PFM Year End Procedures Checklist

Please read through the notes on pages 1 & 2 in full and **THEN** proceed to the section entitled **Year End Sequence** for a Step-by-Step guide to closing down the Financial Year.

What the system does at Year End

- It takes the Closing Balance for each Short Code and makes it the Opening Balance for the new financial year
- Clears all transactions from the Short Codes, leaving only the opening balance.
  (Historical transactions may still be seen via **Reports by Account | Audit Trail for Short Code** or by viewing the Year End Archive)
- Clears all reconciled transactions from the Bank Statement area, leaving only Unreconciled Items
- Allows Short Codes that were used in the previous financial year, but will not now be needed, to be deleted, e.g. Clubs via **Period End | Delete**

The Importance of Dates at Year End (Including Dates on Transfers)

The date is particularly important when processing batches of receipts where the money is received at the end of the financial year, but not banked until the start of the following year. In this situation, you MUST either enter a date for banking before the Year End or change the receipt date for each transaction to after the Year End. If you do not, then at the year end point your **BALANCE SHEET** will not **BALANCE**. The receipt date and banking date must be within the same year.

Adjustments

At the end of the year, you may wish to identify and clear:

- **Payments issued but never cashed and now out of date**.
  Do this by entering a reversing transaction in **Transaction Entry | Payments | Cancel Payments**. Enter a transaction to the same Short Code, for the same amount and same date, plus an explanatory note. In Bank Statements, tick the original entry AND the reversing entry, then Commit Changes to reconcile.
- **Cheques you have received that have bounced**.
  Go to **Transaction Entry | Receipts | Returned Cheques.** Enter a returned cheque entry
- **Duplicate Entries**.
  Clear by entering a reversing entry in **Transaction Entry | Payments**. Enter a transaction identical to the one you wish to reverse but with a NEGATIVE amount, e.g. -£50.00. In **Transaction Entry | Bank Statements**, tick both the original entry and the reversing entry and Commit Changes.

Clearing Accounts for Deletion
Year End is the time when old Short Code accounts that will not be needed during the next financial period can be removed.

There are two methods for doing this.

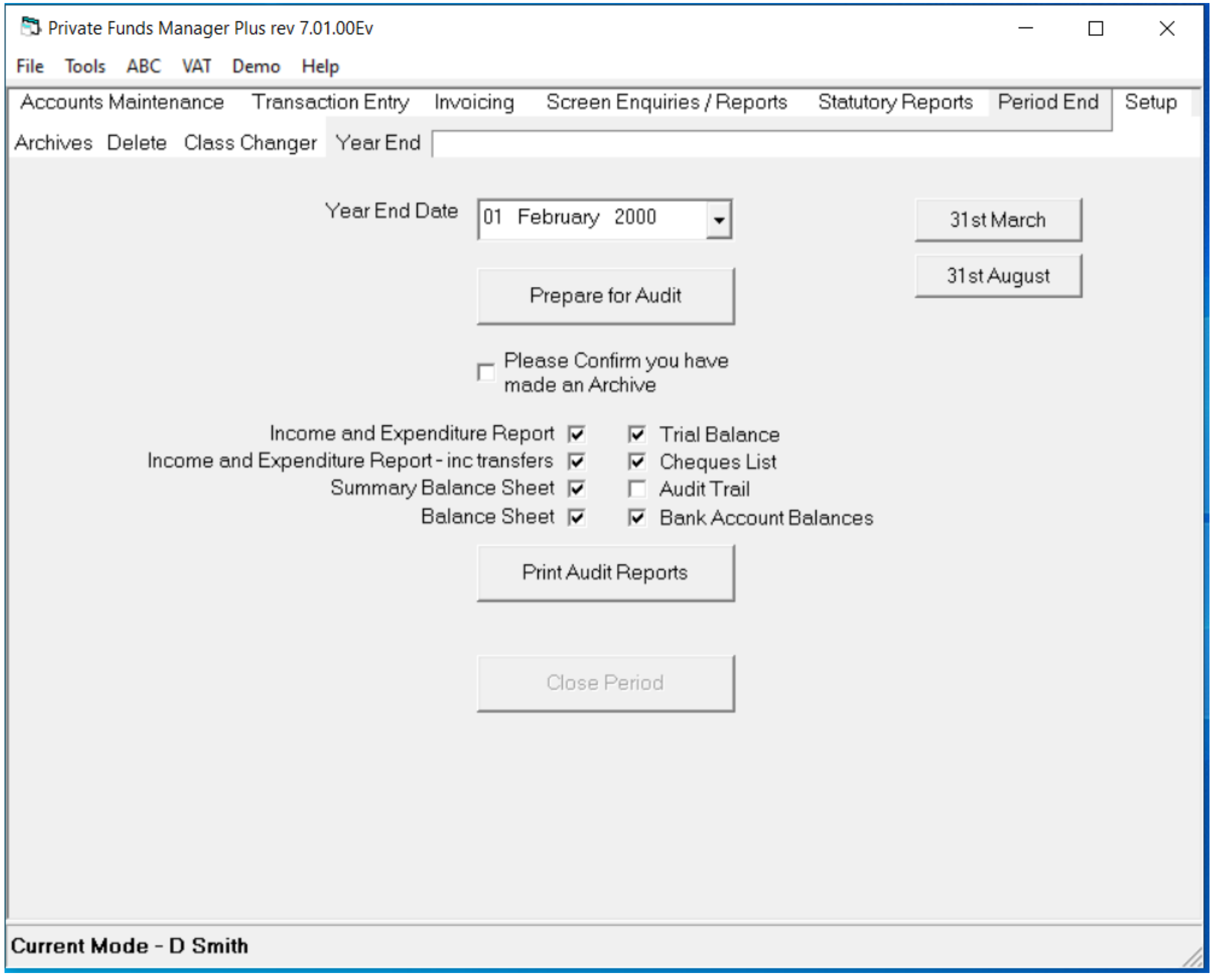
1. **Clearing Accounts for Deletion**
   Print an Income and Expenditure report and choose the accounts that you wish to close.
   Use **Transaction Entry | Transfers | Short Code Transfers** to transfer any balances within these accounts to a Short Code that will remain open in the next financial year, such as GENERAL or RESERVES, that is to receive the excess or make up the shortfall. Make sure the date of the transfer falls within the financial year you are preparing to close.
   Print another Income and Expense report after your transfers to make sure that all accounts you wish to close have a zero balance.
   After the Year End Closedown, you will be able to delete the accounts using **Period End | Delete**

2. **Tidying Accounts AFTER Year End Closedown**
   If accounts are deleted after the Year End Closedown via **Period End | Delete**, any balances (positive or negative) will be transferred to a holding area called Excess of Income over Expenditure which appears on the Balance Sheet report. This balance MUST be cleared to zero (possibly to Short Code RESERVES or GENERAL) using the **Transaction Entry | Transfers | Short Code Transfers** function, again ensuring that the date of the transfer falls within the financial year you are preparing to close.

Year End Sequence

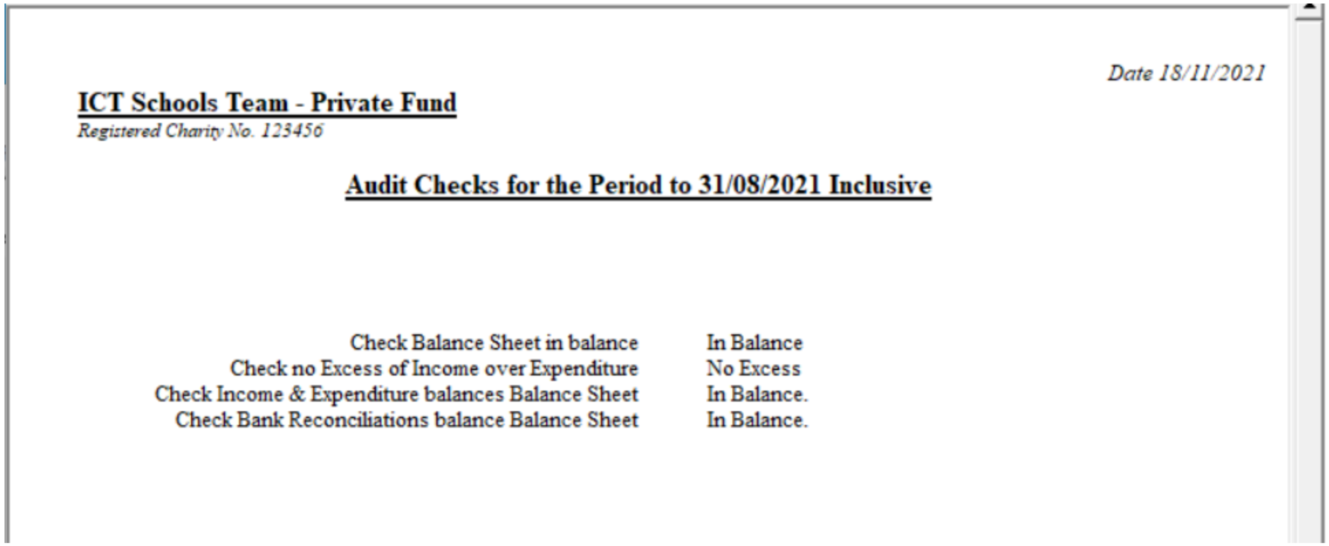
Procedure	✓
1. Follow the normal End of Month procedures as per **Appendix 1 – Month End Reconciliation Schedule**, including:	
a. Bank Reconciliations for all Bank Accounts as at Year End, including the Cash (Petty Cash Tin) Account	
b. Review unpresented items; cancel any expired cheques	
c. Check Summary Balance Sheet is in Balance	
d. Check Income & Expenditure report has sensible, appropriate figures	
e. Check Movement in Period agrees on both reports	
f. Check Cash Book Balances agree with balances on Summary Balance Sheet – Bank Account Balance tab – date to **31.08.23**	
2. Go to **Period End | Archive | Backup Current Data** and create a Backup called **Pre Year End YY b4 EOY Procedures**	
3. In addition, it is a good idea to copy the PFM folder to a backup area a. Locate PFM by clicking on **File | Where am I?** The location will be displayed as follows  b. **Close PFM** c. Go to **My Computer** and navigate to the PFM folder d. Highlight the PFM folder, then right click and copy e. Navigate to S:SIMS, then right click and paste the PFM folder f. Rename this folder to **PFM Yr End YY**	
4. If you want to clear any Short Code balances to zero **BEFORE** the Period End Close, refer to Clearing Accounts for Deletion, Point 1, then follow Point 5. If not, go direct to Point 6.	
5. Go to **Period End | Archive | Backup Current Data** and create a Backup called **Post Transfers Year End YY**	
6. **Preparing for Year End** a. Go to **Period End | Year End**. The following screen appears:	

Procedure	✓



b. Select the Year End date at the top of the screen (If your Year End Date is either 31st March or 31st August, you may wish to use the shortcut buttons on the right hand side of the screen, otherwise select your Year End date from the drop down calendar)
c. Click on **Prepare for Audit** to generate the following report:

Procedure ✓


Date 18/11/2021

ICT Schools Team - Private Fund
Registered Charity No. 123456

Audit Checks for the Period to 31/08/2021 Inclusive

Check Balance Sheet in balance	In Balance
Check no Excess of Income over Expenditure	No Excess
Check Income & Expenditure balances Balance Sheet	In Balance.
Check Bank Reconciliations balance Balance Sheet	In Balance.

d. This indicates whether the 3 key areas – Summary Balance Sheet, Income and Expenditure Report and Bank Reconciliation - are in balance. If they are not, you will need to investigate this before proceeding with the Year End close down
   i) The Excess of Income over Expenditure figure should be zero. This can be rectified through **Transaction Entry | Transfers | Short Code Transfers** (see notes on Clearing Accounts for Deletion on page 2)
e. Once the report shows that all is in balance, print the page
f. Leave the **Audit Trail** unticked then click on **Print Audit Reports**
g. Now **untick** all the other Audit Reports, **TICK Audit Trail** and click on **Print Audit Reports or Save** (see below).
   i) It is recommended that this report is NOT printed as it is usually very long. Instead, click on the Excel Spreadsheet button and save the data in an appropriate folder on your PC.

7. Print a list of Unpresented Items for each bank account in **Transaction Entry | Bank Statements: Print Unreconciled Transactions**

8. Optional: Print Summary Statements in Reports by Account for each Short Code: **Screen Enquiries / Reports | Reports by Accounts**.
   a. Make sure the **Period From** and **To Dates** match the current Financial Year.
   b. To print the details for all Short Codes, select All Accounts in the Short Code box, otherwise select each account required in turn, then click on **Summary Statement by Account**

Procedure	✓
9. Go to **Period End | Archive | Backup Current Data** and create a Backup called **Prior to Year End Closedown YY**	
10. Close the year in **Period End | Year End** a. Ensure the **Year End date** is correct b. **Tick** to confirm an archive has been made c. Click on **Close Period** d. Click **Yes** to accept the **default start date**.	
11. Go to **Period End | Archive | Backup Current Data** and create a Backup called **After 1st Year End Closure YY**	
12. Go to **Screen Enquiries / Reports | Financial Reports**. a. Set both the **Period from** and **to dates** to be the first day of the NEW Financial Year b. Click on **Income and Expenditure** c. Check that the Opening and Closing Balances are the same for each account, and that there are no transactions showing in the Income and Expenditure columns.	
13. If the decision was made to Tidy Accounts **BEFORE** Year End Closedown (see Clearing Accounts for Deletion, Point 1 on page 2) the affected Short Codes can now be deleted. (If not, go direct to Point 14) a. Go to **Period End | Delete**. b. In the **Event** column, highlight each Short Code to be deleted in turn and click on the **Delete** button at the bottom of the column. c. Go direct to Point 18 below	
14. If the decision was made to Tidy Accounts **AFTER** Year End Closedown (see Clearing Accounts for Deletion, Point 2 on page 2) go to **Period End | Delete**.	
a. In the **Event** column, highlight each Short Code to be deleted in turn and click on the **Delete** button at the bottom of the column. Any balances (negative or positive) will be transferred into **Excess of Income over Expenditure.**	
b. Once completed, go to **Screen Enquiries / Reports | Financial Reports**. i) In the **Period End date field**, select the last day of the Financial Year ii) Click on **Summary Balance Sheet**. The first line of this report will show the amount of Excess of Income over Expenditure. This figure can be positive or negative. Make a note of it or print the report for reference.	
c. Go to **Transaction Entry | Transfers | Short Code Transfers** i) in the **From** box, select 'Xs of Income'	

Procedure	✓
ii) in the **To** box, select RESERVES or GENERAL (or any other suitable account) iii) ensure that the date of the transfer is the **last** day of the Financial Year iv) enter a reference **Clear Xs of Income** v) In the **Amount** box, enter the figure EXACTLY as it appears on the Summary Balance Sheet report, i.e. nnn.nn or –nnn.nn. vi) Click on **Transfer**.	
d. Go to **Screen Enquiries / Reports | Financial Reports**. e. In the **Period End date** field, select the last **day** of the Financial Year f. Click on Summary Balance Sheet. The Excess of Income over Expenditure value should now be zero.	
15. If the decision was made to Tidy Accounts **AFTER** Year End Closedown Go to **Period End | Archive | Backup Current Data** and create a Backup called **After Short Code Deletions YY**	
16. If the decision was made to Tidy Accounts **AFTER** Year End Closedown Close the year again in **Period End | Year End**. a. Ensure the **Year End date** is the **last** day of the Financial Year b. **Tick** to confirm an archive has been made c. Click on **Close Period**	
17. If the decision was made to Tidy Accounts **AFTER** Year End Closedown Go to **Period End | Archive | Backup Current Data** and create a Backup called **After 2nd Year End Closure YY**	
18. Go to **Screen Enquiries / Reports | Financial Reports**. a. Set both the **Period from** and **Period to** dates to be the **first** day of the **NEW** Financial Year b. Click on **Income and Expenditure** c. Check that the Opening and Closing Balances are the same for each account, and that there are no transactions showing in the Income and Expenditure columns.	
19. In **Screen Enquiries / Reports**, change the Default Start Date to the first day of the NEW Financial Year.	
20. Continue processing in the new Financial Year!	

Appendix 1 – Month End Reconciliation Schedule (Example)

Month End (MM/YY) ____________ (Use this date as the end date for all the reports listed below)

Action ✓

1. **Bank Reconciliation completed for:**
   - a. Bank Account No: Lloyds Current ✓
   - b. Bank Account No: Lloyds Deposit ✓
   - c. Cash Account (Petty Cash Tin) ✓
2. **Print and review list of Unpresented Items, noting action taken for any overdue items** ✓
   (Transaction Entry | Bank Statements | Print Unreconciled Transactions)
3. **Summary Balance Sheet & Income and Expenditure reports printed** ✓
   (Screen Enquiries / Reports | Financial Reports, ensuring the correct date range is selected)
   - a. Check that the Balance Sheet is in balance ✓
   - b. Check that the Income and Expenditure report has sensible, appropriate figures and investigate oddities ✓
   - c. Check that the Movement in Period corresponds on the two reports ✓

   Movement in Period figure from Balance Sheet *£304.77*

   Movement in Period figure from I & E Report *£304.77*
4. **Go to Transaction Entry | Bank Statements and check that the Cash Book Balances for each account are equal to the balances on the Summary Balance Sheet**

	Cash Book Balance on Bank Statement screen	Cash Book Balance on Balance Sheet	
a. Bank Account	*£1957.06*	*£1957.06*	
b. Bank Account	*£4101.71*	*£4101.71*	
c. Cash Account	*£246.00*	*£246.00*	

Reconciliation Schedule prepared by: ____________

Reconciliation Schedule reviewed by: ____________

Appendix 2 – Month End Reconciliation Schedule (Blank)

Month End (MM/YY) ________________ (Use this date as the end date for all the reports listed below)

Action

1. Bank Reconciliation completed for:

a. Bank Account No: Lloyds Current

b. Bank Account No: Lloyds Deposit

c. Cash Account (Petty Cash Tin)

2. Print and review list of Unpresented Items, noting action taken for any overdue items
(Transaction Entry | Bank Statements | Print Unreconciled Transactions)

3. Summary Balance Sheet & Income and Expenditure reports printed
(Screen Enquiries / Reports | Financial Reports, ensuring the correct date range is selected)

a. Check that the Balance Sheet is in balance

b. Check that the Income and Expenditure report has sensible, appropriate figures and investigate oddities

c. Check that the Movement in Period corresponds on the two reports

Movement in Period figure from Balance Sheet ________________

Movement in Period figure from I & E Report ________________

4. Go to Transaction Entry | Bank Statements and check that the Cash Book Balances for each account are equal to the balances on the Summary Balance Sheet

	Cash Book Balance on Bank Statement screen	Cash Book Balance on Balance Sheet
a. Bank Account		
b. Bank Account		
c. Cash Account		

Reconciliation Schedule prepared by: ________________

Reconciliation Schedule reviewed by: ________________

Appendix 3 - Importing / Updating Students into PFM from SIMS.net

Before starting this procedure please do the following:

a. Check you have the correct version of PFM - 7.00.00. The version is shown in the blue bar across the top of the screen when running PFM. If you do not the correct version, please request an upgrade from the web site www.istekuk.com. Check you have the correct SIMS report - it is called **PFM2014 (or PSM2014Familiar for familiar names)** and is found in the FOCUS - STUDENT area of SIMS. If you do not have it, please email us at info@istekuk.com
b. Before starting, take an archive, using Period End - Archives - Backup Current Data. Click in the white box and enter the name BEFORE IMPORT. Click on CREATE BACKUP.

Pupil record daily synchronised link
This feature automatically updates PFM with student information from Sims on a daily basis.

Go to FILE - Sims.net Auto Link

At the top of the screen it should have a path to Sims - something like C:\Program Files\Sims\Sims.net\Pulsar.exe. If this is correct you will not need to change it.

Enter your SIMS username and password and tick to remember password

Choose if you want Legal or Familiar name imported (if you choose Familiar you MUST have the Sims file called PFM2014Familiar in Sims)

Tick how often to update. Tick to say you are using the 2014 reports.

Click on SAVE AND CLOSE to save this information, then straight back into FILE - Sims.net autolink

Click on UPDATE NOW to test the link. It will take a while especially if you have lots of students. After a few moments the student names should start to whizz by on screen.

If you do not receive a message saying the Update has been done, please click here for troubleshooting. Click on Save and Close.

If this is the start of a new academic year, you may now wish to delete the old leavers. See section 4 below. If not, the link is now complete and you can close. From now on this will be automatically synchronised at the frequency you have chosen.

Manual Update of Students
This option does not use the Auto link. This is a manual update process. Only use this if some reason you are unable to set up the Sims link (eg Sims is not available from your computer)

Summary of steps - see below for detail
1. Check for students with no admission number
2. If there are none, go to SIMS.net and run PFM Pupil report - save file.
3. Go to PFM - Setup tab - choose to Upload Student Names - select file saved in step 2 - Click on Save Details into Database
4. Delete leavers in Setup Tab by using the CLEAN UP button at bottom of screen.

1. CHECK FOR STUDENTS WITH NO ADMISSION NUMBER

It is important that all students have an admission number as this is the unique item for each one. Without an admission number, students imported from SIMS will be duplicated if any item has changed, such as their class. To check for any students without an admission number, go to the **SETUP** tab - first sub-tab **STUDENTS**, then click on 'Students Without an Admission Number'.

If you DO have students without admission numbers, and they are NOT expected (eg parent names, pupils from other schools etc) please go to END of this document for details on what to do

2. RUN STUDENT REPORT IN SIMS

Now we know there are no students without an Admission Number, we are ready for the **new list** of students. Go to SIMS.net – REPORTS – RUN. Then select FOCUS – STUDENT. Scroll down to the report called PFM2010. (If you do not have this on the list, email us on info@istekuk.com)

Click **'Run' -** Make Sure The Date Showing Is Today.

The report will be generated for the whole school. This may take a moment.

Click on BROWSE, choose a folder and NOTE IT DOWN, then save as an **XML** file, with a different name every time you do it, for example PUPILSSEP2010.XML

Close SIMS.net

3. IMPORT STUDENT LIST INTO PFM

In PFM go to the SETUP tab – UPLOAD STUDENT NAMES.

All the students should appear on screen. Scroll down the list and make sure that the right information is in the right column all the way to the end. If they are not, you have probably NOT saved as an XML file, so please return to Sims and repeat.

Click on Save Details into Database button. Rather than confirming every student in turn, click on the Accept All without showing this screen tick box at bottom left. Please BE PATIENT and do not click or move anywhere else on your system while this is running. It may take a couple of minutes..

4. DELETE LEAVERS

When you run the import from SIMS.net, the system now checks for any students that are on PFM but not on the new SIMS list, and also students that are on the new SIMS list but set as Deleted in PFM.

Students showing as deleted on PFM, but clearly current students on SIMS.net, are reset as undeleted

All students that are on PFM but that don't appear on the latest SIMS list, are considered leavers and made available for deletion if required.

To view these students, click on STUDENTS NOT UPDATED. A list appears, which should be students who have left the school. If this is correct generally, you can then click on CLEAN OUT. If there are certain students you wish to merge with others you can tick/untick these and MERGE as detailed above. Any leavers can simply be DELETED by clicking on DELETE TICKED.

How to deal with students without admission numbers

If any students are showing without admission numbers, you have 4 choices of how to deal with them:

1. If they are not duplicated anywhere else on the system and have no transactions, you can safely DELETE them as they will be added correctly when you run the SIMS upload.
2. If they are a duplicate of another student name with an admission number, you need to MERGE
3. If they are not duplicated, and do have transactions posted to them, you must ADD the admission number.
4. If they are not current students, simply DELETE them.

To check for duplications go to Period End – CLASS CHANGER – select the class required. Then return to SETUP – and use the **Students without Admission Number Clean Up.**

1. **Delete students with no transactions -** if they have no transactions at all, then it is best to simply delete them, as they will be imported from SIMS once we link, if they are still in the school -

- Tick the students to delete
- Click Delete those without Transactions

2. **Merge Students who are duplicated** - if a student is duplicated, then merge the two records to combine the transactions.

- Tick students to merge. Click on Merge Ticked Students.
- Enter some search text to identify student to merge with, click name and click on MERGE.
- Next student to merge will appear – continue.

3. **Add admission numbers -** If there are current students without an admission number, who are not duplicated anywhere on the system, you will need to provide an admission number, as follows.

Setup - Students - Click on View/Amend/Add. Select student using pull down arrow. Type in SIMS admission number into STAR REF box. Click on SAVE.

4. Delete used but unwanted students

- Tick students to remove and click on Delete Ticked Students.

Appendix 4 - Reports Showing Prior Year Transactions

If you want to look at all transactions against an account, even if they relate to a previous financial year:

Screen Enquiries - Reports By Account
Select account of interest from Short Code pull down.
Change the FROM date at the top of the screen to go back as far as you wish
Click on AUDIT TRAIL BY SHORT CODE

This will show a full list of all transactions related to this account for the entire date range selected.

If you require further or different detail to this, you will need to View the prior year backup.

Go to Period End - Archives- Restore from Backup
Select the Year End archive from the pull down list
Click on VIEW ARCHIVE - **DO NOT USE RESTORE FROM BACKUP OR ALL YOUR CURRENT DATA WILL BE LOST!!!**

Appendix 5 – Corrections

Everyone makes mistakes. At some time, chances are you will enter something incorrectly on Private Funds Manager.

For audit requirements, there is no facility to go back and just change the original information entered, but you can and should instead enter an adjustment or correction.

Deleting Entries

Deleting entries – receipts or payments is straightforward if no receipt has been printed (in receipts) and if the entries have not been banked.

Simply click on the grey box on the left hand side of a line, and press the Delete key on your keyboard. If the entries have been banked, follow the instructions below.

Receipt Corrections

Entry on Twice

If you have not yet banked and auto receipts is not on, then simply click on the grey box to the far left hand side of the line and press the Delete key.

If you have not yet banked and auto receipts is on and the receipt has printed, enter a corresponding entry to the incorrect line using the same code, date etc but enter a negative amount.

If you have already banked the information, enter a new receipt equal but opposite to the original duplicate entry. You will need to remember that when you reconcile the bank, you will need to find the original banking and the adjustment in order to reconcile correctly.

Incorrect Short Code Used

If you have not yet banked and auto receipts is not on, then simply click on the grey box to the far left hand side of the line and press the Delete key.

If you have not yet banked and auto receipts is on and the receipt has printed, enter a corresponding entry to the incorrect line using the same code, date etc but enter a negative amount. Then re-enter using the correct short code.

If you have already banked the information, use Transaction Entry - Transfers – Short Code Transfer to move the income to the correct short code.

Incorrect Amount Entered

If you have not yet banked and auto receipts is not on, then simply return to the Amount field of the line and overtype the correct amount.

If you have not yet banked and auto receipts is on and the receipt has printed, enter a corresponding entry to the incorrect line using the same code, date etc but enter a negative amount. Then re-enter using the correct amount.

If you have already banked the information, enter an adjustment in the form of a positive receipt if the amount entered was too little or a negative receipt if the amount was too much. You will need to remember that when you reconcile the bank, you will need to find the original banking and the adjustment in order to reconcile correctly.

Payment Corrections

Entry on Twice

If you have not yet saved then simply click on the grey box to the far left hand side of the line and press the Delete key.

If you have already saved the information, use Payments- Cancel payment . You will need to remember that when you reconcile the bank, you will need to find the original banking and the adjustment in order to reconcile correctly.

Incorrect Short Code Used

If you have not yet saved, then simply click on the grey box to the far left hand side of the line and press the Delete key.

If you have already saved the information, cancel the entry with Payments - Cancel payment and re-enter correctly.

Incorrect Amount Entered

If you have not yet saved then simply return to the Amount field of the line and overtype the correct amount.

If you have already saved the information, enter an adjustment in the form of a positive payment if the amount entered was too little or a negative payment if the amount was too much. You will need to remember that when you reconcile the bank, you will need to find the original payment and the adjustment in order to reconcile correctly.

Transfer Corrections

If a transfer is entered incorrectly, the best course of actual is to reverse the original and re-enter correctly. To reverse the original use the same accounts, date and amount and put explanatory text in the Narrative field.