differences should be investigated.

Documentation should be signed to evidence reconciliation and review by the Management Accountant.

5.1   Payments and Documentation

5.1.1   Petty cash is kept in a black tin in the 2nd drawer of the safe within the Finance Department.

5.1.2   Backup documentation used should be one of the following:

- Personnel Expenses form (see Appendix D) – these should be completed in full and signed by the claimant and authorised by their Line Manager. Claims for more than £30 should not be processed via petty cash and should be passed to the Purchase Ledger Officer for process through the Purchase Ledger.

- Petty Cash Voucher (see Appendix E) – these should be completed in full and approved by the Line Manager.

5.1.3   Check that all claims are backed up with valid receipts, that the expenditure appears reasonable and that the recipient signs for the receipt of the money.

5.1.4   Each payment should be recorded in the Petty Cash book (date, narrative and reference number). The reference number recorded should also be recorded on the relevant back up document.

5.1.5   At month end allocate the correct expenditure code to the payment and record this manually in the Petty Cash book.

5.2   Posting to SAGE

5.2.1   In SAGE, select the file path:

Accounting System\Cash Book\Transaction Entry\Payment\N/L Payment

From the Bank Account scroll bar select:

'NW3 PETTY CASH ACCOUNT'

For each payment enter:

- The relevant Nominal Ledger code
- The transaction date (date of payment)
- In 'Cheque Number', enter the petty cash voucher reference number
- In 'Narrative' enter details of the payment
- Enter the amount of payment, then click save

Repeat this for ALL petty cash payments.

5.3   Reimbursing Petty Cash

5.3.1   Petty cash funds come form the main current account.

5.3.2   A cheque should be raised for the required amount and signed in accordance with the 'Suggested Bank Mandate Arrangements' form and cashed at the bank.

5.3.3   In SAGE, the cash amount should be transferred from the current account to the petty cash account as follows:

Accounting System\Cash Book\Transaction Entry\Inter-Account Transfers

From the drop down menu the receipt account:

'NW3 PETTY CASH ACCOUNT'

From the drop down menu select the payment account:

'NW – CURRENT ACCOUNT'

Then enter:

- Transaction date (the date the cheque was cashed)
- Reference number (the cheque number)
- Narrative ('To reimburse Petty Cash')
- Transfer Amount (amount cashed)

5.4   Reconciling the Petty Cash Bank Account

5.4.1   When all petty cash payments and receipts have been entered into the Cash Book, each item should be reconciled in the SAGE Petty Cash bank account.

5.4.2   In SAGE, select the file path:

Accounting Systems\Screen Enquiries

This shows the balance on the petty cash bank account on SAGE and should equal the cash left in the petty cash tin. Reconciling items could be cash from the bank or any other petty cash payments made after the month end.

5.5   Reconciling the Petty Cash Bank Account in SAGE

5.5.1   In SAGE, select the file path:

Accounting Systems\Cash Book\Reconcilation\Bank Reconciliation

Enter the following:

- Enter Account Code - 'NW3'
- Statement Date – 'last day of month' (i.e. 31 August 2002)
- Opening Balance – carry forward figure form the previous reconciliation, press RETURN
- Click on icon **'View Unpresented'**. This creates a list of all unreconciled amounts for the petty cash bank account.

- Check each amount to the Petty Cash Book and double click to reconcile the item.
- On completion on the screen, check that:

The statement balance equals the Book balance.

Note: The **Statement Balance** is the Cash Book Petty Cash balance and the **Book Balance** is the Nominal Ledger totals posted).

The Petty cash reconciliation should be carried out before carrying out the full month end reconciliation.

6.1   General

6.1.1   HPC hold the following bank accounts:

Type of Account	Cash Book Code	Statement Frequency	Managed by
Current	NW	Daily	Financial Accountant
Reserve	NW1	Daily	Financial Accountant
Money Market	NW2	Weekly	Financial Accountant
Investments	NW4	Monthly	Management Accountant

6.1.2   As statements are received, each credit and debit entry should be identified and posted to the correct nominal ledger code in the Cash Book in SAGE:

Accounting System\Cash Book\Transaction Entry\Payment\N/L Payment

Select the correct bank account and enter the correct details for each transaction (If unsure refer to the process for coding the petty cash).

Note: Do not code any cheques from HPC as the coding transaction would already have been completed in the cheque process.

6.2   Transfers Between Bank Accounts

6.2.1   The Reserve account is used for any surplus funds from the current account. NATWEST automatically transfers surplus amounts from the current account, to leave £10-15000 as the balance. These transfers should also be entered to SAGE:

Accounting System\Cash Book\Transaction Entry\Inter-Account Transfers

From the drop down menu the receipt account:

'NW1 - RESERVE ACCOUNT'

From the drop down menu select the payment account:

'NW – CURRENT ACCOUNT'

Then enter:

- Transaction date (the date of transfer from bank statement)
- Reference number
- Narrative
- Transfer Amount (amount transferred)

6.3   Unpresented Cheques

6.3.1   In SAGE select the file path:

Accounting Systems\Cash Book\Reports\Unpresented Cheque Report and print the report.

Investigate any credit entries on the report (these are likely to be rejected payments)

Note: There is also a manual list of outstanding cheques carried forward from CPSM. Any cheques cashed as identified from a bank statement should be manually recorded on this documentation.

6.4   Rejected Direct Debits

6.4.1   Direct debits are requested via BACS by the Registrations Department. They also should receive a list of rejected direct debits.

6.4.2   From the bank statement (current account) identify each rejected direct debit, and post the entry to the SAGE Rejected Payment code (5003):

Accounting System\Cash Book\Transaction Entry\Payment\N/L Payment

From the Bank Account scroll bar select:

'NW – CURRENT ACCOUNT'

For each payment enter:

- The relevant Nominal Ledger code (5003)
- The transaction date (bank statement date)
- In 'Cheque Number', enter the bank statement number
- In 'Narrative' enter 'Name and application or registration number'
- Enter the amount of payment, then click save

Repeat this for ALL rejected direct debits.

6.4.3   In order to ensure that all rejected direct debits are accounted for an Excel spreadsheet is produced at the end of each month and details of all items are sent to the Registrations Department. This enables the department to check against their BACS listing and ensure that no rejected direct debits have been missed.

6.4.4   In Excel select file path:

Manj on 'hpc_files\users'(N:)\Refunds\Rejected Direct Debits&Chq.xls

For each rejected debit in the that month, enter the:

- Registration number
- Name

- Amount.

6.4.5 Email this file to the UK Registrations Manager. It is the Registrations Department to then update the Care System with the rejected payments. This should be done using the 'E' numbered batches (see process for INCOME).

6.5   Rejected Cheques

6.5.1 Rejected cheques are returned by the bank to HPC (to Financial Accountant). On receipt of each rejected cheque, post the entry to the SAGE Rejected Payment code (5003):

Accounting System\Cash Book\Transaction Entry\Payment\N/L Payment

From the Bank Account scroll bar select:

'NW – CURRENT ACCOUNT'

For each payment enter:

- The relevant Nominal Ledger code (5003)
- The transaction date (date cheque received from the bank)
- In 'Reference', enter the number stamped on the cheque (done initially by Registrations Department on receipt)
- In 'Narrative' enter 'the reason for the rejection'
- Enter the amount of payment, then click save

Repeat this for ALL rejected cheques.

6.5.2 In order to ensure that all rejected cheques are accounted for an Excel spreadsheet is produced at the end of each month and details of all items are sent to the Registrations Department.

6.5.3 In Excel select file path:

Manj on 'hpc_files\users'(N:)\Refunds\Rejections Received via NATWEST.xls

For each rejected Cheque in that month, enter the:

- Reference
- Name
- Amount.

6.5.4 Email this file to the Deputy UK Registrations Manager on a daily basis. Email this file to the UK Registrations Manager each month. It is the Registrations Department to then update the Care System with the rejected payments. This should be done using the 'E' numbered batches (see **SECTION 1 – FEE INCOME**).

6.6   Refunds / Refund Write Offs

6.6.1   The Registration Department should send a list of refunds due to the Financial Accountant This is currently done at least monthly via email.

6.6.2   A manual cheque should be written out and signed by 2 signatories from the 'Suggested Bank Mandate' form (see Appendix B).

6.6.3   Post the entry to the SAGE Refunds code (6307):

Accounting System\Cash Book\Transaction Entry\Payment\N/L Payment

From the Bank Account scroll bar select:

'NW – CURRENT ACCOUNT'

For each payment enter:

- The relevant Nominal Ledger code (6307)
- The transaction date (date cheque raised)
- In 'Reference', enter the cheque
- In 'Narrative' enter 'Name, registration number and the reason for the refund'
- Enter the amount of payment, then click save

Repeat this for ALL refunds.

6.6.3   Any refund amount less than £10 should not be refunded and should be written off as a N/L Receipt to code (6306).

6.7   Reconciling the Cash Book

6.7.1   At the month end each bank account on the Cash Book should be reconciled to each statement received.

6.7.2   In SAGE, select the file path:

Accounting Systems\Cash Book\Reconcilation\Bank Reconciliation

Enter the following:

- Enter Account Code - 'NW' or 'NW1' or 'NW2' (depending on bank account)
- Statement Date – 'end date on each statement'
- Opening Balance – carry forward figure from the previous reconciliation, press RETURN
- Click on icon **'View Unpresented'**. This creates a list of all unreconciled amounts for the selected bank account.
- Check each amount to the statement and double click to reconcile the item.
- On completion on the screen, check that:

The Opening balance equals the statement balance on the system and these should equal the closing balance on the bank statement.

Note: The above process should be carried out for all statements for the Current, Reserve and Money Market accounts.

6.8   Monthly Bank Reconciliation

6.8.1   Each month the bank transaction data needs to be exported from SAGE to the spreadsheet in Excel to carry out the reconciliation.

6.8.2   In SAGE select the file path:

Accounting System\Nominal Ledger\Reports\Account Analysis\Transaction Listing, click on re-enter

Change 'Output' to 'file' and enter 'drive destination and file name' (C:\Bank Rec). Tab to the nominal ledger code and enter from '5201' to '5201'. Press ESCAPE and select the tab 'ASCII file. This exports the bank transaction data into Excel on to the C drive as an ASCII file named 'Bank Rec'.

6.8.3   In Excel:

Open *C:\Bank Rec.* This is the temporary location of the data prior to moving it into the actual Bank Reconciliation spreadsheet.

Format the columns to fit the data and then click finish. This creates the Excel version from the ASCII format.

Remain in this file, right click on the worksheet name and click 'Move'

Select the main bank reconciliation spreadsheet:

Richard on 'hpc_files\users' (N:) \HPC\Bank Recs\'current month' (ie August), then click 'OK'. This creates a new sheet containing the current month's bank transaction data exported from SAGE.

Remain in the 'current month' spreadsheet and select the sheet 'BANK REC' and change:

The Bank statement date to the 'end of month date'
The opening balance to the opening balance on 1st the bank statement
The Nominal Bank 5201 to the closing balance as per the Trial Balance

On the sheet 'Bank' (where to imported data is), select and copy all transactions for the previous month to the sheet 'Bank Statement (over write the previous month's details) and sort the data by 'Mth Ref', ascending.

For each day of the previous month for where statements have been received, match off the nominal ledger entry on the spreadsheet to the actual statement entry. Cut and paste each nominal entry on the spreadsheet to put them into day order.

On the spreadsheet for each day, total the debit and credit entries. The difference should match the closing balance on the actual bank statement less the opening balance.

Any nominal ledger entries outstanding (i.e. not matched to a statement) should be cut and pasted on to the sheet 'BANK REC' under the heading 'Unpresented Cheque Report' and the data then sorted by 'Reference'.

The total of the outstanding nominal ledger entries should feed through to the top of the sheet and should complete the reconciliation (the bank difference should be nil). Any discrepancies should be investigated.

6.8.4   The reconciliation should then be printed and signed off to evidence review.

7.1 General

7.1.1 Weekly payruns are carried out every Wednesday. Timesheets for the week ending the previous Friday should be submitted to the Financial Accountant by the following Monday.

7.1.2 Monthly payruns are carried out mid month as detailed in the 'Monthly Pay Dates' schedule. See Appendix F.

7.1.3 About 4 days prior to the payrun the Financial Accountant should email all staff to remind them of the payroll deadline for that month and the need to submit overtime claim forms, where appropriate. The final day for information to be received is the day prior to the payrun and is stated as the 'Overtime Period to' date on the 'Monthly Pay Dates' schedule.

7.2 Accessing Payroll

7.2.1 SAGE is used to run each payrun and the payroll package is available on 1 PC in the Finance Department. Access is restricted to the Financial Accountant and the Management Accountant to enable cover for sickness and leave.

7.2.2 From logging on double click the icon **'SAGE Payroll for Windows'**

Select *COMPANY_001\PAYDATA\PAYROLL\MDB*, then click OK

Enter the appropriate 'date to bank' date for the relevant weekly or monthly payrun

Check the tax period, week, month and year are accurate then ENTER

Double click on either the weekly or monthly folder.

7.3 Starters

7.3.1 For all starters the following documents are required from Human Resources:

- Copy of the Employment letter (stating name, address, start date, salary and department)
- P45. If no P45 is produced, the employee must complete a P46
- Starter form (including date of birth, National Insurance Number and bank details)

7.3.2 If no National Insurance Number (NINO) is declared SAGE can allocate a Temporary National Insurance Number. If a Temporary NINO is allocated:

- Contact the Inland Revenue - if they do not have a record of any NINO they will issue a Temporary Revenue number.
- Contact the employee to chase up the required NINO. It is the employee's responsibility to provide a valid NINO.

7.3.3 If no Tax Codes are stated, the Basic Rate should be used.

7.3.4   The starters gross pay should be calculated manually as follows:

35 hours per week x 52 weeks per year / 12 = 151.6 hours per month

Gross annual salary / 12 = gross monthly salary

Gross monthly salary / 151.6 = hourly rate

Work out the number of working days in the 1st month from the start date

Hourly rate x 7 (hours in a day) x the number of working days in the 1st month = gross salary for 1st month.

7.3.5   The calculation should then be checked and signed to evidence review by the Finance Director or the Management Accountant prior to entering details to SAGE Payroll.

7.3.6   Entering Details to Payroll:

Enter SAGE Payroll. Select one of the following icons, **'Employee Wizard'** or **'New Employee'**.

Follow the wizard through entering all the data for the new employee (there are mandatory fields marked in blue or by (c). The wizard will not complete unless all these fields have been completed).

Once the Wizard has been completed, double click on the employee on the right hand side of the screen to highlight the record in blue.

Click the icon **'Employee Record'** and double check all data entered (any amendments can be made and saved at this time). Click close.

The new employee should now be set up in the payroll system on the correct weekly or monthly payroll.

7.4   Leavers

7.4.1   The following information is required from Human Resources:

- Confirmation of the employee's leaving date
- Days holidays owed/owing
- Details of any adjustments that need to be made to the final pay.

This information should be received by the Financial Accountant at least a week before the relevant payrun to enable the details to be calculated correctly.

7.4.2   The leavers gross pay for their final month should be calculated manually as follows:

35 hours per week x 52 weeks per year / 12 = 151.6 hours per month

Gross annual salary / 12 = gross monthly salary

Gross monthly salary / 151.6 = hourly rate

Work out the number of working days in the final month to the date of leaving

Hourly rate x 7 (hours in a day) x the number of working days in the final month = gross salary for final month.

7.4.3   The calculation should then be checked and signed to evidence review by the Finance Director or the Management Accountant prior to entering details to SAGE Payroll.

7.4.4   Entering details to payroll:

Make the necessary adjustments to the final payrun for the leaver and update the record. **Note:** the employee should only be made a leaver AFTER the relevant payrun has been completed.

Double click on the leaver's record to highlight the record in blue

Click the icon **'Leaver'**

Follow the instructions on screen and ensure that the correct date of leaving is entered.

On completion of the above SAGE will automatically produce:

- P11D (NIC Details)
- P11D (PAYE Details)
- P45

Select print to print the above documents and check all details, including leaving date, and that ALL pay periods are included on each P11D.

7.4.5   Copy data from the SAGE P45 manually on to the Inland Revenue P45 and attach this to the leaver's final payslip. These should then be sent to the leaver's home address with the envelope marked 'PRIVATE AND CONFIDENTIAL'.

Note: Ensure records are checked in the subsequent month to ensure that the leaver is not paid in that payrun.

7.5   Amendments

7.5.1   Any amendments to payroll data must have the appropriate back up documentation, in particular:

- Changes in Tax codes and National Insurance Categories should only be actioned on receipt of instructions from the Inland Revenue.
- Salary amendments should only be actioned on receipt of a copy of a Salary Authorisation form or copy of letter to the employee, from Human Resources.
- For any change of address, or bank details, an email from the employee is acceptable.

7.5.2 To enter details to payroll click on the icon **'Employee Record'** and select and make amendments on the appropriate Tab:

Type of Amendment	Tab
Pay	'Employment', then 'Pay Elements'
Name or Address	'Personnel'
Bank details	'Banking'
Tax Codes/ National Insurance Categories	'Employment'

7.6   Timesheets

7.6.1 Timesheets are used for all weekly paid staff and salaried staff who claim overtime. Timesheets should be received by the Monday prior to each weekly payrun.

7.6.2 Timesheet data should be recorded on an Excel summary spreadsheet prior to entering to Payroll:

In Excel open and print Payroll Summary.xls (example is at Appendix G):

Manj on 'hpc_files\users'(N:)\Payroll\Payroll Summary.xls

Record details of each timesheet on the summary sheet.

7.6.3 **Note:** In extreme case leave may be taken as unpaid. Human Resources and the relevant Manager should issue relevant authorisation in these cases. If unpaid, the employee needs to be set to 'on hold' (In payroll **'Employee Record'** and change status to **'Hold'**).

7.6.4 Double click to highlight the employee record

7.6.5 Select **'Payroll'** Tab and select **'Enter Payments'** icon, select the **'Payments'** Tab and enter the number of hours worked. Click close.

7.7   Payroll Process

7.7.1 For each employee on the payrun, double click to highlight the employee record

Select **'Payroll'** Tab and select **'Enter Payments'** icon, select the **'Payments'** Tab and either:

enter the number of hours worked.

If there are deductions, use the **'Deductions'** Tab to enter details.

If the are no changes to be made, click save.

7.7.2   Ensure all employees with the status 'OK' are highlighted then select the **icon 'Pre-Update'**, click on and print the following Payroll Reports:

- Payslips (Payroll\PayslipLaser Payslips)
- Department Analysis Part 1 – Payments
- Department Analysis Part 2 - Deductions
- Gross to Net
- Payment Summary Part 1
- Payment Summary Part 2
- Employer Deductions
- Employee Deductions
- Employee Payments
- Credit Transfer Analysis.

7.7.3   Double check data by comparing the relevant payslips to the original documentation for that payrun for:

- Starters
- Leavers
- Amendments
- Pay Elements

7.7.4   If changes are required the relevant employee record should be highlighted and changes made via the **'Enter Payments'** icon.

7.7.5   On completion, repeat process from step 8.7.2 above.

7.7.6   If no changes needed, select **'Update Records'** icon and follow the instructions on screen ensuring to select 'back up required' before updating (Instruction: 'Replace the last SPROGG file?', click 'Yes'.

7.7.7   After the back up is successful, select 'Update'.

7.7.8   If payroll has been updated and is incorrect, the Back Up can be deleted, however the payroll process must then be repeated from the start. Click on **File**, then **Restore**. Enter the relevant date (all data from that date will be deleted, therefore, the date entered should only be a date AFTER the previous payroll run). **THIS ACTION SHOULD ONLY BE CARRIED OUT ON WRITTEN INSTRUCTION FROM THE FINANCE DIRECTOR.**

7.7.9   The 'Credit Transfer Analysis' report should be signed off by 2 people from the 'Suggested Bank Mandate Arrangements' form (see Appendix B).

7.7.10 The Financial Accountant should manually enter the BACS number and amount of payment for each employee from the 'Credit Transfer Analysis' onto a BACS form (see Appendix A).

The submission total on the front sheet should agree to the total on the 'Credit Transfer Analysis'.

7.7.11 The BACS form should be faxed to NATWEST (Fax number: 0870 5329631) and a copy of the transmission confirmation kept with the original BACS form in the BACS file.

7.8   Manual Payments

7.8.1   Manual payments should only be used in exceptional circumstances and should be referred to the Finance Director.

7.9   Files

7.9.1   The files used in the payroll process are as follows:

File	Information Held
Weekly	Payruns and Timesheets
Monthly	Payruns and Timesheets
Employees Information	Contracts, Tax Codes, Starter details, amendment documentation
Leavers	Data transferred from Employees Information on leaving
BACS	BACS forms and transmission confirmation

7.10   Payroll Reconciliation

7.10.1 On completion of the last tax period payrun, the following should be printed from Payroll:

- P32 *(Reports\Period End\Form P32 (2002)*
- Breakdown of Employers National Insurance Contributions *(Reports\Employers \National Insurance Contributions)*
- Breakdown of Employees National Insurance Contributions *(Reports\employees National Insurance Contributions)*

Note: for the above National Insurance reports ensure that the relevant period is entered (i.e. 5 and 5 for month 5).

7.10.2 From the Payroll Reports printed following completion of the payroll, extract the relevant figures and update the following Excel spreadsheets, used to record and reconcile payroll data:

Manj on 'hpc_files\users'(N:)\Payroll

Wages Analysis.xls
Pension 01.xls
6441AVCSCHEME.xls
Give As You Earn.xls

Season Loan Current.xls.

7.10.3   Wages Analysis.xls contains 2 sheets as follows:

'Analysis 1 – Whole' is used to summarise the totals for the month. These should be checked to the P32 and should agree.

'Analysis 2 – Dept&Individual' is used to record employee payments by Department. These totals should agree to the total of 'Analysis 1 – Whole'.

7.10.4   Pension 01.xls is used to record all pension contributions for the month. Once updated, print the details. This should be sent to FPS by the 17th of each month with a cheque for the relevant amount.

7.10.5   6441AVCSCHEME.xls is used to record all Additional Voluntary Contributions for the month. Once updated, print the details. This should be sent to FPS by the 5th of each month with a cheque for the relevant amount.

7.10.6   Give As You Earn.xls is used to record all contributions from employees. Once updated, print the details. This should be sent each month with a cheque to:

Charities Aid Foundation
Kings Hill
West Malling
Kent
ME19 4TB

7.10.7   Season Loan Current.xls is used to record all employees with a Season Ticket loan. Deductions from Payroll should match details on this spreadsheet for each month.

7.10.8   To post amounts to SAGE open the journal form from:

Manj on 'hpc_files\users'(N:)\Payroll\Accounts\Journal Forms.xls

Enter the codes, narrative and amounts using the information held within the updated Excel spreadsheets.

Create a Journal on SAGE, record the Batch reference on the Journal form and enter each transaction.

A list of all relevant codes can be found at Appendix H.

7.11   Department Establishment Lists

7.11.1   On a 6 monthly basis, from the SAGE Payroll data,a list of all employees per department should be produced and sent to each Department Head. The Department Head should be instructed to check all employees on the list, sign to evidence review and return the list to the Financial Account.

7.12   Payroll Year End

7.12.1 For the year end procedure refer to the SAGE Payroll Training Manual. This details step by step instructions.

7.12.2 In addition to the above, for any employee with expenses not covered by dispensation a P11D should be completed. These should be submitted to the Inland Revenue by the deadline stated (usually the beginning of July). A copy of each P11D should also be sent to the individual employee.

7.12.3 Class 1A National Insurance Contributions should also be calculated for the total amounts of all the P11Ds. Once calculated, a cheque should be raised and sent to the Inland Revenue by the deadline stated (notification to pay should be received from the Inland Revenue prior to the due date), usually around the 19th July.

7.13   Payroll Control Account Reconciliation

7.13.1 Each month the wages data needs to be exported from SAGE to the spreadsheet in Excel to carry out the reconciliation.

7.13.2 In SAGE select the file path:

Accounting System\Nominal Ledger\Reports\Account Analysis\Transaction Listing, click on re-enter

Change 'Output' to 'file' and enter 'drive destination and file name' (C:\Wages). Tab to the nominal ledger code and enter from '6303' to '6303'. Press ESCAPE and select the tab 'ASCII file. This exports the wages data into Excel on to the C drive as an ASCII file named 'wages'.

7.13.3 In Excel:

Open *C:\Wages.* This is the temporary location of the data prior to moving it into the actual Wages spreadsheet (Wages Control - 6303*).*

Format the columns to fit the data and then click finish. This creates the Excel version from the ASCII format.

Remain in this file, right click on the worksheet name and click 'Move'

Select the main wages spreadsheet:

Richard on 'hpc_files\users' (N:) \HPC\Analysis & Rec's\Wages Control - 6303, then click 'OK'. This creates a new sheet containing the current month's wages data exported from SAGE.

Remain in *Wages Control - 6303* and select the new sheet 'Wages'. Cut and paste the imported data and add to the bottom of the data held on the sheet 'Wages Contra'.

The total debits should equal the total credits. Reconciling differences should only be cheques not yet paid for pensions and Inland Revenue for the due date in the following month.

The spreadsheet for the reconciled month should be printed and signed as reconciled by the Management Accountant and filed in the Payroll file.

8.1   General

8.1.1   The accounting for Fixed Assets should be carried out prior to running the Trial Balance at the month end. Depreciation is calculated as follows:

Category	Depreciation Rate	Method
Land and Buildings	2%	Straight Line
Computer Equipment	25%	Straight Line
Office Furniture and Equipment	25%	Straight Line

8.1.2   Each month in Excel, create a new folder and copy in the previous month's Schedule Listing:

Richard on 'hpc_files\users' (N:) \HPC\Month End\ 'Current Month folder'(ie August)\Schedule Listing 'MMMM'(ie August)02

8.1.3   Open the newly copied Schedule Listing file and update the data (Edit, Fill Right) to bring the depreciation across for the current month. This information automatically feeds through to the front page of the balance sheet in the Management Accounts file for that month.

8.1.4   In SAGE create a journal and post the monthly depreciation (CR. Depreciation Provision, DR Depreciation Expense) as follows:

	CR.	DR
Freehold Property	4002	2312/500/ADM
Computer Equipment - Finance	4012	2515/700/FIN
Computer Equipment – IT	4012	2515/700/ITD
Office Furniture and Equipment	4022	2416/600/ADM

8.1.5   When the relevant monthly Trial Balance has been run reconcile the totals of the carried forward figures for the 3 areas above to the balances on the Trial Balance.

8.2   Additions

8.2.1   Any addition to the Fixed Asset Register should have an approved Capital Request form.

8.2.2   The item should be received and invoice posted to SAGE.

8.2.3   Add the item to the Fixed Asset Register Excel spreadsheet, input the gross amount and start the depreciation from the month of receipt.

8.2.4   Ensure that the item is labelled with the Asset number allocated from the Fixed Asset Register and marked 'Property of HPC'.

8.3   Disposals

8.3.1   The disposal of any Fixed Asset should be authorised in accordance with guidelines defined in Financial Regulations.

8.3.2   On SAGE create a Journal to:

CR. – Cost Account
DR – Depreciation Provision Account

CR. – Depreciation Provision Account
DR – Depreciation Expense Account

8.3.3   In Excel, delete the item from the Fixed Asset Register.

8.4   Monitoring of Fixed Assets

8.4.1   A full Fixed Asset Register check should be carried out at every 12 months, prior to the year end. Documentary evidence should be kept to evidence this and signed off.

8.4.2   Ensure continual liaison with IT Support to ensure that all movements of equipment are reported to the Management Accountant to ensure any change of item location is updated on the Fixed Asset Register. This will enable depreciation to be charged correctly to departments.

9.1   Closing off the Purchase Ledger

9.1.1   In SAGE select the file path:

Accounting Systems\Purchase Ledger\End of Day\Month Routines\Update Postings to Purchase Ledger. This automatically updates the Purchase Ledger with any transactions for the month.

Accounting Systems\Purchase Ledger\End of Day\Month Routines\Month End. Follow the instructions on screen. This closes the Purchase Ledger for the month.

Note: The Purchase Ledger must be closed BEFORE the Cash Book.

9.2   Closing off the Cash Book

9.2.1   When all bank accounts have been reconciled on SAGE to the bank statements, the Cash Book in SAGE should be closed off.

9.2.2   In SAGE select the file path:

Accounting Systems\Cash Book\End of Day\MonthRoutines\Update Postings to Cash Book. This automatically updates the Cash Book with any transactions for the month.

Accounting Systems\Cash Book\End of Day\MonthRoutines\Month End. Follow the instructions on screen. This closes the Cash Book for the month.

Note: The Cash Book must NOT be closed until after the Purchase Ledger has been closed.

9.3   Closing off the Sales Ledger

9.3.1   Although the Sales Ledger is not used it still should be closed off each month

9.3.2   In SAGE select the file path:

Accounting Systems\Cash Book\End of Day\MonthRoutines\Update Postings to Sales Ledger. Then

Accounting Systems\Cash Book\End of Day\MonthRoutines\Month End. Follow the instructions on screen. This closes the Sales Ledger for the month.

Note: The Sales Ledger must be closed before the Nominal Ledger.

9.4   Closing of Fixed Assets

9.4.1   Although Fixed Assets is not used it still has to be closed off.

9.4.2   In SAGE select the file path:

Accounting Systems\Cash Book\End of Day\MonthRoutines\Update Postings to Fixed Assets. Then

Accounting Systems\Cash Book\End of Day\MonthRoutines\Month End. Follow the instructions on screen. This closes Fixed Assets for the month.

Note: Fixed Assets must be closed before the Nominal Ledger.

9.5   Closing off the Nominal Ledger

9.5.1   Only when all the other ledgers have been closed off, should the Nominal Ledger be closed off.

9.5.2   In SAGE select the file path:

Accounting Systems\Cash Book\End of Day\MonthRoutines\Update Postings to Nominal Ledger. This automatically updates the Nominal Ledger with any transactions for the month.

Accounting Systems\Cash Book\End of Day\MonthRoutines\Month End. Follow the instructions on screen. This closes the Nominal Ledger for the month.

SECTION 10 - MANAGEMENT ACCOUNTS

10.1   Production

10.1.1 Management Accounts should be produced by the Management Accountant within 2 weeks of the each month end and should include:

- Income and Expenditure Detailed Summary
- Income per Profession
- Expenditure per Department
- Balance Sheet

10.1.2 Management Accounts are held on the following file path in Excel:

Richard on 'hpc_files\users' (N:) \HPC\Month End\ 'Current Month folder' (i.e. August)\Management Accounts 'DD MMMM YYYY' (i.e. 31 August 2002)

10.1.3 Once the Trial Balance has been run and the income data from the Registration Department has been imported to SAGE (refer to **SECTION 1 – FEE INCOME**), the Monthly Management Accounts can be produced.

10.1.4 The Trial Balance is held on the following path in Excel:

Richard on 'hpc_files\users' (N:) \HPC\Analysis & Rec's\Trial Balance-Year 02-03

10.1.5 Each month the Trial Balance data needs to be exported from SAGE to the spreadsheet in Excel used to produce the Management Accounts:

In SAGE select the file path:

Accounting System\Nominal Ledger\Report\Trial Balance, click on re-enter

Change 'Output' to 'file' and enter 'drive destination and file name' (C:\tb). Click on Enter. This exports the Trial Balance data into Excel on to the C drive as an ASCII file named 'tb'.

10.1.6 In Excel:

Open *C:\tb.* This is the temporary location of the data prior to moving it into the actual Trial Balance spreadsheet *(Trial Balance-Year 02-03).*

Format the columns to fit the data and then click finish. This creates the Excel version from the ASCII format.

Remain in this file, right click on the worksheet name and click 'Move'

Select the main Trial Balance spreadsheet:

Richard on 'hpc_files\users' (N:) \HPC\Analysis & Rec's\Trial Balance-Year 02-03, then click 'OK'. This creates a new sheet containing the current month's Trial Balance data exported from SAGE. Rename the new sheet to 'TB'current month".

Remain in *Trial Balance-Year 02-03* and select the sheet 'TB Year'

Create a VLOOKUP in the current month column to read the new sheet data.

In the Month End directory, create a new month folder and copy in the previous month's Management Accounts. Rename this to the current month and open file. For example:

Richard on 'hpc_files\users' (N:) \HPC\Month End\ 'Current Month folder' (i.e. August)\Management Accounts 'DD MMMM YYYY' (i.e. 31 August 2002)

On the TB Year sheet (far right) click on the cell containing the lookup reference (highlighted in yellow) and change it to the correct number as per the cell narrative. This automatically enables the newly created Management Accounts file to read the data held in the updated Trail Balance file.

10.1.7 In SAGE print the Profit and Loss Account and reconcile the data to the 'DETAILED SUMMARY' in the newly created Management Accounts file for the current month.

10.2   Distribution

10.2.1 In Excel select the file path and open:

Richard on 'hpc_files\users' (N:) \HPC\Month End\ 'Current Month folder'(ie August)\Mangement to Committee – 'MMMM YY' (ie August 02)

and

Richard on 'hpc_files\users' (N:) \HPC\Month End\ 'Current Month folder' (i.e. August)\Management Accounts 'DD MMMM YYYY' (i.e. 31 August 2002)

10.2.2 Cut and paste the folllowing sheets from the Mangement Accounts file to the Management to Committee file:

- Cover
- DETAILED SUMMARY
- PROFESSION SUMMARY
- INVESTMENT INCOME
- OVERHEAD TOTAL
- BALANCE SHEET

10.2.3 The Management Accountant should then email the updated Management to Committee file to the Finance Director who prepares the papers for the Finance Committee and distributes these to each member.

10.2.4 The Monthly Management Accounts should then be printed and signed as prepared by the Management Accountant and signed as evidence of review by the Finance Director. These should then be filed in the 'Management Accounts' file.