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2021-22 year-end guidance overview

Closing the year-end is a financial process that all organisations in the public, private and third sectors, need to undertake once every financial year. IPSA is responsible for completing the year-end process on behalf of MPs and we need your help and some information from you to do this.

The year-end process enables IPSA to fulfil its statutory duty to account to Parliament and provide assurance to the public on how taxpayers' money has been spent. The year-end process is also essential to ensuring that IPSA can provide MPs with accurate data about their spend against budgets and prepare the data that we use in our annual publication each year. It is important that we get it right for you.

This document sets out the information IPSA needs from you to help us complete the year-end process. It explains what the year-end financial terms mean and sets out what you need to do to make sure your business costs, payroll costs and any income, are allocated against your budgets in the correct financial year.

If at any time you need support, [please contact your account manager or payroll officer](#) to talk it through. We will also be running a series of year-end webinars throughout February and March.

What happens at year-end?

Any claims you make up to and including 31 March 2022 will be allocated to the 2021-22 financial year unless you ask us, on the year-end form, to move the costs to 2022-23 (you will need to include evidence on the year-end form to show us that the cost relates to goods or services to be received in 2022-23).

Any claims you make on or after 1 April 2022 will be allocated to the 2022-23 financial year unless you ask us, on the year-end form, to move the costs back to 2021-22 (you will need to include evidence that the cost relates to goods or services received in 2021-22).

There is additional guidance about how we will treat claims and purchases via the payment card or via our direct suppliers (Banner, travel, rent payments direct to landlords etc) later in this document.

IPSA complies with accepted accounting practice. This means that there are two key factors we must consider when preparing the year-end accounts:

- Costs for goods must be allocated to the **financial year in which they are received**
- Costs for services must be allocated to the **financial year in which they are used**. Sometimes this means we must split a cost over two different financial years – we explain below how to ask us to do this using the year-end form

It is your responsibility to keep your spending within your budgets and to ensure that IPSA has the information it needs to allocate your costs to the correct financial year. If we do not allocate them to the correct financial year, you may be at risk of overspending your budgets in one of the financial years and this may mean you have to pay money out of your own pocket, back to IPSA. We aim to avoid this by working with you to complete the year-end process – we need your help to do this, and we are keen to help you.

For us to allocate costs correctly, you must fill out the year-end form correctly and ensure that it is received by IPSA no later than **23:59 on 14 April 2022**.

This form, which you need to complete to tell us which claims need to be allocated to a different financial year, [can be found on our website](#). The form contains two pages one for payroll and one for business costs which need to be filled in accordingly.

The final deadline for submission is 23:59 on 14 April 2022.

The form must be emailed to info@theipsa.org.uk.

IPSA must receive the form from you by this deadline – we cannot accept confirmation of your intention to submit a form and forms received after this deadline will not be accepted.

Our year-end timetable

The year-end timetable is designed to meet IPSA’s obligation to publish its Annual Report and Accounts and its Annual Publication data set and to ensure that they align. Work needs to be done by you and by teams at IPSA to get the accounts and publication data ready in advance. Please use the deadlines below to organise your own work on year-end and contact us if you need any help with the process.

The quickest and easiest way to ensure that costs related to 2021-22 are included in that year is to ensure your claims are submitted and approved by 31 March 2022. If you can’t do this, you should submit a year-end form.

If we don’t get a form from you by **23:59 on 14 April 2022**, any valid claims submitted to IPSA on or after 1 April 2022 will be allocated to your 2022-23 budget even if they relate to the 2021-22 year.

To ensure costs are allocated correctly at the end of the financial year, you must submit claims for 2021-22 within the deadlines set out below. If submitted afterwards, valid claims will automatically be allocated against your 2022-23 budgets. You cannot use your 2022-23 budget to prevent overspends in your 2021-22 budget.

Area	Submission deadline
Deadline to submit a completed year-end Form (payroll, accruals, prepayments).	23:59 Thursday 14 April 2022
Deadline to submit any Direct Payment Correction Forms to notify IPSA of costs which need to be moved or to make changes to claims already reimbursed up to and including 31 March 2022.	23:59 Thursday 14 April 2022
Deadline for reconciling any payment card lines from March 2022 or before that you wish to allocate to 2021-22. The payment card lines must be approved by IPSA by this deadline – you need to reconcile your lines in advance of this date to ensure the lines are approved by the deadline. If costs are not reconciled and expenditure accounted for by the deadline, we may ask you to repay the money in accordance with the Payment Card Policy .	23:59 Friday 29 April 2022
Reimbursement Claims for 21-22 that you have included on your year-end forms. The claims must be approved by IPSA by this deadline – you need to submit your claims in advance of this date to ensure your claims are approved by the deadline.	23:59 Friday 13 May 2022
Deadline for Contingency applications relating to 2021-22 overspends.	23:59 Friday 29 July 2022

All valid claims submitted after the deadline, will still be paid, but they will be allocated against your 2022-23 budgets.

Please remember:

- You have until **23:59 on Thursday 14 April** to submit a year-end form.
- You have until **23:59 on Friday 13 May 2022** to ensure the claims that you have included on your year-end form are submitted and approved. If claims are not approved by this date, they will be assigned to 2022-23.
- Any claims submitted outside of the Scheme rules will not be paid unless there are exceptional circumstances.
- Year-end forms will be reviewed against claims submitted by the 13 May deadline to ensure that the estimation of the cost is reasonable, and that the expenditure is allocated accordingly.

Reimbursement claims and payment card transactions

Costs for goods must be allocated to the financial year in which they are **received** and costs for services must be allocated to the financial year in which they are **used**, not when they are paid for.

This section tells you the actions you need to take to ensure costs for goods and services are claimed against the correct financial years. It covers:

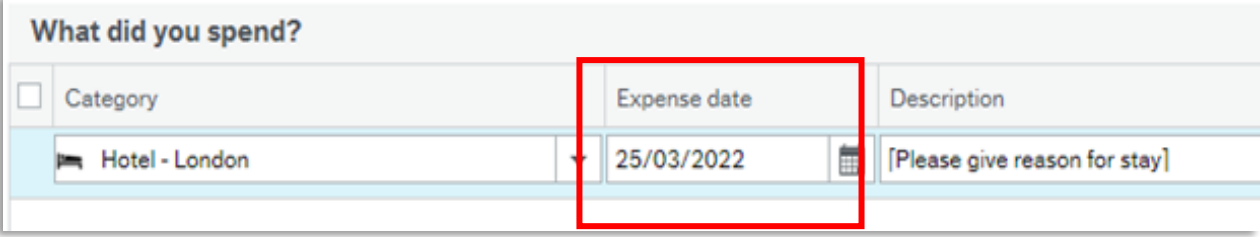
- Costs incurred for goods and services received/used during 2021-22 that do not need to be included on your year-end form
- Costs not yet incurred for goods and services received/used during 2021-22
- Costs incurred during 2021-22 for goods and services to be received/used entirely in 2022-23
- Costs incurred for **services** that are used across both financial years (by their nature, goods cannot be received across financial years).

Costs incurred for goods and services received during 2021-22

Where you incurred costs for goods received or services used before 31 March 2022, you should endeavour to submit the claims by the **23:59 31 March 2022**.

If you are unable to submit the claim before by 31 March, you will need to add the cost to your year-end form to ask IPSA to move the cost back to 2021-22. We will check this information against claims submitted after 31 March 2022 and before the 13 May.

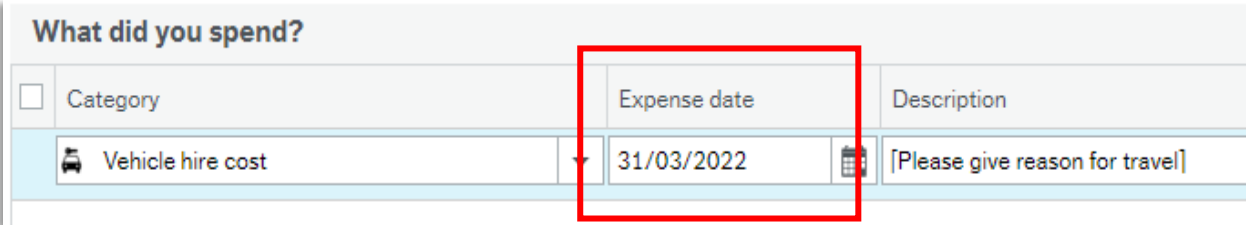
Once you have completed and submitted your year-end form, we need you to do the following:

Type of claim	Action required to allocate costs to 2021-22
<p>Reimbursement claim</p>	<p>Where you have received an invoice (after the 31 March 2022) for any goods received or services used during the financial year 2021-22 you should submit a reimbursement claim in enough time to allow the claim to be fully approved by IPSA by 23:59 13 May 2022 to ensure these costs will be allocated to the 2021-22 budgets.</p> <p>The expense line date (highlighted in the screen below) on your claims should be entered as 31 March 2022 or before.</p>
	
<p>Payment card</p>	<p>Where transactions on your payment card are for any goods received or services used during the financial year 2021-22, you should reconcile these lines by submitting evidence in enough time to allow the lines to be fully approved by IPSA by 23:59 on 29 April for all claim lines to allocate these costs to 2021-22 budgets.</p>

All valid claims with an expense line date of 31 March 2022 or before submitted by **23:59 13 May 2022** and included on your year-end form, if necessary, will be accrued into 2021-22.

Costs not yet incurred for goods and services received in 2021-22

You may have received goods and used services before 31 March 2022 but not have paid for them by this date. You must notify IPSA that you will make future payments for them to ensure they are allocated to the correct financial year. This table tells you the actions you need to take.

Type of claim	Action required to allocate cost to the 2021-22
<p>Reimbursement</p>	<p>If by the 31 March you haven't received an invoice for any goods or services used during the financial year 2021-22, and you are therefore unable to submit a claim, you must notify IPSA by completing and submitting to the year-end form IPSA by 23:59 Thursday 14 April 2022. The form (including instructions) is available at: https://www.ipsonline.org.uk/guidance/reports-and-budgeting</p> <p>Where you receive an invoice (after the 31 March 2022) for any goods received or services used during the financial year 2021-22 and included on the year-end form, you should submit a reimbursement claim by 23:59 13 May 2022 to ensure these costs will be allocated to the 2021-22 budgets.</p> <p>To ensure the information can be accounted for in 2021/22.</p> <p>The expense line date (highlighted in the screen below) on these claims should be entered as 31 March 2022 or before.</p>
	 <p>The screenshot shows a form titled 'What did you spend?'. It has three columns: 'Category', 'Expense date', and 'Description'. The 'Expense date' column for the first entry is highlighted with a red box and contains the date '31/03/2022'. The 'Category' column contains 'Vehicle hire cost' and the 'Description' column contains '[Please give reason for travel]'.</p>
<p>Payment card</p>	<p>Any costs on your March payment card for 2021-22 must be reconciled and approved by IPSA by 29 April 2022. All costs that are reconciled and approved by IPSA by 29 April 2022 will automatically be allocated to your 2021-22 budget unless you ask us to allocate them to 2022-23 on your year-end form.</p> <p>Any March payment card costs not reconciled by 29 April will be automatically allocated to the 2022-23 financial year if reconciled thereafter. In line with our payment card policy, if the lines are not reconciled by 30 May, the lines will be marked as 'cost not reconciled' by IPSA and the amount will be due for repayment to IPSA).</p>

Year-end forms will be reviewed against claims submitted by the **13 May deadline** to ensure that the estimation of the cost is reasonable, and that the expenditure is allocated accordingly.

IPSA may have follow up queries on your year-end form. Failure to provide this additional information will result in the queried costs either being allocated to 2022-23 or rejected.

If you send a year-end form to us, please ensure:

- **You submit a claim for each line on the year-end form before the 13 May deadline to allow time for IPSA to approve it by 13 May and that the claim has an expense line date of the 31 March or before.**
- **You have sufficient budget left for the full cost before submitting the form.**

You are responsible for ensuring you have sufficient 2021-22 budget to accommodate any accrued costs and we will move costs that you have asked us to move, even if it causes an overspend, which you may then be required to repay to IPSA. If we identify a potential overspend, we will contact you as part of our review of the YE forms.

If you are concerned that you may not have sufficient budget remaining to cover the costs on your year-end form, you can [book a call](#) with your IPSA Account Manager for individual support. Our phone lines are also open Monday to Friday.

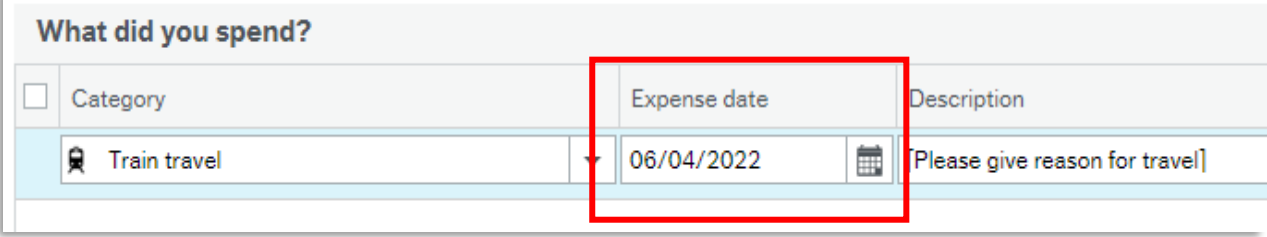
All valid claims with an expense line date of pre-31 March 2022 submitted and approved by 23:59 13 May 2022 and included on your year-end form will be accrued into 2021-22.

Costs incurred in 2021-22 for services to be used entirely in 2022-23

You may have already paid for services that will not be used until after 1 April 2022, in the new financial year. You must ensure they are allocated to the correct financial year. This table tells you the actions you need to take.

Business costs that will require you to put the period the service relates to include:

- Council Tax
- Insurance – buildings
- Insurance – contents
- Rent
- Service charge & ground rent
- Utilities
- Business rates
- TV licence
- Equipment hire
- Landline phone & internet – rental & usage
- Mobile telephone – contract & usage
- Security – further measures
- Security – recommended measures
- Pooled staffing service

Type of claim	Action required to allocate cost to 2022-23
<p>Reimbursement</p>	<p>If between now and the 31 March you submit a claim for services which relates entirely to a period beginning on or after 1 April 2022, these should be submitted with an expense line date (highlighted in the screen below) after 1 April 2022.</p> <p>You must notify IPSA of this by completing the year-end form, which must be received by IPSA by 23:59 Thursday 14 April 2022. This will ensure that your claims are correctly apportioned to the correct financial year.</p>
 <p>The screenshot shows a form titled 'What did you spend?'. It has a table with columns: Category, Expense date, and Description. The first row has 'Train travel' in the Category column, '06/04/2022' in the Expense date column, and '[Please give reason for travel]' in the Description column. The 'Expense date' column and its value are highlighted with a red rectangular box.</p>	
<p>Payment card</p>	<p>If you have reconciled a transaction on your payment card with a transaction date of 31 March 2022 or before which relates entirely to the next financial year (2022-23), you must notify IPSA by completing the year-end form, which must be received by IPSA by 23:59 Thursday 14 April 2022. This will ensure that your claims are apportioned to the correct financial years.</p>

Costs incurred for services that are used across both financial years

You may receive services used across both financial years. This table tells you the actions you need to take for these costs. Business costs that may span more than one year include:

- Insurance – buildings
- Insurance – contents
- Rent
- Service charge & ground rent
- Utilities
- Business rates
- TV licence
- Equipment hire
- Landline phone & internet – rental & usage
- Mobile telephone – contract & usage
- Security – further measures
- Security – recommended measures
- Pooled staffing service

Type of claim	Action required to allocate cost to 2021-22
<p>Reimbursement</p>	<p>If between now and 23:59 31 March 2022, you incur a cost for services, contracts, or subscriptions (such as business rates) that span both financial years, you should submit the claim as soon as possible and no later than 13 May 2022.</p> <p>You should also include these on the year-end form which will allow IPSA to apportion the costs between 2021-22 and 2022-23. This will be done where the combination of the supply start period and the number of months means that this spans both financial years.</p> <p>You should make a reasonable assessment of how to allocate the amount (for example, based on the number of days that fall within each financial year or the number of journeys), splitting the claim accordingly.</p> <p>If you have already submitted a claim, you should include these on the year-end form which will allow IPSA to apportion the costs between 2021-22 and 2022-23. This will be done where the combination of the supply start period and the number of months means that this spans both financial years.</p>
<p>Payment card</p>	<p>If you have a transaction to be reconciled on your payment card with a transaction date of 31 March 2022 or before which relates partly to the next financial year (2022-23) you must notify IPSA by completing the year-end form, which must be received by IPSA by 23:59 Thursday 14 April 2022. This will ensure that your claims are correctly apportioned to the financial years.</p>

Direct suppliers

IPSA pays several suppliers directly for goods and services you may receive or use.

This table tells you how we will allocate costs for direct suppliers.

Direct payment type	Supplier	How the costs will be allocated
Payment card	<i>Barclaycard</i>	<p>Please ensure that you read the additional guidance above on payment card lines. Do not assume that the transaction will be allocated to the year that you expect.</p> <p>Any costs on your March payment card for 2021-22 must be reconciled and approved by IPSA by 29 April 2022. All costs that are reconciled and approved by IPSA by 29 April 2022 will automatically be allocated to your 2021-22 budget unless you ask us to allocate them to 2022-23 on your year-end form.</p> <p>Any March payment card costs not reconciled by 29 April will be automatically allocated to the 2022-23 financial year if reconciled thereafter. In line with our payment card policy, if the lines are not reconciled by 30 May, the lines will be marked as “cost not reconciled” by IPSA and the amount will be due for repayment to IPSA).</p>
Rental payments to landlords	<i>Your landlord</i>	<p>If we pay your rent to your landlord on your behalf IPSA will apportion the final rental payment we make in 2021-22 to the appropriate financial years on your behalf. This will be done based on the period that final rental payment covers and the number of days of this period that are in 2021-22 and 2022-23.</p> <p>Please note that if you claim for your rent via reimbursement, you will need to submit a year-end form to request any changes to the years in which the rent is allocated.</p>
Stationery (XMA, Commercial)	<i>XMA, Commercial, Banner</i>	IPSA will allocate the cost to the financial year in which you made the order.
Travel (Trainline)	<i>Trainline, Reed & Mackay (Parliamentary Travel Office)</i>	IPSA will allocate the cost to the year that the journey is taken.

Payroll

We will automatically allocate any timesheets and/or pay arrears paid in April, but which relate to the 2021-22 financial year, against your 2021-22 staffing budget. You should endeavour to submit all prior year pay related costs before the 14 April deadline.

However, the year-end form must be completed and received by IPSA by 23:59 Thursday 14 April 2022 for the following:

- Reward and Recognition payments to staff members that are to be paid in April and May 2022 salaries but which you want to allocate against your 2021-22 staffing budget.
- Timesheets authorised **after 17.00 on 14 April 2022**, that are to be paid in May 2022 salaries, but which you want to allocate to your 2021-22 staffing budget.
- Any late pay arrears, that are to be paid in May salaries, but which you want to allocate against your 2021-22 staffing budget (for example, a March new-starter staff member not paid at all until May, where you want the proportion of salary paid for March 2022 to come from 2021-22 budget).
- Notifying IPSA of the allocation of costs between staffing or covid staffing budget.

Important: The year-end form will not in itself ensure that staff members are paid accordingly. You must also submit the usual forms (for example, reward and recognition form, timesheets, and/or any new starter documentation) as soon as possible, and by the normal payroll deadlines.

If you do submit the year-end form for payroll costs, you must send other payroll forms by **13 May 2022 payroll cut-off date**. **If the payroll forms are received after this** the cost will not be moved to 2021-22 and the cost will come from the 2022-23 staffing budget. If you send a year-end form to us, please ensure you check that you have sufficient budget left in your staffing budget for the full cost before submitting the form; IPSA is not responsible for ensuring you have sufficient 2021-22 budget to accommodate these costs and will not apportion costs across years to prevent budget overspends.

The year-end form will be the basis of the May payments. The values on the year-end forms need to be as accurate as possible to ensure costs are allocated correctly. You can [book a call](#) with payroll for assistance in calculating the costs to be included on the year-end form.

MPs and staff will be able to access P60s online by the end of May 2022. You will no longer receive a P11D for your taxable annual expenditure as tax on these costs has been deducted via payroll over the course of the year; where tax has been deducted you will have been able to access monthly statements online.

Preventing 2021-22 budget overspends

You should continue to actively monitor your spending, including payment card use and direct payments. Any overspends that arise against your budgets will be repayable.

Some key tips:

- Make sure all claims and payment card lines are completed before the deadlines listed above.
- Make all repayments to IPSA for any money owed.
- Complete a year-end form to make sure the costs are allocated to the correct financial year.
- Action all credit notes and tasks in IPSA Online.

We are keen to help you through the year-end process. If you are concerned about an overspend, you can [book a call](#) with your IPSA Account Manager or Payroll Officer for individual support. Our phone lines are also open Monday to Friday.

IPSA will aim to provide you with a final 2021-22 budgetary position by the end of August 2022, at the latest. Credit notes will be raised during July and August 2022 for all budget overspends that have been identified. Repayments must be made within 30 days of being notified.

If you think there is an exceptional circumstance that may cause you to overspend your budget, you are able to submit a contingency application.

Please refer to the [guidance on the contingency process which is available on the IPSA website](#).

Repayments owed to IPSA

Repayments outstanding as of **31 March 2022** will not be written off. These balances will continue to be recovered in accordance with our Debt and Monies Owed Policy.

You should be aware that monies owed to IPSA are subject to release if requested under the Freedom of Information Act 2000.

To find out what you owe IPSA, you can check **MPD Repayments Due** on your dashboard.

The year-end form can be completed by either the MP or their nominated proxy and should be submitted to info@theipsa.org.uk

All completed year-end forms must be received by 23:59 on Thursday 14 April 2022. Anything received after this deadline cannot be considered.

Should you have any queries please email your Account Manager or the Payroll Team.

Details of how to contact IPSA [can also be found on our website](#).

Annex A: When you should use the year-end form

As a summary, the year-end form should be used in the following circumstances:

Type of form	When to use
Goods and Services	Where you have received a good or used a service before 31 March 2022 (i.e. relates to financial year 2021-22) but you are unable to submit a claim before 23:59 31 March 2022
	Where you have submitted a claim after 31 March 2022 with an expense line date of after 1 April 2022 which relates to goods received or services utilised before 31 March 2022
	If you incur payment card transactions that have transaction dates after 31 March 2022, and which relate to goods received or services utilised wholly or partly in the financial year 2021-22.
	If payment card transactions have dates before 31 March 2022, which relate to goods which will be received, or services utilised wholly or partly after 1 April 2022.
	You have submitted a claim before year-end that is for a good to be received or service to be utilised wholly or in part after 1 April 2022 (i.e., relates to financial year 2022-23), for example service charges.
	Where IPSA will receive funds on your behalf from a third party after 1 April 2022 which relate to 2021-22.
	Where IPSA will receive funds before 31 March 2022 which relate to the 2022-23 financial year (between 1 April 2022 and 31 March 2023).
Payroll accruals year-end form	Any late pay arrears that are to be paid in April or May 2022 salaries, but which you want to allocate against your 2021-22 staffing budget (for example, a March new-starter staff member not paid at all until May, where you want the proportion of salary relating to March 2022 to come from 2021-22 budget).
	Reward and Recognition payments to staff members that are to be paid in April or May 2022 salaries, but which you want to allocate against your 2021-22 staffing budget.
	Timesheets which are not submitted and authorised by 14 April 2022 , but which you want to allocate to your 2021-22 staffing budget.

Annex B: How costs will be allocated across financial years

As a summary, this table tells you how costs will be allocated across the financial years:

Aspect	Area	Areas that will be moved
Costs that will be allocated to 2021-22	Reimbursement claims	All claims submitted before 31 March 2022 with an expense line date of 31 March 2022 or before.
		Costs included accordingly on the year-end form.
	Direct suppliers	All transactions with an order date of 31 March 2022 or before.
		All transactions with a journey date of 31 March 2022 or before.
		The portion of the final rental payment paid by IPSA in 2021-22, which relates to the period up to 31 March 2022 .
		All payment card lines reconciled before 29 April 2022 with a transaction of on or before 31 March 2022.
	Payroll	Any timesheets and/or pay arrears paid in April or May but which relate to the 2021-22 financial year.
		Reward and Recognition payments to staff members paid in April or May included on year-end forms.
		Timesheets paid in May 2022 salaries and included on year-end forms.
		Any late pay arrears paid in May salaries, but which you want to allocate against your 2021-22 staffing budget and included on year-end forms.
Costs that will be allocated to 2022-23	Reimbursement claims	All claims submitted before 31 March 2022 with an expense line date on or after 1 April 2022 .
		All claims submitted on or after 1 April 2022 if not included on the year-end form.
	Direct suppliers	All purchases ordered after 23:59 31 March 2022 .
		All claims submitted before 23:59 31 March 2022 with supply periods entirely or partly in 2022-23.
		All payment card lines reconciled after 23:59 29 April 2022 with an expense line date on or before 31 March 2022.
		All payment card lines reconciled before 23:59 Thursday 14 April 2022 with supply periods entirely or partly in 2022-23.
		The portion of the final rental payment paid by IPSA in 2021-22, which relates to the period after 1 April 2022 .
	Payroll	All staff salary costs paid from May 2022 not included on year-end forms

Annex C: Glossary of financial terms

Term	Definition
Accrual	Costs for goods or services incurred in the old financial year that have not yet been paid.
Accrued income	Income earned in financial year 2021-22 and not yet paid to IPSA but will be paid to IPSA in the new financial year 2022-23, e.g., subletting income earned but not yet received.
Arrears	Money owed for a goods that have been received or services that have been used.
Deferred income	Income earned and paid to IPSA in financial year 2021-22 where the service will be carried out in the new financial year 2022-23, e.g. subletting income paid in advance.
Direct supplier	IPSA can arrange for some goods and services to be paid for directly without you incurring costs. You need to make sure you enter claims for goods and services paid for directly by IPSA.
Direct Payment Correction Form	Form to notify IPSA of corrections required. I.e. correction of journey type; correction of journey date; transfer of costs allocated to incorrect Budget etc.
Expenditure	Money spent on goods or services.
Financial Year	Financial years run from 1 April to 31 March. The 2021-22 year runs from 1 April 2021 to 31 March 2022.
Goods	Items that are tangible e.g. stationery; chairs; equipment.
Overspend	When expenditure exceeds an allocated budget.
Payment card	IPSA can supply you with a payment card so that you do not need to incur costs for goods and services. IPSA pays the payment card bill directly and payment cards must be reconciled each month.
Payroll	A list of employees and the amount of money they are to be paid.
Prepayment	Payment for goods or services not yet incurred but paid for in advance.
Reimbursement claim	A cost that you pay for yourself and apply to IPSA to pay you back.
Services	Activities provided by other people e.g. insurance; rent; utilities; mobile phone rental.
Third party	A person or group besides the two primarily involved.