

Private funds – use of SIMS FMS

In the first instance contact should be made with SIMS support to install a second FMS Private fund database which as part of the school licence is free of charge. Consider what cost centres need to be set up by reference to the existing accounting structure. Examples could include the following:-

- Bank Interest
- School Uniform
- School trips
- School journey
- Charities
- Book fayre
- Fundraising
- Library / Books
- Shop
- Unallocated

An example of a typical structure

Chart of Accounts Review - Cost Centres									
<small> Selection: Financial Year - 2013/2014 Exclude Cost Centres with Zero Value - No User: AG Establishment: St Swithin Walk' Catholic Primary School </small>									
Code	Description	Fixed Budget	Current Budget	Commitment	Invoiced	Actual	C + I + A	Remaining Budget	
300	Nursery Trips	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
301	Reception Trips	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
302	Year 1 Trips	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
303	Year 2 Trips	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
304	Year 3 Trips	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
305	Year 4 Trips	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
306	Year 5 Trips	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
307	Year 6 Trips	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
308	Year 6 School Journey	0.00	5,349.00	0.00	0.00	0.00	0.00	5,349.00	0.00
401	Library/Books	0.00	149.00	0.00	0.00	0.00	0.00	149.00	0.00
402	Charities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
403	Tea/Pen/Book Bag	0.00	603.00	0.00	0.00	0.00	0.00	603.00	0.00
404	Commission	0.00	440.00	0.00	0.00	0.00	0.00	440.00	0.00
405	Donations	0.00	2,613.00	0.00	0.00	0.00	0.00	2,613.00	0.00
406	Resource Nursery	0.00	18.00	0.00	0.00	0.00	0.00	18.00	0.00
407	Resource Reception	0.00	72.00	0.00	0.00	0.00	0.00	72.00	0.00
408	Resource Y1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
409	Resource Year 2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
410	Resource Year 3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
411	Resource Year 4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
412	Resource Year 5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
413	Resource Year 6	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
414	Welfare	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
415	Whole School Focus Event	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
999	Unallocated	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	9,244.00	0.00	0.00	0.00	0.00	9,244.00	

Printed on 24/10/2013 at 10:46 Page 1 of 1

Where a single cost centre is used for a particular purpose then the Cumulative Expense Analysis report can be used to obtain a breakdown of

income and expenditure. Alternatively, separate cost centres for expenditure and income can be created. The advantage here is that the totals can be seen at a glance.

Consider what ledger codes are to be used and which codes need to be linked into particular cost centres:-

- ❑ The same ledger codes as used in the main FMS module
- ❑ A new simplified set based on common usage

A typical list of simple ledger codes:-

Income

- ❑ Other fees & charges
- ❑ Donation income
- ❑ Shop sales
- ❑ Commission income
- ❑ Bank interest
- ❑ School trip income


Expenditure

- ❑ Entrance fees & charges
- ❑ Transport charges
- ❑ Book fayre expenditure
- ❑ Donation expenditure
- ❑ Consumables
- ❑ Bank charges
- ❑ Payment to main school

Petty Cash

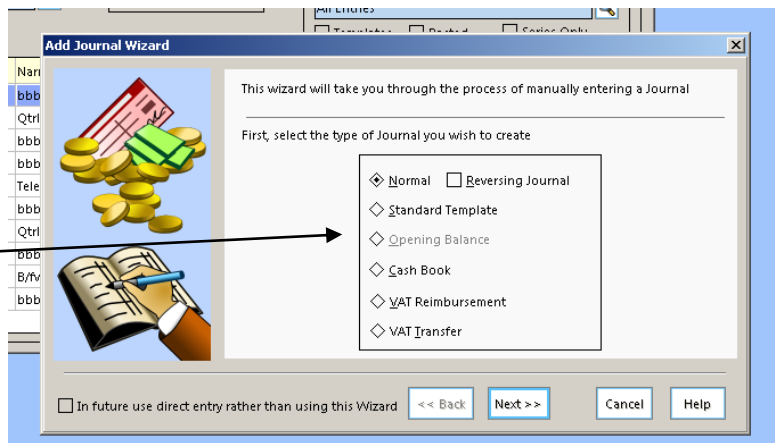
If this is required then a Petty Cash ledger code needs to be created
Once the structure is set up you will then need to pass an Opening journal to reflect the ledger balance brought forward from the previous accounting system.

Go to

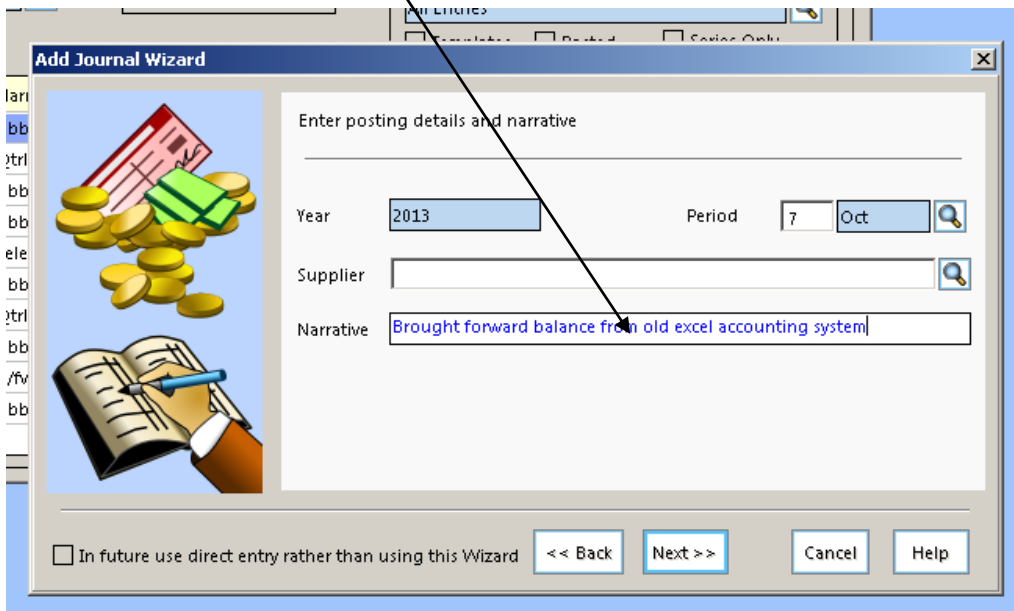
- ❑ Focus
- ❑ General Ledger
- ❑ Manual Journal Processing
- ❑ Click on  button
- ❑ Select Opening Balance option

This journal can be passed at any time within the first accounting year only when a new FMS module is opened.

The Opening Balance option will be live on the new FMS module and should be selected



Insert a suitable narrative



Select FD ledger code and credit the amount of the Bank ledger balance (**N.B. this may not be the same as the statement balance from the Bank**) so that the same value is debited to the Bank ledger code.

E.g. if your balance brought forward from your old excel system was £6,000 you would enter

FD credit £6,000
Bank debit £6,000

This journal assumes that all cheques drawn on the previous accounting system have been cleared by the bank and receipts are credited to the bank.

However, in the actual bank account, the balance may be different due to a timing difference of cheques being presented and receipts being deposited. If this applies then please refer to **Appendix A**.

When completing the first bank reconciliation, the opening balance will show nil, the opening ledger balance will correspond with the journal passed above and the receipt entitled 'b/fwd balance from old accounting system' will be brought down/reconciled to reflect the balance appearing on the bank statement.

Now that the structure is set up and journals passed reflecting the correct balance, an expenditure budget can be set up on appropriate cost centres and ledger codes where there is a surplus or where expenditure has been made and income is expected, then an income budget can be applied to a cost centre with income ledger codes.

Once completed

Go to

- Focus
- Budget management
- Fund Allocation

You will now see figures that look like the following

Code	Description	Allocation	CFR Apportioned	Budgeted	Reserves
1	Private Fund	14931.02	0.00	14931.02	0.02
Totals		14931.02	0.00	14931.02	0.02

'Allocation' is balance b/fwd from old accounting system generated by opening journal

Budgeted total is the same as 'Allocation'

CFR Apportionment is nil as CFR system is not used

Reserves should be nil

You are now ready to use FMS in the usual way.

Schools Finance Team
November 2013

Appendix A


If you have unrepresented items, you will need to set up a ledger code entitled 'Outstanding cheques as at 31/xx/201x' and/or another named 'Outstanding receipts as at 31/xx/201x'.

Go to

- ❑ Tools
- ❑ General Ledger Set up
- ❑ Tab 5
- ❑ For outstanding cheques select Liabilities as type and for outstanding receipts select Assets
- ❑ For ledger group select Control Code

'Outstanding cheques as at 31/xx/201x'

Go to


- ❑ Focus
- ❑ General Ledger
- ❑ Manual journals
- ❑ Click on  button
- ❑ Select Cash Book
- ❑ Credit the new ledger code with the value of the outstanding cheques

The Bank ledger code will automatically be debited with the same value.

Bank Reconciliation

When a cheque is presented for payment which is from the previous system and is presently held in the Outstanding cheque balance you will need to take the following action


Go to

- ❑ Focus
- ❑ General Ledger
- ❑ Manual journals
- ❑ Click on  button
- ❑ Select Cash Book
- ❑ Enter the actual cheque number in the bank reference field so that it will appear in FMS for reconciliation purposes
- ❑ Debit the Outstanding cheque ledger code

The Bank ledger code will automatically be credited with the same value. This will allow you to reconcile the cheque(s) in the bank.

'Outstanding receipts as at 31/xx/201x'

Go to


- ❑ Focus
- ❑ General Ledger
- ❑ Manual journals
- ❑ Click on  button
- ❑ Select Cash Book
- ❑ Debit the new ledger code with the value of the outstanding receipts

The Bank ledger code will automatically be credited with the same value.

Bank Reconciliation

When a receipt is presented at the bank which is from the previous system and is presently held in the Outstanding receipt balance you will need to take the following action

Go to


- ❑ Focus
- ❑ General Ledger
- ❑ Manual journals
- ❑ Click on  button
- ❑ Select Cash Book
- ❑ Enter the actual receipt number in the bank reference field so that it will appear in FMS for reconciliation purposes
- ❑ Credit the Outstanding receipt ledger code

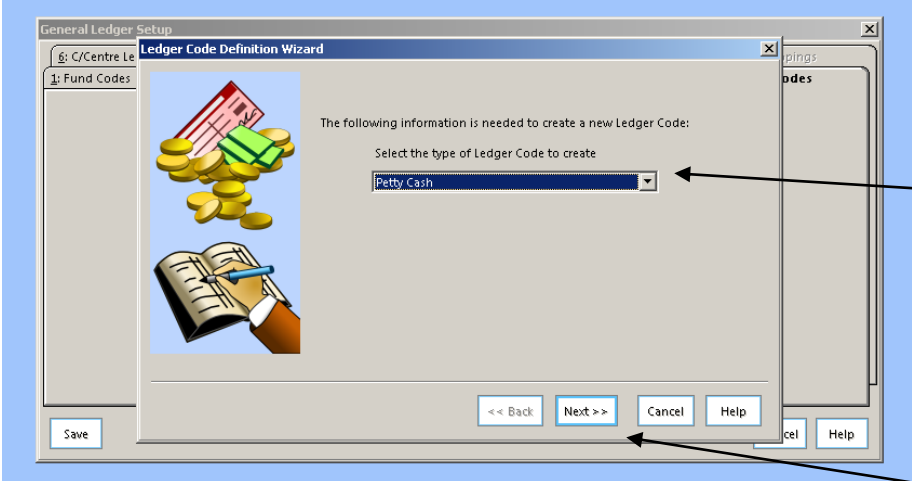
The Bank ledger code will automatically be debited with the same value. This will allow you to reconcile the receipt(s) in the bank.

N.B. For the first reconciliation you will need to pull down the ledger balance, the amount of journals for unreconciled cheques/receipts and the individual amounts for cheques/receipts as they are presented.

Step 1

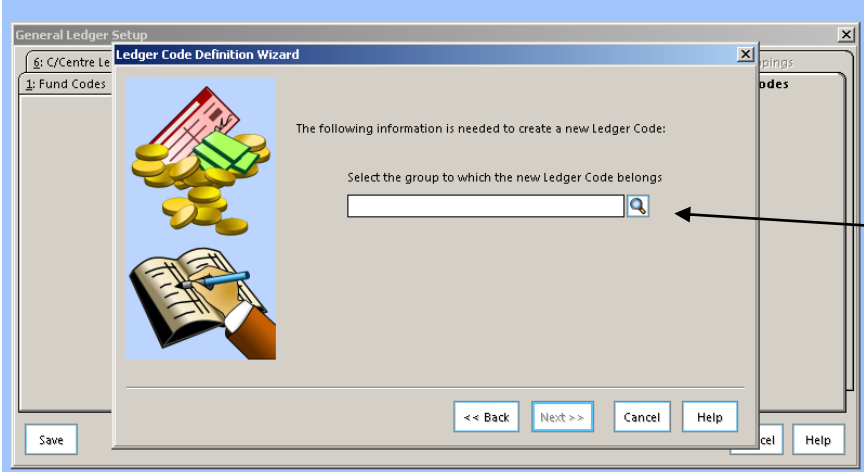
Go to

- ❑ Tools
- ❑ General Ledger Set Up and select Tab 5 Ledger Codes
- ❑ Click on  button
- ❑

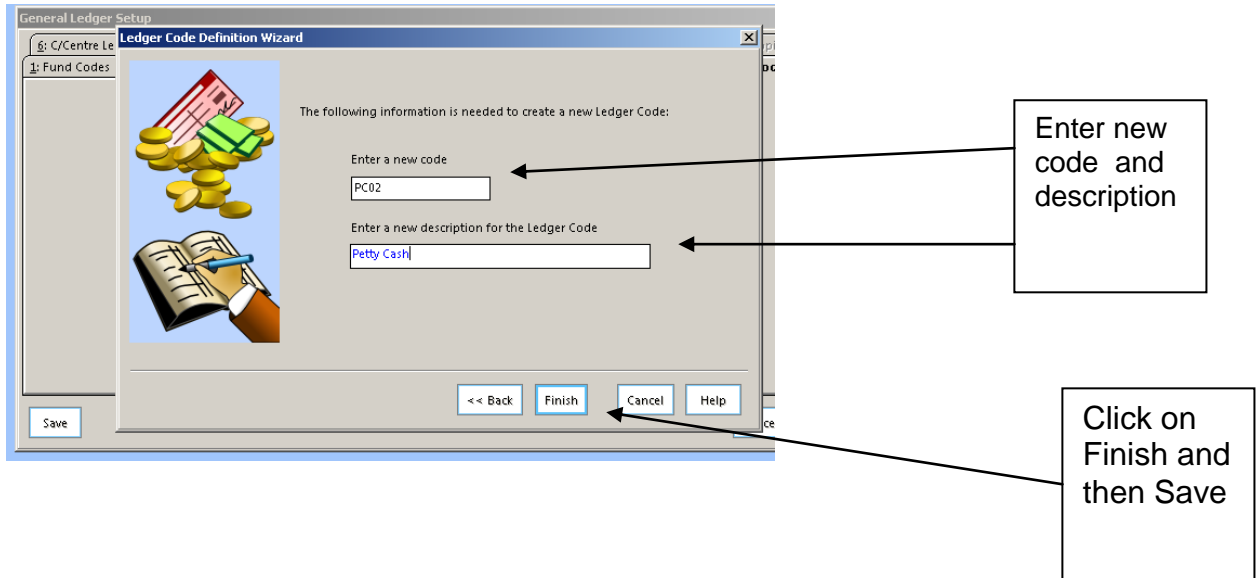


Select Petty cash

Click on next



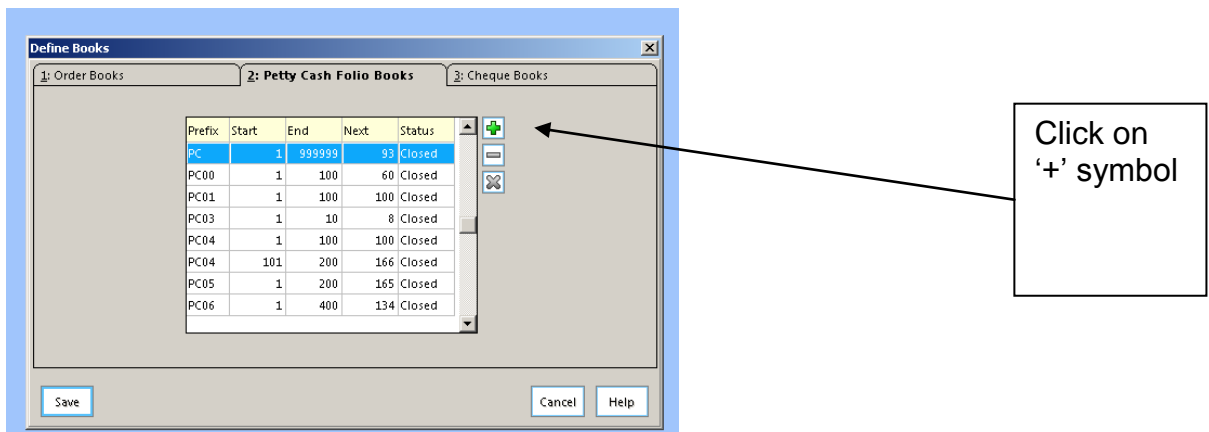
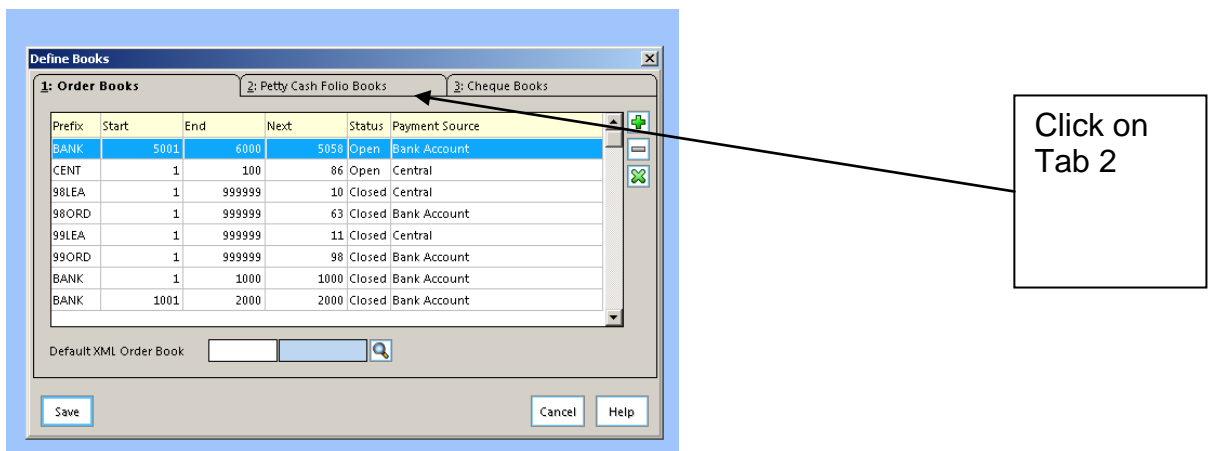
Select Petty Cash

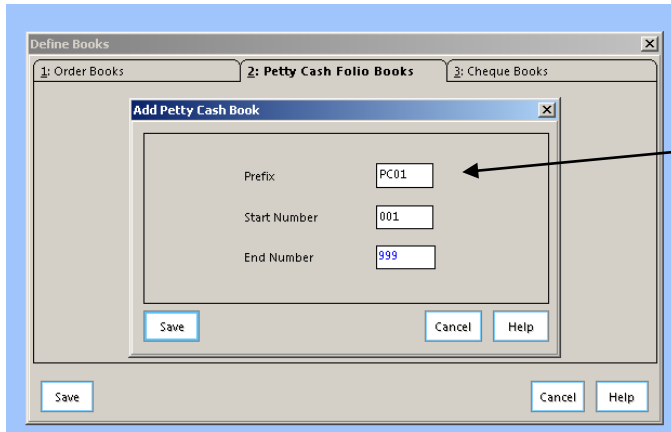


Step 2

Go to

- Tools
- Books and select tab 2 'Petty Cash Folio Books'





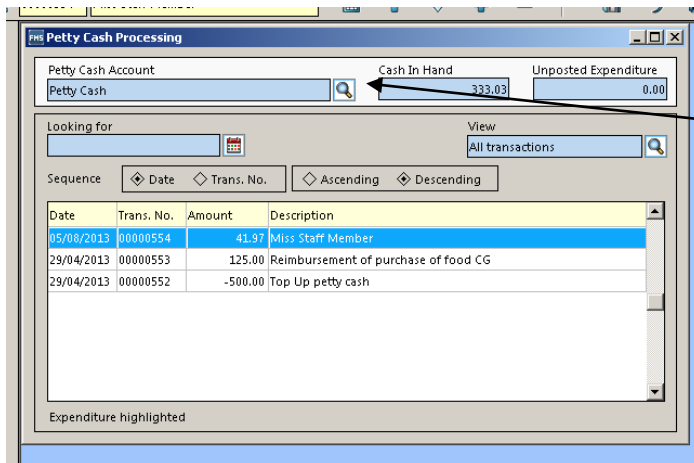
Enter Ledger Code and 001 to 999 to define a prefix for your book

Step 3

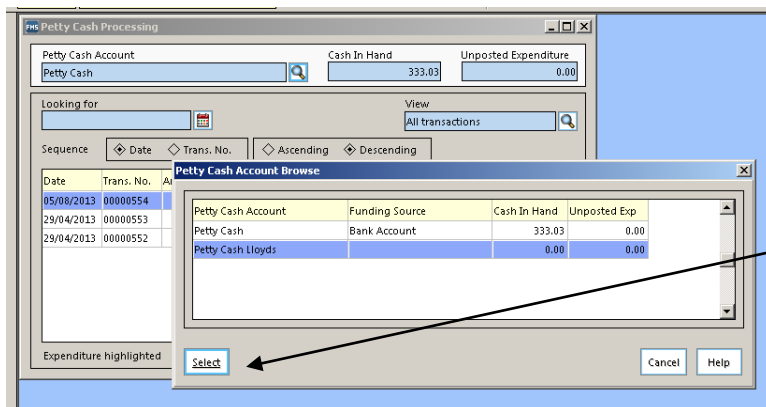
Before using Petty Cash for the first time

Go to

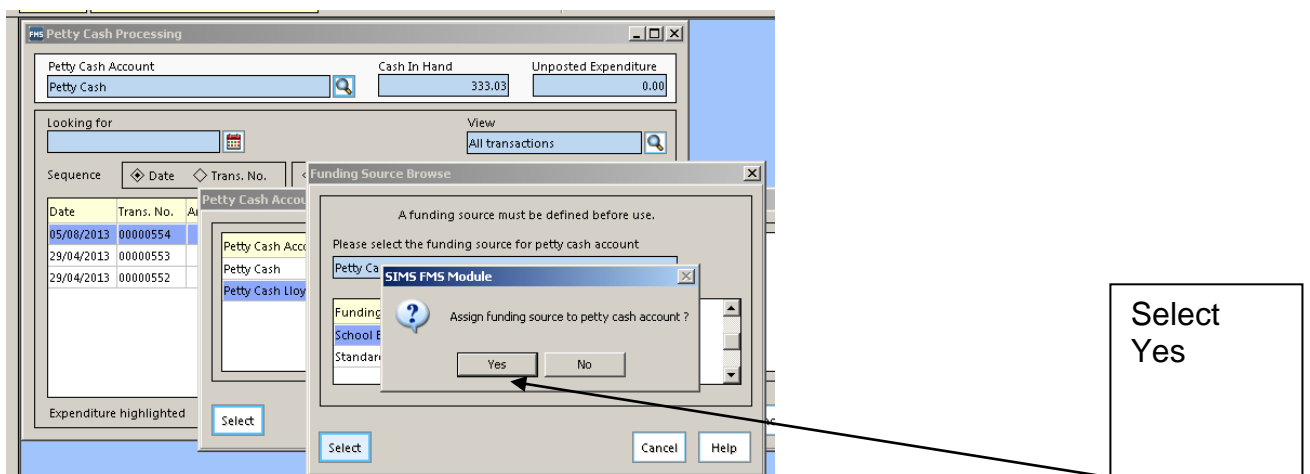
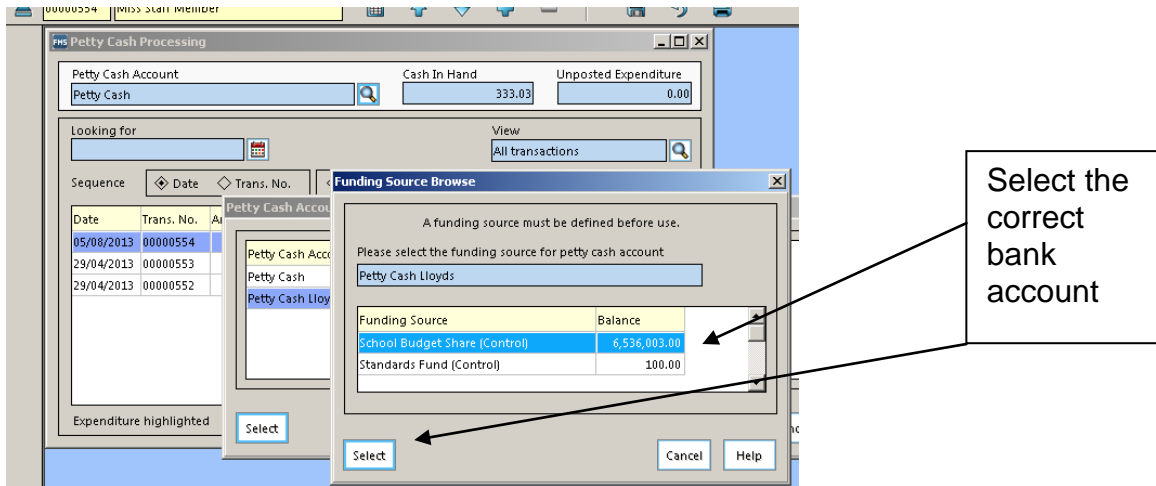
- Focus
- General Ledger
- Petty Cash and go into Petty Cash Processing



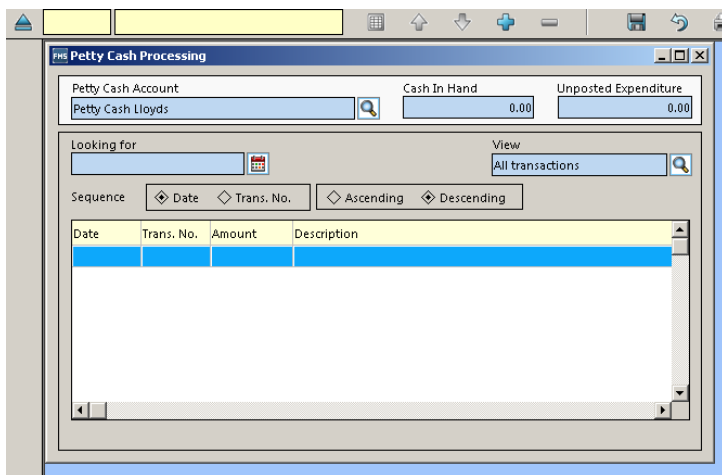
Click on browser



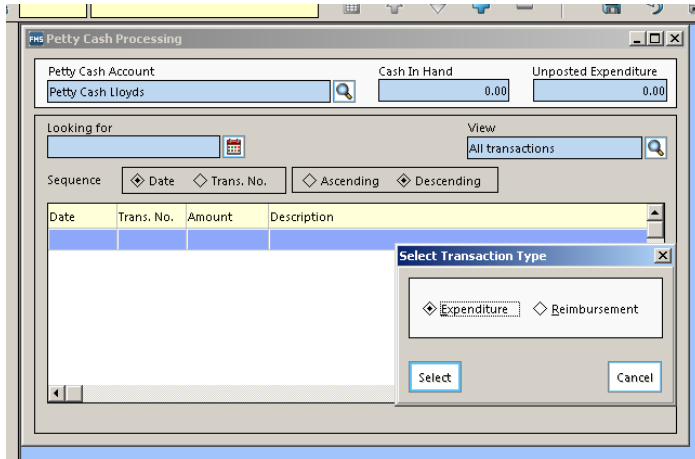
Select correct Petty Cash code



The screen will now look as follows with Cash in Hand and Unposted Expenditure



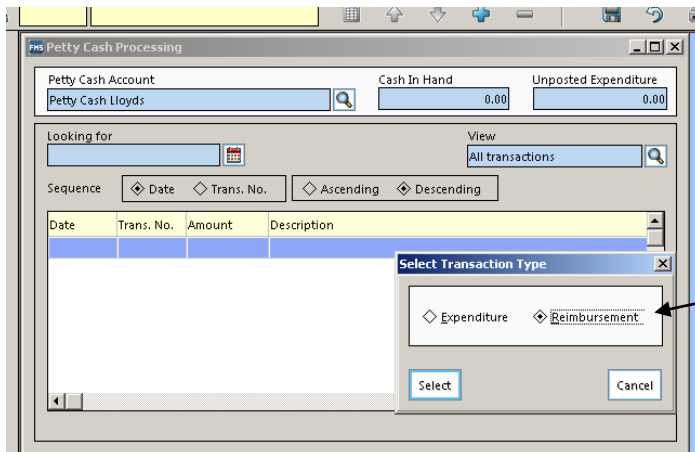
Click on plus to select Expenditure or Reimbursement



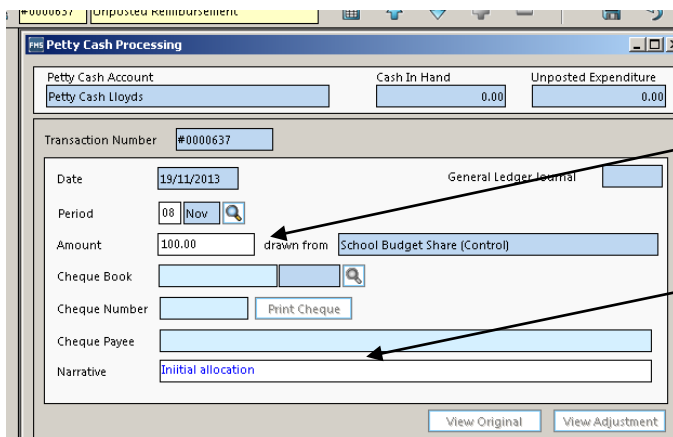
Step 4

Follow these steps to for an initial allocation or a top up of the float

Issue a cheque from the Private Account and pay back into the Private account.



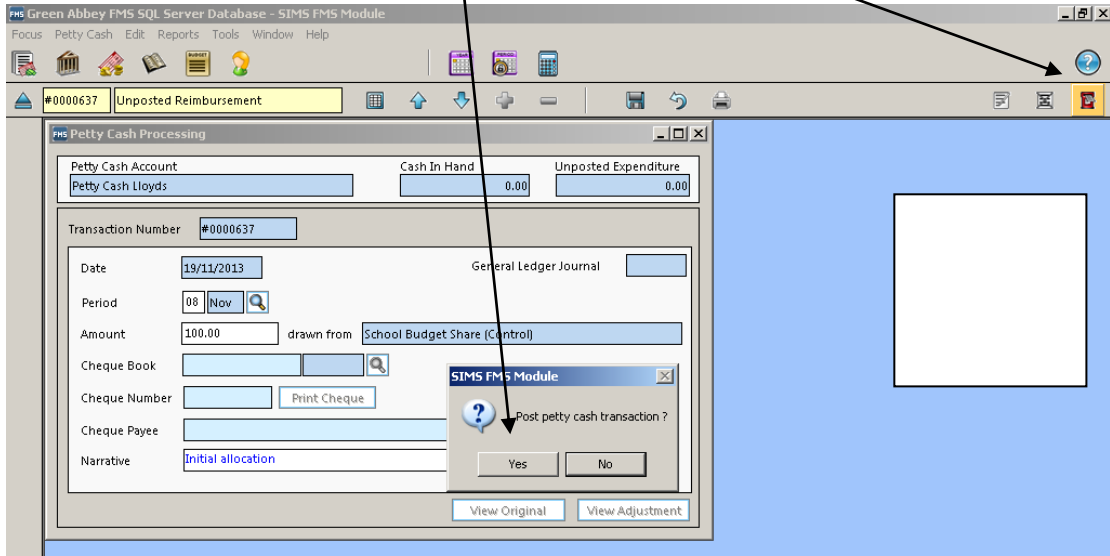
Select Reimbursement



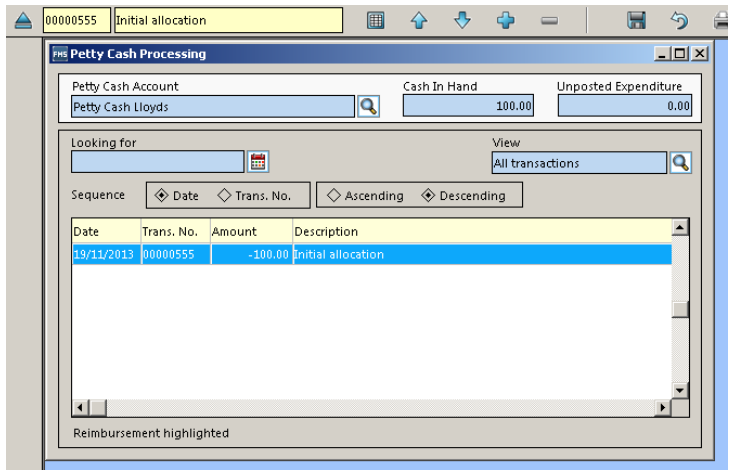
Enter amount and narrative

Post transaction

Post transaction and select Yes

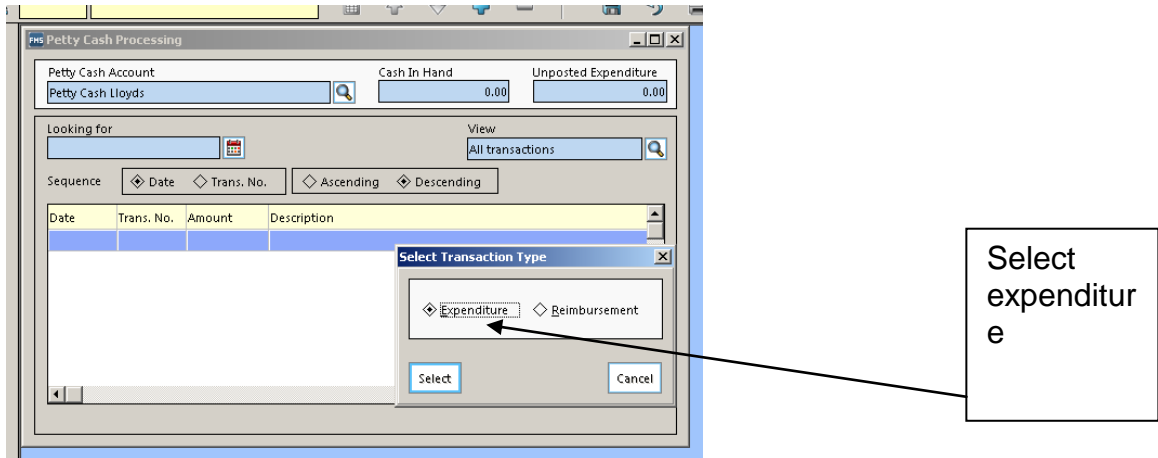


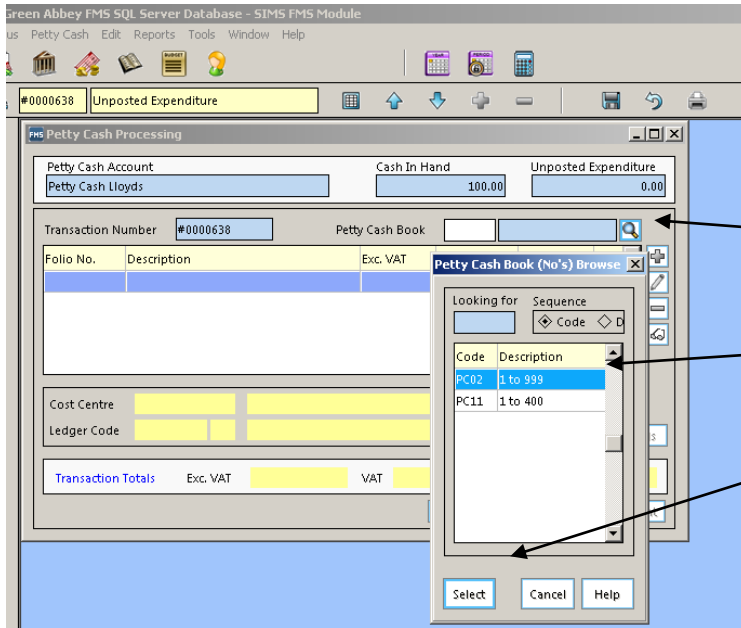
In this example £100 has now been allocated



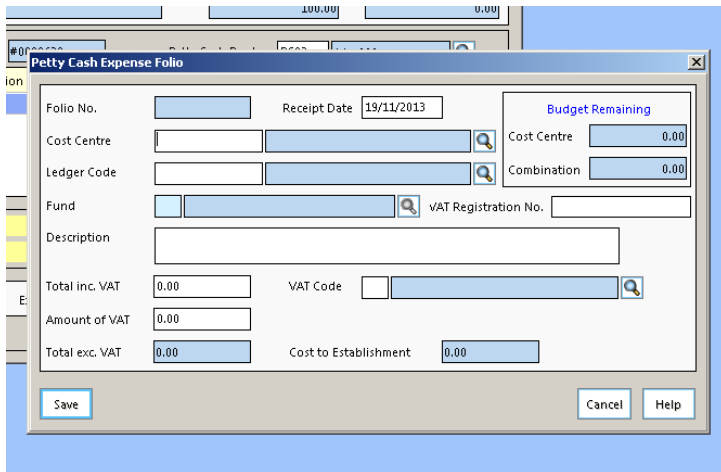
Step 5

For expenditure from Petty cash just follow the following steps





Select browser and then the correct ledger code



Complete details as required

Post transaction, enter narrative of Petty cash Sheet number and print