

# Receiver General Manual



## Chapter 14

### Year End Timetable and Procedures 2005-2006

Last Update: 2005-12-16



**Receiver General Manual (RGM) – Chapter 14**  
**Version Tracking Summary Table**

**Please note:** Each time a chapter is revised and re-issued, a revision number is assigned and the previous version of the chapter is superseded by the latest one. The table below provides a summary of the significant changes that relate to each version, as well as the corresponding version date. Vertical barring has been inserted in the left-hand margin to identify changes made to the latest version only of a chapter.

Chapter Version	Version Date	Summary of Significant Chapter Changes
Revision No. 5	2005-12-16	This chapter has been revised to update the year end timetable close-off dates. Furthermore, we would like to advise that Appendix 6 and the Period 9 Certificate of Representations (Appendix 13) have been significantly modified. Some textual changes have also been made in an effort to improve the reader's understanding of various processes or accounting requirements.
Revision No. 4	2005-01-25	This chapter has been revised to clarify the P9 certificate sample (shown on page 96) in order to better reflect requirements. Although this constitutes a new revision, vertical barring from the previous version has been retained.
Revision No. 3	2004-12-17	This chapter has been revised to update the year end timetable close-off dates. Further, we would like to advise that: <ul style="list-style-type: none"> <li>• Appendix 2 has been modified regarding the processing of reversing entries;</li> <li>• Appendix 6 has changed to include additional guidance on establishing OGD receivables and payables and on communicating these to partnering departments;</li> <li>• Appendix 10 has changed as CRA requires each department to send a notification by e-mail advising them of the details of the GST-HST RAA transferred to CRA; and,</li> <li>• Appendix 13 and 14 have changed due to a new requirement for departments to send the P9 and Final Trial Balance Certificates of Representation to the RG by e-mail, in addition to sending both original signed certificates by mail or through hand delivery.</li> </ul>
Revision No. 2	2003-12-10	This chapter has been revised to update the year end timetable close-off dates. Other notable changes include: <ul style="list-style-type: none"> <li>• added information in P12 Regular for Standard Payment System Deposits (Pre-authorized Debits);</li> <li>• the dates for resubmission of CFMRS trial balances for the extended periods have been eliminated;</li> <li>• a suggestion that after P12 Regular departments complete, as an internal quality assurance activity (to detect errors), pre-drafted <i>Public Accounts</i> forms and plates;</li> <li>• emphasis that no DFMS transactions to be processed after P12-2;</li> </ul>

Chapter Version	Version Date	Summary of Significant Chapter Changes
Revision No. 2 (cont'd)		<ul style="list-style-type: none"> <li>• clarification of money that qualifies as Cash in hands of collectors and in transit (CHCT); and,</li> <li>• reinstated the requirement for departments to transfer the balance from their GST Refundable Advance account to CRA department #122 on or before March 31, 2004.</li> </ul>
Revision No. 1	2002-12-20	This chapter has been revised to update the year end timetable close-off dates. Notable changes to the procedures include the reintroduction of the P9 Certificate and a new spreadsheet requirement for OGDs (related to RGIN 2002-005). In addition, to expedite the finalization of the old year accounts, textual changes have been made in an effort to emphasize that all original accrual and adjusting entries should be made by P12, Extended 1, and to clarify and improve the reader's understanding of the various processes or accounting requirements.
Chapter 14 (initial)	2001-12-20	Initial version that replaces Receiver General Directive 2001-3.

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## 14.1 INTRODUCTION

In order to meet the statutory requirements assigned to the Receiver General (RG) by Section 63 of the *Financial Administration Act* (FAA), the accounts of Canada and the reciprocal departmental accounts are finalized after March 31, according to the timetable and the procedures specified in this chapter.

The timetable close-off dates are a combination of system and accounting requirements that permit the Accounting, Banking and Compensation Branch (ABCB) of Public Works and Government Services Canada (PWGSC) to prepare in a timely and consistent manner the Audited Financial Statements and the *Public Accounts of Canada*, and to provide the information required for the Annual Financial Report.


This chapter applies to all the departments, agencies or other organizations (including Crown corporations) that are required to use the Consolidated Revenue Fund (CRF) or are delegated authority to use the CRF under Section 33 of the FAA. The term “departments”, used throughout this chapter, represents all of the above-mentioned organizations.

Supplemental year-end information can be found on the Central Accounting and Reporting Sector (CARS) Publiservice Year End Web site at the following Universal Resource Locator (URL): <http://publiservice.pwgsc.gc.ca/cars-sccr/text/yearend-e.html>. Departments are encouraged to bookmark the URL and to monitor the Website for updates and changes relating to year-end.

## 14.2 YEAR END TIMETABLE

The accounts of Canada and reciprocal departmental accounts are finalized after March 31, according to the timetable and procedures established in this chapter. The dates shown are for the calendar year 2006 and the times displayed are Eastern Time (ET), unless otherwise indicated, for receipt by PWGSC of the input shown.

**Table 1 - 2005-2006 RG Year End Timetable and Checklist**

 Public Works and Government Services Canada / Travaux publics et Services gouvernementaux Canada				
Period	Input or Requirement	Close-off Date	Status – Complete	
P9	Period 9 Certificate of Representations (electronic copy)	February 9, 4:00 p.m.	<input type="checkbox"/>	
	Period 9 Certificate of Representations (SFFO signed copy)	February 14, 4:00 p.m.	<input type="checkbox"/>	
P12 Regular	Payroll payment cancellations sent to PWGSC Payroll Accounting Offices by departments	March 9, 11:59 p.m.	<input type="checkbox"/>	
	Payroll payment input to RPS (bulk pay input)	March 15, 11:00 a.m. Eastern and Western region	<input type="checkbox"/>	
	Payroll payment input to RPS (on-line pay input)	March 16, 2:00 p.m. Eastern region or 3:00 p.m. Western region	<input type="checkbox"/>	
	Deposits via Pre-authorized debit input to SPS	March 27, 7:00 p.m.	<input type="checkbox"/>	
	Cheque cancellations using forms PWGSC-TPSGC 5495, 5497 or 5498 sent to CRCD by departments	March 28, 4:00 p.m.	<input type="checkbox"/>	
	DBA Cheque Cancellations or Adjustments (form PWGSC-TPSGC 5494) sent to CRCD by departments	March 28, 4:00 p.m.	<input type="checkbox"/>	
	External payment requisitions to SPS via auto-load process	March 31, 7:00 p.m.	<input type="checkbox"/>	
	External payment requisitions to SPS via on-line	March 31, 8:00 p.m.	<input type="checkbox"/>	
	Payment cancellations by depts to SPS by Client Action File	March 31, 7:00 p.m.	<input type="checkbox"/>	
	Payment cancellations by depts to SPS via on-line	March 31, 8:00 p.m.	<input type="checkbox"/>	
	Interdepartmental Settlement (IS) requisitions to SPS via auto-load process	March 31, 7:00 p.m.	<input type="checkbox"/>	
	Interdepartmental Settlement (IS) requisitions to SPS via on-line	March 31, 8:00 p.m.	<input type="checkbox"/>	
	Departmental Bank Account (DBA) cheque issue accounting data input to SPS	March 31, 7:00 p.m.	<input type="checkbox"/>	
	Deposits to financial institutions (Canadian account)	March 31, 2:00 p.m.	<input type="checkbox"/>	
	Deposits to financial institutions (Foreign account)	Refer to subsection 14.3.2.1 (d)	<input type="checkbox"/>	
	DFMS trial balance to CFMRS	April 7, 4:00 p.m.	<input type="checkbox"/>	
	DFMS trial balance resubmission to CFMRS (if errors are detected by the CFMRS validation edits)	April 11, 4:00 p.m.	<input type="checkbox"/>	
	Reporting transaction details to the Receiver General for OGD accounts receivable and OGD accounts payable	April 12, 4:00 p.m.	<input type="checkbox"/>	
	P12-1	Confirm with partnering department OGD accounts receivable and OGD accounts payable amounts	April 21, 4:00 p.m.	<input type="checkbox"/>
		DFMS trial balance to CFMRS	April 28, 4:00 p.m.	<input type="checkbox"/>
Reporting transaction details to the Receiver General for OGD accounts receivable and OGD accounts payable		May 3, 4:00 p.m.	<input type="checkbox"/>	
P12-2	Certificate of Standing Advances	May 12, 4:00 p.m.	<input type="checkbox"/>	
	Public Accounts submissions of Pension Tables applicable to PS Superannuation, DND, RCMP, the Senate and House of Commons*	May 15, 4:00 p.m.	<input type="checkbox"/>	
	Final old year DFMS trial balance submission to CFMRS	May 19, 4:00 p.m.	<input type="checkbox"/>	
	Reporting transaction details to the Receiver General for OGD accounts receivable and OGD accounts payable	May 24, 4:00 p.m.	<input type="checkbox"/>	
	Certificate of Rep. for the Final Trial Balance (electronic copy)	May 25, 4:00 p.m.	<input type="checkbox"/>	
	Public Accounts submissions for Volume I, II*	May 25, 4:00 p.m.	<input type="checkbox"/>	
	Certificate of Rep. for the Final Trial Balance (SFFO signed copy)	May 29, 4:00 p.m.	<input type="checkbox"/>	
	Public Accounts submissions for Volume III*	June 6, 4:00 p.m.	<input type="checkbox"/>	
	Letter of Representation*	June 23, 4:00 p.m.	<input type="checkbox"/>	

\* The details with respect to the requirements for the *Public Accounts* submissions and Letter of Representation will be included in the relevant RGM chapters located at: <http://publiservice.pwgsc.gc.ca/rg/text/recgen-e.html>. The dates that have changed from those included in the Draft 2005-2006 RG Year End Timetable and Checklist (provided November 24, 2005) have been shaded in the above Timetable.

### 14.3 PROCEDURES

Departments are accountable for the quality, completeness and timeliness of their input to the Receiver General's central systems. This includes the requirement to summarize (in accordance with the Government-wide Chart of Accounts and the account balance concept) and transmit all data maintained in the Departmental Financial Management Systems (DFMS) to the Central Financial Management Reporting System (CFMRS). During the fiscal year, the departmental trial balance transmissions to CFMRS occur on a monthly basis and at year end, in accordance with the timetable referenced in this chapter.

The following paragraphs provide information on each accounting period related to the year end process and additional information is contained in the various appendices.

#### 14.3.1 Accounting Period 9

In preparation for the year end, departments are required to submit preliminary representations on the completeness and accuracy of their departmental accounts and their compliance with Receiver General and Treasury Board requirements. These preliminary representations are achieved through a Period 9 Certificate of Representations approved by the Senior Full-time Financial Officer. The detailed requirements of the Period 9 preliminary representations are included in Appendix 13. The cut-off date for submission of the Period 9 Certificate of Representations is **February 9**.

In order to assist departments in their year-end closing, and to reconcile departmental receivables and payables with Other Government Departments (OGDs), the RG is requesting that departments submit transaction details of their accounts receivable (A/R-OGD) and accounts payable (A/P-OGD) with information identifying the partnering departments, and attempt to resolve or explain both previous fiscal years and current fiscal year originated amounts which are not matched. Details about this RG requirement can be found in Appendix 6 of this chapter.

The regular monthly cut off patterns and dates for input to PWGSC apply in Period 9.

#### 14.3.2 Accounting Period 12

Accounting Period 12 is the final accounting period for the fiscal year and consists of a Regular Component and an Extended Component. The following sub-sections provide information on the Period 12 accounting period and the related year end process.



### 14.3.2.1 Period 12 Regular

The **accounting Period 12 Regular** is comparable with accounting Periods 1-11 and is the final period for input of old year transactions to the PWGSC Treasury Systems (Standard Payment System (SPS) or Government Banking System (GBS)) and the Regional Pay System (RPS). **The departmental trial balances forwarded to CFMRS for the accounting Period 12 Regular are to include all the monthly accruals to permit the Monthly Statements of Financial Operations to be produced by the Receiver General, on a basis consistent with Periods 1 through 11.**

The Period 12 Regular is the final period for old year input of Interdepartmental Settlements (IS), payments or cash receipt transactions that affect the PWGSC Treasury Systems and the Regional Pay System. The types of transactions include:

- Canadian and foreign currency deposits at financial institutions;
- Canadian and foreign currency payment requisitions to SPS and processing of related payment cancellations;
- Canadian currency deposits via Pre-authorized debit (PAD) input to SPS and processing of related PAD returns;
- Interdepartmental Settlements (IS) requisitions to settle debts with other government departments (OGDs) and questioning of an IS;
- Departmental Bank Account (DBA) data to SPS to record DBA cheque issue and processing of related DBA cheque cancellations; or,
- payroll for departmental employees.

#### (a) Standard Payment System (SPS) Payments

**For old year payment transactions (i.e., payment due date must be March 31 or earlier)** the SPS cut-off date is **March 31** (refer to Table 1 for specific times).

After March 31, all SPS payment transactions are to be identified as fiscal year 2006-2007 new year and the payment due date must be April 1 or later.

**Departments are required to pay particular attention to this payment due date identification requirement to avoid the need to correct Receiver General payments issued or reported issued in the wrong fiscal year as described in Appendix 8.**

The old year cut-off for payment cancellations is as follows:

- electronic input of payment cancellations to SPS via the client action file is **7:00 p.m.**, and via on line is **8:00 p.m. March 31**;

- PWGSC-TPSGC forms 5495, 5497, or 5498 for payment cancellations must be received by CRCD on or before **4:00 p.m., March 28**; and,
- Form PWGSC-TPSGC 5494 for DBA payment cancellations must be received by CRCD on or before **4:00 p.m., March 28**.

Detailed information concerning the processing of payment cancellations during the Period 12 Regular is available in Appendix 7, "Cancellation of Canadian and Foreign Receiver General Payments" and Appendix 9, "Departmental Bank Accounts (DBA)".

SPS provides various output files which are used by departments to ensure that the requisitioned payments are accounted for in their DFMS and may be used to support the reconciliation between the DFMS payment, IS or DBA control accounts and the payment, IS or DBA control accounts maintained by the Receiver General-General Ledger (RG-GL).

The Receiver General Manual (RGM) contains additional information on SPS in Chapter 4, "Standard Payment System (SPS) and Departments" and on Interdepartmental Settlement processing in Chapter 12, "Interdepartmental Settlement (IS) Processing", both of which are located at the following URL:

<http://publiservice.pwgsc.gc.ca/rg/text/recgen-e.html>.

Appendix 6, "Interdepartmental Transactions – Interdepartmental Settlements and OGD Receivables and Payables", describes common year end scenarios for which a department will be expected to provide the required old year accounting entry that will result in IS transactions in the new year.

#### (b) Standard Payment System (SPS) Deposits

The department's pre-authorized debits (PAD) file should be received by SPS by **March 27, 7:00 p.m.** for old year deposit transactions where the deposit due date is March 31, or earlier. This allows SPS to forward the debit instructions to the Financial Institutions (FIs) in sufficient time to process the debit instructions on the deposit due date.

Departments are required to pay particular attention to the PAD deposit due date to avoid recording deposits in the wrong fiscal year. PADs should be recorded according to the deposit due date where the deposit date is a business date and not a weekend or a holiday.

SPS PAD transactions received after March 27 should have deposit due dates of April 1 or later.

(c) Regional Pay System (RPS) and the Payroll System-General Ledger (PS-GL)

The old year cut-off of pay action requests for payroll processing to the RPS is as follows:

<u>Type of Input</u>	<u>Cut-off Time and Date</u>
Bulk Pay Input	<b>11:00 a.m. ET March 15</b> – Eastern and Western Region
On-line Pay Input	<b>2:00 p.m. ET March 16</b> – Eastern Region <b>3:00 p.m. ET March 16</b> – Western Region

In order for the RPS to process payroll payment cancellations and provide the accounting in the old fiscal year, the payments must be received by the PWGSC Payroll Accounting Office (PAO) by **11:59 p.m., March 9**. Departments that have old year pay payments for cancellation, but have missed the cut-off date will have to accrue the transaction in the old year. All pay action requests not submitted to the RPS by the foregoing dates will be processed in the new fiscal year. Detailed information concerning the processing of payroll transactions is available in Appendix 4, "Treatment of Salaries and Wages at Year End".

RPS provides detailed payroll expenditure data which are used by departments to ensure that the pay transactions are accounted for in their DFMS and to facilitate reconciliation between the DFMS payroll control account and the payroll control account maintained by the PS-GL.

(d) Government Banking System (GBS)

Departments can submit Canadian deposits to financial institutions up to and including **2:00 p.m., March 31**. GBS will generate the March 31 deposit detail reports and control data for departments by the start of business **April 6**.

All Canadian deposit information received by Banking and Cash Management Sector (BCMS) from Financial Institutions after March 31, will be processed by GBS as new year, with new year deposit detail files from GBS and new year control account data files and reports from the RG-GL being provided to departments.

As for foreign deposits, the delay between the deposit date and the reception of the foreign bank statement may be up to two months. Due to this delay, foreign deposits made in February or March for which a bank statement was not received prior to March 31 will be recorded as new year deposits. Departments are asked to closely monitor their GBS foreign deposit detail reports and their RG-GL control data reports to identify old year foreign deposits that have been recorded in the new year. For more information, please contact the Chief, Payment and Balances Control Section at (819) 956-2922.

(e) Receiver General-General Ledger (RG-GL)

The RG-GL maintains the payment, IS, DBA, and deposit control accounts for each department to identify all payments, interdepartmental transactions and deposits processed by the PWGSC Treasury Systems. The Treasury Systems provide the RG-GL with control data on deposits, payments, ISs and DBAs which are used to create accounting entries against each control account by department. It should be noted that the RG-GL control account entries have the opposite debit or credit sign to the control account entries made in a department's DFMS.

Departments will receive various reports and data files from the RG-GL relating to the control accounts which will be of assistance in the reconciliation of the balances in the control accounts. At the end of Period 12 Regular, departments will receive their RG-GL Final Control Account Balance Report (FCABR) on **April 6**. The balances in the payment, IS, DBA, and deposit control accounts contained in this report are the balances that will be transmitted to CFMRS in the RG-GL trial balance. Departments must ensure the balances in their DFMS payment, IS, DBA, and deposit control accounts, as at the end of the Period 12 Regular, reconcile to the FCABR balances before transmitting their trial balance to CFMRS.

(f) Departmental Financial Management System (DFMS)

Based on the payments, IS or cash receipt transactions (cash deposits or electronic deposits) processed by the PWGSC Treasury Systems and the Regional Pay System, departments are to reconcile the balances in their payment, payroll, IS, DBA, and deposit control accounts to ensure that all payments, settlements and deposits are accounted for in their DFMS for the appropriate fiscal year.

Departments have to make all relevant monthly accrual entries and submit their certified account balances as at the end of the Period 12 Regular (trial balances) to the CFMRS on or before **April 7**. If the validation edits of CFMRS detect errors in a departmental trial balance submission, the department may have to correct their trial balance and resubmit their trial balance to the CFMRS on or before **April 11**.

(g) Central Financial Management Reporting System (CFMRS)

The CFMRS validates the balances of the payment, payroll, IS, DBA, and deposit control accounts submitted from the PS-GL and the RG-GL. CFMRS then verifies the balances of the control accounts against the balances in the payment, payroll, IS, DBA, and deposit control accounts, submitted by departments in their certified trial balance to ensure all payments (including IS) and money received are accounted for in the accounts of Canada.

(h) Predrafted *Public Accounts* forms and plates

Experience has shown that some errors or omissions are identified only when departments complete their predrafted *Public Accounts* forms and plates and since P12-2 provides departments with the final opportunity to finalize their old year departmental accounts, it may not be possible for departments to correct them. **To ensure DFMS correcting entries are processed, it is suggested that departments complete, after P12 Regular and as an internal quality assurance activity, predrafted *Public Accounts* forms and plates using Chapter 15, Public Accounts Instructions, of this manual. Do not send these predrafted forms and plates to the Receiver General. However, if you have questions related to any predrafted form or plate as a result of this exercise, you may contact the responsible *Public Accounts* officer listed in subsection 15.2.3 of Chapter 15. Any errors or omissions that may be identified as a result of this activity can easily be corrected before the end of P12-2.**

14.3.2.2 Period 12 Extended 1

The **accounting Period 12 Extended** (hereafter referred to as P12-1 and, P12-2) provides departments with an additional period of time to finalize their accounts.

The P12-1 provides departments with the last opportunity to finalize their old year departmental accounts by completing all the entries necessary to record, correct or adjust certain financial reporting accounts and other codes (including entries necessary to clear various suspense accounts). Please refer to Appendix 1, "Old Year DFMS Accrual Entries, Adjusting Entries and Closing of Old Year Accounts", for more details. **Departments are expected to have finalized all their accrual entries by the end of the P12-1 cut-off date established by the Receiver General.**

(a) Departmental Financial Management System (DFMS)

Departments will complete all relevant accrual or adjusting entries and submit their certified account balances for P12-1 (trial balances) to the CFMRS on or before **April 28**.

(b) Central Financial Management Reporting System (CFMRS)

The CFMRS validates the balances of the payment, payroll, IS, DBA, and deposit control accounts submitted from the PS-GL and the RG-GL. CFMRS then verifies the balances of the control accounts against the balances in the payment, payroll, IS, DBA, and deposit control accounts, submitted by departments in their certified trial balance to ensure all old year payments (including IS) and money received are properly accounted for in the accounts of Canada.

14.3.2.3 Period 12 Extended 2

**The P12-2 provides departments with the final opportunity to finalize their old year departmental accounts and as such, the P12-2 trial balance is to be used to prepare the departmental financial statements. No DFMS entries or mapping changes are to be processed after the P12-2 transmission date of May 19.**

**The only entries that should be processed in P12-2 are those entries required to correct P12-1 transactions and any entries that may be necessary to finalize the old year accounting entries (e.g., to clear various suspense accounts).**

(a) Departmental Financial Management System (DFMS)

Departments will complete all necessary entries that correct transactions or finalize the clearing of various suspense accounts and submit their Final certified P12-2 account balances (trial balances) to the CFMRS on or before **May 19**.

(b) Certificate of Representations for the Final Trial Balance

Departments are required to provide the Receiver General with a Certificate of Representations for the Final Trial Balance which is due **May 25**. Detail of the certification is included in Appendix 14, "Certificate of Representations for the Final Trial Balance".

(c) Central Financial Management Reporting System (CFMRS)

The CFMRS validates the balances of the payment, payroll, IS, DBA, and deposit control accounts submitted from the PS-GL and the RG-GL. CFMRS then verifies the balances of the control accounts against the balances in the payment, payroll, IS, DBA, and deposit control accounts, submitted by departments in their certified trial balance to ensure all old year adjustments to payments (including IS) and money received are properly accounted for in the accounts of Canada.

#### 14.3.2.4 Subsequent to Period 12 Extended 2

**No DFMS entries or mapping changes are to be processed after P12-2, unless the department has been requested to process additional transactions by the Receiver General in maintaining the general ledger and other government-wide classifications and approval has been obtained from the Chief, Accounting and Quality Assurance Section, Receiver General.**

#### 14.3.3 Year-End Closing of the Financial Reporting Accounts

Following the end of each fiscal year, the net balances from the revenues, expenses and payment, payroll, IS, DBA, and deposit control accounts are converted into the new year opening balance for the departmental net asset (liabilities) account or a restricted net asset account.

Please refer to Appendix 1, "Old Year DFMS Accrual Entries, Adjusting Entries and Closing of Old Year Accounts".

### 14.4 INQUIRIES

Supplemental year-end information can be found on the Central Accounting and Reporting Sector (CARS) Publiservice Year End Web site located at the following URL: <http://publiservice.pwgsc.gc.ca/cars-sccr/text/yearend-e.html>. Departments are encouraged to bookmark the URL and monitor the Web site for updates and changes relating to year-end.

#### 14.4.1 Telephone Contacts for General Inquiries

Chief, Accounting and Quality Assurance Section	(819) 956-1879
Chief, Accounts of Canada Analysis Section	(819) 956-0432

## 14.4.2 Telephone Contacts by Specific Topic

Table 2 – Telephone Contacts by Specific Topic

Topic and Contact	Telephone Number
<b>Receiver General-General Ledger (RG-GL)</b> Manager, RG-GL Division	(819) 956-2847
<b>Central Financial Management Reporting System (CFMRS)</b> Manager, CFMRS	(819) 956-2956
<b>Standard Payment System (SPS)</b> Product Manager, SPS Operations	(819) 956-2733
<b>Year end Reporting Receipts of Public Money</b> Chief, Banking Services and Deposit Control Section	(819) 956-2925
<b>Canadian and Foreign Payment Cancellation</b> Chief, Payment and Balances Control Section Chief, Operations Unit Chief, Investigations and Recovery Operations	(819) 956-2922 (819) 956-2728 (418) 566-7284
<b>Departmental Bank Account Cheques – Issue and Cancellation</b> Chief, Payment and Balances Control Section Chief, Investigations and Recovery Operations Chief, Accounting and Remittance Processing Operations (Issue)	(819) 956-2922 (418) 566-7284 (418) 566-7261
<b>Treatment of Salaries and Wages at Year End</b> Manager, Financial Accounting-Pay Chief, Accounting and Quality Assurance Section	(613) 952-3778 (819) 956-1879
<b>Central Working Capital Advance Fund Certificate of Standing Advances</b> Chief, Payment and Balances Control Section	(819) 956-2922
<b>Accounting Issues</b> <b>Accrual Entries General Inquiries</b> <b>Accountable Advances</b> <b>General Inquiries</b> Chief, Accounting and Quality Assurance Section	(819) 956-1879
<b>ISs and A/R-OGD and A/P-OGD</b> <b>Period 9 Certificate of Representations</b> <b>General Inquiries</b> Chief, Accounts of Canada Analysis Section	(819) 956-0432
<b>Establishment of Opening Balances in the New Year</b> Chief, Accounting and Quality Assurance Section	(819) 956-1879
<b>Goods and Services Tax (GST)</b> Canada Revenue Agency, Revenue Accounting	(613) 954-5905



### 14.4.3 Mailing Addresses

Written inquiries concerning this chapter should be directed to:

Director  
Central and Public Accounts Reporting Directorate  
Central Accounting and Reporting Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 13A2  
Gatineau, Quebec  
K1A 0S5

### 14.4.4 Facsimile Numbers

Chief, Accounts of Canada Analysis Section	(819) 956-5407
Chief, Payment and Balances Control Section	(819) 956-2921
Chief, Banking Services and Deposit Control Section	(819) 956-2921
Manager, Financial Accounting-Pay	(613) 952-2426
Cheque Redemption Control Directorate (Matane)	(418) 562-1778
Chief, Investigations and Recovery Operations	(418) 562-1778
Chief, Accounting and Remittance Processing Operations (Issue)	(418) 562-1778
Chief, Accounting and Quality Assurance Section	(819) 956-5407

## Appendix 1

### **Old Year DFMS Accrual Entries, Adjusting Entries and Closing of Old Year Accounts**

#### **1. GENERAL:**

The authority codes in the Chart of Accounts include appropriations which are voted by Parliament on a cash basis for proposed expenditures in the upcoming fiscal year. Appropriations are for budgetary items consisting of operating, capital, transfer payments or servicing the public debt and are for non-budgetary items consisting of loans, investments and advances.

The cash basis of accounting for appropriations has been modified somewhat by payables at year end (PAYE) and by crediting refunds of expenditures at year end. In accordance with the Treasury Board PAYE policy, accrued liabilities, as at March 31 must be recognized and charged to departmental appropriations. Similarly, in accordance with the recording of Refunds of Expenditures and Repayments of Advances policy, refunds or repayments received during the supplementary accounting period P12-1 must be recorded and credited to the old year lapsing appropriations to which they were originally charged. The Treasury Board policy "Payables at Year End (PAYE)" is located at the following URL:

[http://publiservice.tbs-sct.gc.ca/Pubs\\_pol/dcgpubs/TBM\\_142/5-5\\_e.asp](http://publiservice.tbs-sct.gc.ca/Pubs_pol/dcgpubs/TBM_142/5-5_e.asp) and the Treasury Board policy "Recording of Refunds of Expenditures and Repayments of Advances" is located at the following URL: [http://publiservice.tbs-sct.gc.ca/pubs\\_pol/dcgpubs/tbm\\_142/3-1\\_e.asp](http://publiservice.tbs-sct.gc.ca/pubs_pol/dcgpubs/tbm_142/3-1_e.asp).

The financial reporting accounts (FRAs) in the Chart of Accounts are to be used by departments for accrual accounting and financial statement reporting by ensuring revenues and expenses are recorded in the period in which they were earned or incurred (i.e., as at March 31) irrespective of when cash is received or paid. Financial reporting requires adjustments at the end of the fiscal year to record transactions not recognized on a day to day basis and thus contributes to the completeness and accuracy of the accounting. To determine a particular accounting treatment for financial reporting purposes, departments are to follow the Treasury Board Accounting Standards (TBAS) located at the following URL:

[http://publiservice.tbs-sct.gc.ca/Pubs\\_pol/dcgpubs/acstd/siglist\\_e.html](http://publiservice.tbs-sct.gc.ca/Pubs_pol/dcgpubs/acstd/siglist_e.html).

## 2. ACCRUAL AND ADJUSTING ENTRIES:

At the fiscal year end, accrual entries are required to record the revenues and expenses that were earned or incurred, as at March 31 and to allow for the processing of any other adjusting entries. **Departments are required to have completed all their accrual entries by P12-1 and to use P12-2 primarily for entries to correct P12-1 transactions.**

Monthly and year end adjustments must be made to the various financial reporting accounts and the authority codes to reflect accrual and appropriation accounting. The examples of accounting entries provided in this appendix serve to supplement the extensive examples presented in Chapter 10, "Accounting Entries", of this manual, located at the following URL:

<http://publiservice.pwgsc.gc.ca/rg/text/recgen-e.html> and the Treasury Board Accounting Manual, located at the following URL: [http://publiservice.tbs-sct.gc.ca/fin/common/t\\_acct\\_e.asp](http://publiservice.tbs-sct.gc.ca/fin/common/t_acct_e.asp).

The examples of accounting entries only deal with the financial reporting accounts and the authority code fields of the Government-wide Coding Block (GWCB). **The accounting entries provided in this chapter are not complete, given that variations of the government-wide financial reporting accounts and authority codes may be used for a particular reason.**

### (a) Adjustment to the allowance for doubtful accounts:

At the end of each year the accounts receivable are analyzed and an estimate is made of accounts receivable that may become uncollectible. This amount becomes the balance that is required for the allowance for doubtful accounts account. The bad debt expense is the difference between this estimated amount and the existing balance in the allowance account. This entry is considered to be a non-appropriated expense which requires a non-appropriated authority to be used.

Financial Reporting Account	Authority Code	Amount
51732 Bad debts	F122 Allowance set up for bad debt expenses	DR xxx
112X9 Allowance for doubtful accounts	F412 Changes to allowances for doubtful accounts	CR xxx

The X is used when a choice of FRAs is available. Departments will use the appropriate FRAs.

**(b) Adjustment to allowance for accrued vacation:**

In accordance with the Treasury Board PAYE policy, the following entry prior to FIS implementation would have been recorded by the Treasury Board Secretariat (TBS) through a central allowance. Departments are now responsible for recording these accruals. This entry is considered to be a non-appropriated expense which requires a non-appropriated authority to be used.

Financial Reporting Account	Authority Code	Amount
51311 Salaries & wages (including allowances)	F121 Allowances for vacation pay	DR xxx
2141X Allowance for employee benefits	F411 Changes to allowances for vacation pay	CR xxx

The X is used when a choice of FRAs is available. Departments will use the appropriate FRAs.

**(c) Adjustment for employee benefit plans (EBP):**

The monthly recording of the statutory charges, for the **employee benefit plans**, are initially based on estimated amounts. These charges may be subject to a fiscal year end adjustment. Once the actual expenditures are known and the TBS has performed a reconciliation, departments will be advised by the TBS of the adjustment amount. Based on this notification from the TBS, departments are required to record an entry in their DFMS, adjusting their employee benefit plan in the old year, which will be included in the P12-1 trial balance submitted to CFMRS **on or before April 28**.

In the new year, TBS will initiate a new year IS (debtor or creditor, as appropriate) to liquidate their accounts receivable or accounts payable established in the old year resulting from the adjustment. Departments will respond to the IS Control Data Report produced by the RG-GL (generated by the TBS processed IS) by recording the relevant entry in their DFMS, to either FRA 64ddd IS Debit control account or FRA 65ddd IS Credit control account with the offset respectively to the accounts payable or accounts receivable established in the old year.

**Departmental entry where the actual amount exceeds the recorded estimated amount**

Financial Reporting Account	Authority Code	Amount
51312 Employer contribution costs	A14X Employer contribution to employee benefit plan	DR xxx
21132 Other payables to OGD	R300 Other assets/liabilites	CR xxx

The X is used when a choice of authority codes is available. Departments will use the appropriate authority codes.

**Departmental entry where the actual amount is under the recorded estimated amount**

Financial Reporting Account	Authority Code	Amount
11242 OGD - Accounts Receivable	R300 Other assets/liabilities	DR xxx
51312 Employer contribution costs	A14X Employer contribution to employee benefit plan	CR xxx

The X is used when a choice of authority codes is available. Departments will use the appropriate authority codes.

**(d) Recording cancellation of old year payment processed in the new year during the period overlapping P12-1:**

Year end procedures for a lapsing appropriation permit departments to record old year entries in their DFMS for old year payment cancellations that are processed in the new year during the period overlapping P12-1. Additional information is available in Appendix 7, "Cancellation of Canadian and Foreign Receiver General Payments".

Financial Reporting Account	Authority Code	Amount
51XXX Program expenses	F123 Refunds of program expenditures	DR xxx
51XXX Program expenses	BXXX Non-statutory expenditures	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes. Under the accrual basis of accounting, the accounts receivable that would have been established as of March 31 will be cleared in the new year, based on payment cancellation information supplied by SPS or the RG-GL, with the offset to the payment control account 61ddd.

**(e) Recording old year DBA cheque issue not processed by SPS by the Period 12 Regular cut-off date:**

The Period 12 Regular is the final period for processing old year DBA cheque issue through SPS using the old fiscal year identifier. Accordingly, departments will have to make the following entry to record any old year DBA cheques issued and not forwarded to SPS for processing on or before March 31. Additional information is available in Appendix 9, "Departmental Bank Accounts (DBAs)".

Financial Reporting Account	Authority Code	Amount
21111 Accounts payable ongoing or 51XXX Program expenses	R300 Other assets/liabilities or BXXX Non-statutory expenditures	DR xxx
11134 Payments in transit	R300 Other assets/liabilities	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

**(f) Money Received after March 31, but Applicable to the Old Fiscal Year (MRMAOFY):**

The policy on recording receipts of public money during the period of time overlapping the P12-1 time frame requires departments to record old year entries for money received after March 31 that affect lapsing appropriations (i.e., refunds or repayments of old year budgetary expenditures).

Because of the accrual basis of accounting, an accounts receivable would have been established (illustrated in the following entry) for the refund or repayment of expenditures.

**Accounts receivable**

Financial Reporting Account		Authority Code		Amount
11231	Accounts receivable for refunds of program expenses	R300	Other assets/liabilities	DR xxx
51XXX	Program expenses	F123	Refunds of program expenditures	CR xxx

The X is used when a choice of FRAs is available. Departments will use the appropriate FRAs.

During P12-1, to recognize the receipt of the refund or repayment of old year expenditures that impacts a lapsing appropriation, departments may make the following entry, to adjust the FXXX authority code Non-appropriated amounts used in the accounts receivable entry to the BXXX Non-statutory expenditure code. Additional information is available in Appendix 5, "Year End Reporting for Receipt of Public Money".

**Receipt impacts program expense and departmental appropriation**

Financial Reporting Account		Authority Code		Amount
51XXX	Program expenses	F123	Refunds of program expenditures	DR xxx
51XXX	Program expenses	BXXX	Non-statutory expenditures	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes. Under the accrual basis of accounting, the accounts receivable that would have been established as of March 31 will be cleared in the new year, based on deposit information supplied by BCMS, with the offset to the deposit control account 62ddd.

**(g) Cash in Hands of Collectors and in Transit (CHCT):**

The policy on recording receipts of public money currently allows departments to record old year entries for money received on or before March 31, which is negotiable on or before March 31, and is not credited by the Bank of Canada or any other financial institution to the Receiver General. Accordingly, during the period of time overlapping the P12-1 time frame, it is necessary to reclassify the accounts receivable to cash in transit.

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
11123 Deposits in transit to the Receiver General	R300 Other assets/liabilities	DR xxx
11231 Accounts receivable for refunds of program expenses	R300 Other assets/liabilities	CR xxx

Under the accrual basis of accounting, the accounts receivable that would have been established as of March 31 will be cleared in the new year, based on deposit information supplied by BCMS, with the offset to the deposit control account 62ddd.

If the money received on or before March 31 and not deposited until April (cash in transit) is related to refunds or repayments of old year expenditures that impacts lapsing appropriations, departments will also have to make the following entry to adjust the authority code from the FXXX authority code Non-appropriated amounts code to the BXXX Non-statutory expenditure authority code. Additional information is available in Appendix 5, "Year End Reporting for Receipt of Public Money".

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
51XXX Program expenses	F123 Refunds of program expenditures	DR xxx
51XXX Program expenses	BXXX Non-statutory expenditures	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

### 3. YEAR END CLOSING OF THE FINANCIAL REPORTING ACCOUNTS:

The revenues, expenses and payment, payroll, IS, DBA, and deposit control accounts, as well as 35ddd Organization Transfer Out/In and 36ddd Opening Balance Adjustments accounts are used during the accounting period to record changes that will ultimately affect the departmental net asset (liabilities) account or a restricted net asset account. **Following the end of each fiscal year, the net balances from these accounts, as contained in the department's final CFMRS trial balance, are converted into the new year opening balance for the departmental net asset (liabilities) account or a restricted net asset account.** Several DFMS have a process that automatically transfers the balances from the revenues and expenses financial reporting accounts and the payment, IS DBA, and deposit control accounts into 32ddd Departmental net asset (liabilities) account or 312xx Restricted net asset accounts.

**The rollover of the balances (from old year revenue, expense and payment, payroll, IS, DBA, and deposit control financial reporting accounts as well as 35ddd Organization Transfer Out/In and 36ddd Opening Balance Adjustments accounts) as new year opening balance in 32ddd Departmental net asset (liabilities) account or 312xx Restricted net asset accounts may not be finalized until Period 3.**

Chapter 10, "Accounting Entries", of this manual, located at the following URL:

<http://publiservice.pwpsc.gc.ca/rg/text/recgen-e.html>, includes in 10.9.1 DFMS closing of the old year financial reporting accounts, an example of an accounting entry that simulates the conversion of the balances from these accounts into the departmental net asset (liabilities) account or a restricted net asset account.

### 4. INQUIRIES:

Queries relating to the year end accounting entries should be directed to:

Chief, Accounting and Quality Assurance Section  
Central and Public Accounts Reporting Directorate  
Central Accounting and Reporting Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 13A2  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-1879

Facsimile: (819) 956-5407



## Appendix 2

### DFMS New Year Accounts Opening Balances, Reversing Entries and Reconciliations

#### 1. FINANCIAL REPORTING ACCOUNTS CARRY FORWARD OF THE OLD YEAR BALANCES TO THE NEW YEAR:

The new year opening balances for the assets and liabilities financial reporting accounts will be the old year closing balances **as contained in the departments' final 2005-2006 CFMRS trial balance**. For the departmental net asset (liabilities) account or a restricted net asset account, the new year opening balance will consist of the old year closing balance plus the closing balances from the relevant nominal accounts.

The nominal accounts consist of revenue, expense and payment, payroll, IS, DBA, and deposit control financial reporting accounts, as well as 35ddd Organization Transfer Out/In and 36ddd Opening Balance Adjustments; thus the new year opening balances are zero, since the old year closing balances for these accounts are carried forward in the departmental net asset (liabilities) account or a restricted net asset account.

#### 2. REQUIREMENTS FOR NEW YEAR OPENING BALANCES:

Departments are responsible for ensuring that their DFMS contains the **new year opening balances** for assets, liabilities and **32ddd Departmental net asset (liabilities) account or 312xx Restricted net asset accounts** and that these **balances are included as part of their trial balance input to the CFMRS, beginning with accounting Period 1**. Once the old year is finalized, the **opening balance figures (assets, liabilities and departmental net asset (liabilities) account or a restricted net asset account) must be in agreement with the relevant old year FRA amounts included in the department's final Period 12 CFMRS trial balance and used in the *Public Accounts of Canada***. If there is any question as to the validity of any of the opening balance amounts, the department should contact the Accounting and Quality Assurance Section, CPARD for direction.

It is anticipated that for some departments the finalization of new year opening balances may not occur until Period 2. The basis for the opening balances for the new year accounting periods should generally be aligned to the old year closing trial balances as follows:

New Year Opening Balance	Old Year Source for the Opening Balance
Period 1, 2006-2007	P12-1
Period 2, 2006-2007	P12-2

If a department **foresees** that it may experience difficulty in providing the new year opening balances to CFMRS, per the requirements, the department must provide written notice explaining the reasons why the opening balances cannot be provided, the date when the opening balances will be included in the trial balance, and the measures being taken to comply with the opening balance requirements. **This information is to be provided in an e-mail addressed to Anik Lapointe at [anik.lapointe@pwgsc.gc.ca](mailto:anik.lapointe@pwgsc.gc.ca)**, Chief, Accounting and Quality Assurance Section, or in a letter to be sent to the contact referenced in this appendix.

Chapter 10, "Accounting Entries", of this manual, located at the following URL: <http://publiservice.pwgsc.gc.ca/rg/text/recgen-e.html>, includes in 10.9.2 Carry forward of the old year balances to the new year using the Financial Reporting Accounts, an example of a representation of the new year carry forward of balances.

### 3. NEW YEAR REVERSING ENTRIES:

The Treasury Board PAYE policy (located at the following URL: [http://publiservice.tbs-sct.gc.ca/pubs\\_pol/dcgpubs/TBM\\_142/5-5\\_e.asp](http://publiservice.tbs-sct.gc.ca/pubs_pol/dcgpubs/TBM_142/5-5_e.asp)) requires that "Liabilities ... which are charged to existing appropriations under this policy must remain recorded until settled or for as long as the liability exists ". As a result of the policy, departments are not to reverse old year accrual entries in the new year and RGM Chapter 10, "Accounting Entries", subsection 10.2.12 Reversal of accrued liabilities or receivables, which is located at the following URL: <http://publiservice.pwgsc.gc.ca/rg/text/recgen-e.html>, does not apply.

### 4. RECONCILIATIONS REQUIRED BY DEPARTMENTS:

Departments are required to perform monthly reconciliations of the balances in their payment, payroll, IS, DBA, and deposit control accounts with the relevant payment, payroll, IS, DBA, and deposit control accounts maintained by the RG-GL and the PS-GL. For more information on reconciliations, please refer to Chapter 11 of this manual entitled "Reconciliations Required by Departments under FIS", which is located at the following URL: <http://publiservice.pwgsc.gc.ca/rg/text/recgen-e.html>.

## 5. INQUIRIES:

Queries relating to the carry-forward of balances or reconciliations should be directed to:

Chief, Accounting and Quality Assurance Section  
Central and Public Accounts Reporting Directorate  
Central Accounting and Reporting Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 13A2  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-1879

Facsimile: (819) 956-5407

### Appendix 3

#### Accountable Advances

##### 1. GENERAL:

The *Accountable Advances Regulations* (located at the following URL: <http://laws.justice.gc.ca/en/F-11/SOR-86-438/index.html>), define an accountable advance as:

(a) a sum of money advanced from, and temporarily charged to, an appropriation; and,  
 (b) a sum of money advanced from the sum of money described in paragraph (a), for which the person to whom the sum is advanced is required to make an accounting or a repayment in accordance with the FAA and the *Accountable Advances Regulations*. Although an advance is issued to an individual, it may also be made to an organization or organizational unit. Accountable advances must be accounted for by the holder in accordance with Section 6 of the *Accountable Advances Regulations*.

Requirements for the reporting of accountable advances in the *Public Accounts of Canada* are addressed in Section 15.5.6 of Chapter 15, Public Accounts Instructions, of this manual, which is located at the following URL: <http://publiservice.pwgsc.gc.ca/rg/text/recgen-e.html>.

##### 2. STANDING ADVANCE:

A standing advance is an accountable advance of a fixed amount made to a person who is required to incur expenditures on a continuing basis. Advances made from the Central Working Capital Advance Fund, for standing advances, remains as a continuing charge against this advance authority. The advance is reinstated to the fixed amount, each time the advance holder is reimbursed, from the departmental appropriation, for expenditures incurred. The Director General, BCMS is responsible for the apportionment of the Central Working Capital Advance Fund to departments. The following examples show the entry to establish an authorized standing advance by issuing a payment and a related replenishment of the advance based on a claim from the advance holder.

##### **Establishment of a standing advance from the department's share of the Central Working Capital Advance Fund**

Financial Reporting Account	Authority Code	Amount
13315 Standing advances to employees	H181 Standing advances to employees	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

## Appendix 3 (Accountable Advances)

**Reimbursement of a claim received from the holder of the standing advance**

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
51XXX Program expenses	BXXX Non-statutory expenditures	DR xxx
21111 Accounts payable ongoing	R300 Other assets/liabilities	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

Departments must provide BCMS with the Certificate of Standing Advances (illustrated at the end of this appendix) on or before **May 12** for the total amount of the advances issued by the department from the Central Working Capital Advance Fund by type (e.g., travel, petty cash, etc.). The total amount to be certified must agree with the amount to be reported in the *Public Accounts of Canada* in respect of such accountable advances.

**3. ADVANCE OTHER THAN A STANDING ADVANCE:**

Advances, other than standing advances, may be charged to a department's vote authority B1XX to provide money for a specific purpose and these advances may consist of the following:

- travel advances;
- relocation advances;
- change floats;
- unexpended balances of deposits advanced to suppliers for goods and services pursuant to the *Accountable Advances Regulations* (<http://laws.justice.gc.ca/en/F-11/SOR-86-438/index.html>); and,
- advance payments under the *Government Contract Regulations* (<http://laws.justice.gc.ca/en/F-11/SOR-87-402/index.html>) or Section 34 (a) of the FAA (<http://laws.justice.gc.ca/en/F-11/index.html>).

When these advances are made the following entry will be processed.

**Establishment of an advance using a departmental appropriation authority**

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
13314 Temporary accountable advances	BXXX Non-statutory expenditures	DR 150.00
61ddd Payment control account	0000	CR 150.00

The X is used when a choice of authority codes is available. Departments will use the appropriate authority codes. The d would be substituted by the applicable department number.

**3.1 Advances Outstanding After March 31:**

Since these advances are generally made for expenditures to be incurred by third parties, the following year end adjustments may be required.

- (a) Old year adjusting entry for claim received after March 31 as settlement of an old year advance

The policy on recording receipts of public money during the period of time overlapping P12-1 requires departments to record old year entries for money received after March 31 that generally affect lapsing appropriations (i.e., refunds or repayments of old year budgetary expenditures). Accordingly, where a claim related to the old year is accounted for after March 31, but during the period overlapping the P12-1 time frame, the department is to record in the old year, the expense, clear the advance and set up the difference as either an accounts payable or accounts receivable. The claim (i.e., the resulting payment [clearing the accounts payable] or the cash receipt [clearing the accounts receivable]) would be processed as a new year transaction.

**Old Year adjustment for \$200.00 claim which is greater than the \$150.00 advance**

Financial Reporting Account	Authority Code	Amount
51XXX Program expenses	BXXX Non-statutory expenditures	DR 200.00
13314 Temporary accountable advances	BXXX Non-statutory expenditures	CR 150.00
21111 Accounts payable ongoing	R300 Other assets/liabilities	CR 50.00

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes. The appropriate authority codes FXXX could be used in substitution for the authority code BXXX.

**Old year adjustment for \$125.00 claim which is less than the \$150.00 advance**

Financial Reporting Account	Authority Code	Amount
51XXX Program expenses	BXXX Non-statutory expenditures	DR 125.00
11233 Overpayments to be recovered	R300 Other assets/liabilities	DR 25.00
13314 Temporary accountable advances	BXXX Non-statutory expenditures	CR 150.00

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes. The appropriate authority codes FXXX could be used in substitution for the authority code BXXX.

## Appendix 3 (Accountable Advances)

(b) New year processing of a claim received after March 31 as settlement of an old year advance

Where a claim, related to the old year, is received after March 31, but during the time frame overlapping P12-1, the department records the appropriate old year entries as indicated in 3.1 (a). The claim would be processed as a new year transaction by the department and would result in either a payment or the receipt of money to settle the claim.

**DFMS recording payment request to SPS to settle the claim**

Financial Reporting Account	Authority Code	Amount
21111 Accounts payable ongoing	R300 Other assets/liabilities	DR 50.00
11134 Payments in transit	R300 Other assets/liabilities	CR 50.00

**DFMS recording based on the RG-GL Control Data Report received**

Financial Reporting Account	Authority Code	Amount
11134 Payments in transit	R300 Other assets/liabilities	DR 50.00
61ddd Payment control account	0000	CR 50.00

The d would be substituted by the applicable department number.

**DFMS recording of a cheque or cash received/deposited in settlement of the old year outstanding amount**

Financial Reporting Account	Authority Code	Amount
11123 Deposits in transit to the Receiver General	R300 Other assets/liabilities	DR 25.00
11233 Overpayments to be recovered	R300 Other assets/liabilities	CR 25.00

**DFMS recording of the deposit based on RG-GL deposit control data received**

Financial Reporting Account	Authority Code	Amount
62ddd Deposit control account	0000	DR 25.00
11123 Deposits in transit to the Receiver General	R300 Other assets/liabilities	CR 25.00

The d would be substituted by the applicable department number.

## Appendix 3 (Accountable Advances)

(c) Old year adjustment to advances for claims **not** received during P12-1

If an advance was made for expenses to be incurred by March 31 and a claim has **not** been received before the end of P12-1, an estimate of the expense to March 31 is to be made by the department. The adjusting entries would be the same as those noted in 3.1 (a).

## (d) Old year adjustment for advances where all or a portion of the advances relate to the new year

If a portion of an advance is for expenses to be incurred in the new year, departments are to convert, for that portion, the Authority classification from a departmental vote or a Revolving Fund code to the authority code H182 Payments for accountable temporary advances. The old year DFMS entry is to be processed before the end of the P12-1 time frame and would affect the following FRA and Authority code.

Financial Reporting Account	Authority Code	Amount
13314 Temporary advances	H182 Payments for accountable temporary advances	DR xxx
13314 Temporary advances	BXXX Non-statutory expenditures	CR xxx

The X is used when a choice of authority codes is available. Departments will use the appropriate authority codes.

#### 4. NEW YEAR CARRY FORWARD AND SETTLEMENT:

The portion of an accountable advance that is outstanding at March 31, and not cleared before the end of P12-1, is to be carried forward to the new fiscal year. The Financial Reporting Accounts would be 13314 for temporary accountable advances and 13315 for standing advances to employees. For information on opening balances, refer to Appendix 2, "DFMS New Year Accounts Opening Balances, Reversing Entries and Reconciliations".

A new year adjusting entry is required for the opening balance related to FRA 13314 to reflect the authority code used for the original disbursement of the advance (i.e., the budgetary expenditure authority codes related to specific votes or statutory authorities).

Financial Reporting Account	Authority Code	Amount
13314 Temporary advances	BXXX Non-statutory expenditures	DR 75.00
13314 Temporary advances	F116 Advances accounted for on a later date	CR 75.00

The X is used when a choice of authority codes is available. Departments will use the appropriate authority codes.



## Appendix 3 (Accountable Advances)

Where an advance is carried forward to the new year for expenses to be incurred in the new fiscal year, the settlement of the advance is to be recorded in the new year as follows:

**Claim and cheque/cash received in settlement of the advance (Claim < Advance)**

Financial Reporting Account	Authority Code	Amount
62ddd Deposit control account	0000	DR 15.00
51XXX Program expenses	BXXX Non-statutory expenditures	DR 60.00
13314 Temporary advances	BXXX Non-statutory expenditures	CR 75.00

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes. The d would be substituted by the applicable department number.

**Claim in settlement of the advance (Claim > Advance)**

Financial Reporting Account	Authority Code	Amount
51XXX Program expenses	BXXX Non-statutory expenditures	DR 100.00
13314 Temporary advances	BXXX Non-statutory expenditures	CR 75.00
21111 Accounts payable ongoing	R300 Other assets/liabilities	CR 25.00

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

**5. INQUIRIES:**

The Certificate of Standing Advances and queries relating to accountable advances from the Central Working Capital Advance Fund should be directed to:

Chief, Payment and Balances Control Section  
 Cash Management Operations Division  
 Banking and Cash Management Sector  
 Accounting, Banking and Compensation Branch  
 Public Works and Government Services Canada  
 Place du Portage - Phase III, Core 15A2  
 Gatineau, Quebec  
 K1A 0S5

Telephone: (819) 956-2922

Facsimile: (819) 956-2921

Queries relating to the accounting for accountable advances should be directed to:

Chief, Accounting and Quality Assurance Section  
Central and Public Accounts Reporting Directorate  
Central Accounting and Reporting Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 13A2  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-1879

Facsimile: (819) 956-5407

## Appendix 3 (Accountable Advances)

## CERTIFICATE OF STANDING ADVANCES

Department Name	Department Number
Name of Contact	Telephone Number

I hereby certify, in accordance with Section 6 (4)(b) of the *Accountable Advances Regulations*, that the following advances issued from the central working capital advance fund are held in this department and will be reported in the *Public Accounts of Canada* for the fiscal year ending March 31.

Type of Advance	Amount \$
1. Standing Travel Advance	_____
2. Petty Cash Advance	_____
3. Other (Specify)	_____
4. Other (Specify)	_____
Total Financial Reporting Account 13315	\$ _____

\_\_\_\_\_  
Signature Date

Print Name	Title
------------	-------

The Certificate of Standing Advances is due May 12 and should be sent to:

Chief, Payment and Balances Control Section  
Banking and Cash Management Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III - Core 15A2  
Gatineau, Quebec  
K1A 0S5

Facsimile: (819) 956-2921

**Appendix 4****Treatment of Salaries and Wages at Year End****1. YEAR END SALARY ACCRUALS:**

For biweekly current salaries (indeterminate, part time, and full time, determinate and seasonal staff) there is a need for departments to set up a seven (7) day salary accrual (March 23 to March 31) for the final old year pay period (using a ten (10) day formula). The payment issue for the pay period overlapping March and April will be charged in the new year to salaries and wages. Thus, in the new year, the salary accrual, brought forward as a liability, will have to be reversed against the new year departmental appropriations to establish the net new year salary charges.

For biweekly arrears salaries (staff paid according to the declared number of hours of completed work) there will also be a need to record a salary accrual for seventeen (17) days to cover the period from March 9 to March 31.

Overtime, retroactive salary settlements and other pay related items must also be accrued if not processed by the Regional Pay System (RPS) cut-off dates of March 15 or March 16 (see below).

**2. REGIONAL PAY SYSTEM PERIOD 12 REGULAR CUT-OFF DATES:**

The Period 12 Regular cut-off dates for the RPS for receipt of payroll payment input for the final supplementary pay run are:

<u>Type of Input</u>	<u>Cut-off Time and Date</u>
Bulk Pay Input	11:00 a.m. ET March 15 – Eastern and Western Region
On-line Pay Input	2:00 p.m. ET March 16 – Eastern Region 3:00 p.m. ET March 16 – Western Region

All salary transactions processed for payment by the RPS after the accounting month cut-off, but prior to the next accounting period, will be post-dated to the first business (working) day of the following month. All old year overtime, retroactive salary settlements and other pay-related items not processed by the referenced cut-off date for the RPS (Period 12 Regular) must be recorded as an accrual in the department's DFMS. The settlement (through payment issue) of this accrual will occur in the new year.

### 3. CANCELLATION OF PAY ITEMS:

In order for the RPS to process **payroll payment cancellations for the old fiscal year, the payments must be received by the PWGSC Payroll Accounting Offices (PAO) on or before 11:59 p.m., March 9**. Payments received for cancellation later than the cut-off date will be processed and accounted for in the new year.

Therefore, departments that have old year payments for cancellation, but have missed the cut-off date, will be required to accrue the transaction in the old year.

### 4. PAYROLL TRANSFERS:

Due to the Period 12 Regular being the final period for processing ISs in the old year, departments will have to record entries to set up accounts receivable for the salaries and wages to March 31 for employees transferred or loaned to OGDs. The transfer out department must contact the other department involved in the transaction to ensure the amount of the OGD receivable is offset as a OGD payable by the transfer in department. Chapter 10, "Accounting Entries", of this manual, located at the following URL: <http://publiservice.pwgsc.gc.ca/rg/text/recgen-e.html>, includes an example related to payroll transfers in 10.2.8 Payroll transfers (i.e., salaries and wages for employees transferred or loaned to OGDs).

### 5. EXAMPLES OF PAY RELATED ACCOUNTING ENTRIES:

Chapter 10, "Accounting Entries", of this manual, located at the following URL: <http://publiservice.pwgsc.gc.ca/rg/text/recgen-e.html>, includes an example of entries related to the foregoing under 10.2.3 Accrual of salary, wages, overtime and other pay related items, 10.2.8 Payroll transfers (i.e., salaries and wages for employees transferred or loaned to OGDs) and 10.6 Pay actions.

## 6. INQUIRIES:

Queries relating to the treatment of salaries and wages by Pay Offices should be directed to:

Manager, Financial Accounting - Pay  
Pay Operations and Service Management Directorate  
Compensation Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Room 1-089  
1451 Coldrey Avenue  
Ottawa, Canada  
K1A 0S5

Telephone: (613) 952-3778

Facsimile: (613) 952-2426

Queries relating to the treatment of salaries and wages at year end should be directed to:

Chief, Accounting and Quality Assurance Section  
Central and Public Accounts Reporting Directorate  
Central Accounting and Reporting Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 13A2  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-1879

Facsimile: (819) 956-5407

## Appendix 5

### **Year End Reporting for Receipt of Public Money**

#### **1. GENERAL:**

This appendix applies to cash receipts only. The processing of IS receipts is addressed in Appendix 6, "Interdepartmental Transactions – (Interdepartmental Settlements (ISs) and OGD Receivables and Payables)".

The Treasury Board policies "Recording of Refunds of Expenditures and Repayments of Advances" and "Recording Receipts of Money" currently allow departments to record old year entries for money received after March 31 that generally affect lapsing appropriations (i.e., refunds or repayments of old year budgetary expenditures). The documents referenced above are located at the following URL:

[http://publiservice.tbs-sct.gc.ca/Pubs\\_pol/dcgpubs/TBM\\_142/siglist\\_e.html](http://publiservice.tbs-sct.gc.ca/Pubs_pol/dcgpubs/TBM_142/siglist_e.html).

#### **2. REPORTING OF CASH RECEIPTS:**

All deposits, charge backs, bank adjustments and adjustments made after 2:00 p.m., March 31 will be reported in the new year by BCMS in the deposit control accounts of the RG-GL.

However, departments have until the **P12-1 close-off date** to make old year entries in their DFMS for all money that pertains to the old year.

#### **3. MONEY THAT PERTAINS TO THE OLD FISCAL YEAR:**

Departments must record in the accounts of the fiscal year that has just ended the following receipts of money.

##### **3.1 Cash in Hands of Collectors and in Transit (CHCT):**

This category consists of public money received on or before March 31, which is negotiable on or before March 31, and is not credited by the Bank of Canada or any other financial institution to the Receiver General.

**3.2 Money Received after March 31, but Applicable to the Old Fiscal Year (MRMAOFY):**

The procedures for appropriation accounting permit departments to record old year entries for refunds or repayments of old year budgetary expenditures received and deposited in the new year, during the period of time overlapping P12-1, which has a close-off date of April 28. The types of refunds that may be credited to an expenditure appropriation are identified in Section 6 of the Treasury Board policy "Recording of Refunds of Expenditures and Repayments of Advances" (URL: [http://publiservice.tbs-sct.gc.ca/pubs\\_pol/dcgpubs/TBM\\_142/3-1\\_e.asp](http://publiservice.tbs-sct.gc.ca/pubs_pol/dcgpubs/TBM_142/3-1_e.asp)).

**4. RECORDING OLD FISCAL YEAR ADJUSTMENTS FOR MONEY THAT PERTAINS TO THE OLD FISCAL YEAR:**

The policy on recording receipts of public money requires departments to make old year entries for money that qualifies as CHCT or MRMAOFY.

Because of the accrual basis of accounting, an accounts receivable would be established (illustrated in the following entry) to record either revenue or the refund or repayment of expenditures.

**Accounts receivable**

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
1121X Accounts Receivable-Tax Revenue or 1122X Accounts Receivable-Non-tax Revenue or 1123X Accounts Receivable-Other or 11231 Accounts receivable for refunds of program expenses	R300 Other assets/liabilities	DR xxx
41XXX Tax Revenue or 42XXX Non-tax Revenue 21134 GST-HST payable to CRA 21151 Provincial Sales Taxes 51XXX Program expenses 13392 GST-HST RAA	CXXX Tax Revenue or DXXX Other Revenue or R300 Other assets/liabilities R300 Other assets/liabilities F123 Refunds of program expenditures F319 Reduction or increases of other assets	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.



**(a) Old Year DFMS Entry****Cash in Hands of Collectors and in Transit (CHCT)**

For money received on and before March 31 and which is negotiable on or before March 31, the accounts receivable, that normally would have been established, needs to be reclassified to deposits in transit.

Financial Reporting Account		Authority Code		Amount
11123	Deposits in transit to the Receiver General	R300	Other assets/liabilities	DR xxx
1121X	Accounts Receivable-Tax Revenue or	R300	Other assets/liabilities	CR xxx
1122X	Accounts Receivable-Non-tax Revenue or			
1123X	Accounts Receivable-Other			

The X is used when a choice of FRAs is available. Departments will use the appropriate FRAs.

If the CHCT is related to refunds or repayments of old year expenditures, departments will also have to make the following entry to adjust the authority code from the relevant FXXX Non-appropriated amounts code that would have been used when the accounts receivable was established to an appropriate BXXX Non-statutory expenditures code.

Financial Reporting Account		Authority Code		Amount
51XXX	Program expenses	F123	Refunds of program expenditures	DR xxx
13392	GST-HST RAA	F319	Reduction or increase of other assets	
51XXX	Program expenses	BXXX	Non-statutory expenditures	CR xxx
13392	GST-HST RAA	G111	GST refundable advance account	

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

**Money received after March 31 related to refunds of old year expenditures (MRMAOFY)**

During P12-1, to recognize the receipt of the refund or repayment that impacts a lapsing appropriation, departments will have to make the following entry to adjust the authority code from the FXXX Non-appropriated amounts code to the BXXX Non-statutory expenditures code.

**Adjustment to the authority code for the refund of old year expenditures**

Financial Reporting Account		Authority Code		Amount
51XXX	Program expenses	F123	Refunds of program expenditures	DR xxx
13392	GST-HST RAA	F319	Reduction or increases of other assets	
51XXX	Program expenses	BXXX	Non-statutory expenditures	CR xxx
13392	GST-HST RAA	G111	GST refundable advance account	

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

**5. NEW YEAR ENTRIES FOR MONEY DEPOSITED AFTER MARCH 31:****(a) New Year BCMS Entries in the RG-GL**

**All deposits date stamped after March 31 by the financial institutions will be processed by GBS in the new year.**

When notified by the Bank of Canada, BCMS will make the following entry in the RG-GL for deposits related to all departments.

Financial Reporting Account		Authority Code		Amount
11111	Cash on deposit	R300	Other assets/liabilities	DR xxx
11124	Outstanding deposits	R300	Other assets/liabilities	CR xxx

When details of the deposits are reported by the financial institution, BCMS will make the following entry in the RG-GL for department ddd.

Financial Reporting Account		Authority Code		Amount
11124	Outstanding deposits	R300	Other assets/liabilities	DR xxx
62ddd	Deposit control account	0000		CR xxx

The d would be substituted by the applicable department number.

**(b) New Year DFMS Entry**

Upon receipt of the GBS new year deposit control data, the DFMS entry to offset the carry forward of the old year CHCT and the portion of the accounts receivable for the MRMAOFY debit balances collected is as follows.

Financial Reporting Account		Authority Code		Amount
62ddd	Deposit control account	0000		DR xxx
11123	Deposits in transit to the Receiver General	R300	Other assets/liabilities	CR xxx
or 11231	Accounts receivable for refunds of program expenses (for MRMAOFY)	R300	Other assets/liabilities	

The d would be substituted by the applicable department number.

#### **6. CORRECTION OF CASH RECEIPTS DEPOSITED ON OR AFTER APRIL 1 AND RECORDED IN THE WRONG FISCAL YEAR:**

If departments identify during P12-1 that cash receipts have been recorded in the wrong fiscal year, they may as applicable, reverse the incorrect entry and input the correct entries in their DFMS for the old fiscal year and the new fiscal year. These entries will be summarized and submitted as part of the department's old year and new year trial balances input to CFMRS.

## 7. INQUIRIES:

Queries relating to the reporting of the receipt of public money should be directed to:

Chief, Banking Services and Deposit Control Section  
Cash Management Operations Division  
Banking and Cash Management Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 15A2  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-2925

Facsimile: (819) 956-2921

Queries relating to the accounting for money received at year end should be directed to:

Chief, Accounting and Quality Assurance Section  
Central and Public Accounts Reporting Directorate  
Central Accounting and Reporting Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 13A2  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-1879

Facsimile: (819) 956-5407

## Appendix 6

### **Interdepartmental Transactions – Interdepartmental Settlements (ISs) and OGD Receivables and Payables**

#### **1. GENERAL:**

This appendix applies to the IS activity at the Period 12 Regular SPS IS close-off, which is **March 31, 7:00 p.m. for auto-load and 8:00 p.m. for on-line**, and the old year accruals related to OGD receivables and OGD payables after the Period 12 Regular.

It is recommended that this appendix be read in conjunction with Chapter 12, “Interdepartmental Settlement (IS) Processing”, of this manual, which is located at the following URL: <http://publisservice.pwgsc.gc.ca/rg/text/recgen-e.html>, and the Interdepartmental Settlement Processing Guide located at the following URL: <http://publisservice.pwgsc.gc.ca/cars-sccr/is/welcome-e.html>.

OGD Receivables at Year End (RAYE) and OGD Payables at Year End (PAYE) are subject to the Treasury Board policy “Payables at Year End (PAYE)”, which is located at the following URL: [http://publisservice.tbs-sct.gc.ca/pubs\\_pol/dcgpubs/TBM\\_142/5-5\\_e.asp](http://publisservice.tbs-sct.gc.ca/pubs_pol/dcgpubs/TBM_142/5-5_e.asp). The policy is supplemented by two information bulletins entitled “Payables at Year-End (PAYE) for FIS and non-FIS departments” (located at: [http://publisservice.tbs-sct.gc.ca/fin/sigs/Information\\_Bulletins/info\\_payfis\\_non-fis\\_depts\\_e.asp](http://publisservice.tbs-sct.gc.ca/fin/sigs/Information_Bulletins/info_payfis_non-fis_depts_e.asp)) and “Payables at Year-End (PAYE)” (located at: [http://publisservice.tbs-sct.gc.ca/fin/sigs/Information\\_Bulletins/INFOPAYE\\_e.asp](http://publisservice.tbs-sct.gc.ca/fin/sigs/Information_Bulletins/INFOPAYE_e.asp)).

#### **2. IS PROCESSING:**

In order to minimize differences between departmental OGD receivables and OGD payables at year end, departments are encouraged to process as many IS transactions before the end of the P12 Regular cut-off date of March 31.

##### **2.1 Old Year Close-Off Date for SPS IS Input:**

The close-off date for departmental SPS IS old year input is **March 31, 7:00 p.m. for auto-load and 8:00 p.m. for on-line**. SPS front-end software has a fatal edit that will reject any IS requisition, bearing the old fiscal year, received after **March 31**.

## 2.2 Old Year Close-Off Date for SPS IS Questioning:

**The SPS automatic IS questioning functionality does not operate during the last 15 business days of a fiscal year (i.e., March 13 to March 31, inclusive) and as a result, SPS will automatically process all ISs, even where their amount exceeds the recipient debtor department's maximum IS amount limit. Accordingly, during the period March 13 to March 31, for a department to question an IS it needs to go on-line in SPS to select the IS and question it. Both departments will then need to re-establish their respective receivable and payable.**

Departments must not wait until the last minute to question an IS and before doing so, they must first contact the partnering department of the affected IS to see if other means of dealing with the problem can be identified and agreed to by both departments involved.

It should also be noted that the individual SPS IS detail record (the Interdepartmental Settlement Reference Number - ISRN), can only be questioned **during the same fiscal year as the one attached to it in SPS**. This means that an IS identified as belonging to the old fiscal year may only be questioned in SPS on-line up to **8:00 p.m., March 31**. The current valid fiscal year processing in SPS for ISs is from **12:00 a.m., April 1, 2005 to 8:00 p.m., March 31, 2006**.

## 2.3 Clearing of Undistributed IS Transactions:

Clearing of the Undistributed/Unmatched IS Suspense FRA 21615 must be done on an ongoing basis and departments need to process and to take all the corrective action(s) required in the old year to clear the account to zero before the P12-2 cut-off date of May 19.

The Period 9 Certificate of Representations (see Appendix 13 of this Chapter) requires departments to confirm to the RG the status of their clearing activities and the steps taken to **settle previous year's OGD receivables and payables**.

## 3. OGD RECEIVABLE and OGD PAYABLE TRANSACTIONS:

After the old year March 31 close-off date for IS processing, departments are to ensure that all outstanding OGD RAYE and OGD PAYE are recorded in their DFMS. Since the transactions are processed unilaterally, it is important that the creditor department (normally) provide the invoice (or details of the amount) by April 21, to enable the debtor department to record an equivalent offsetting entry by the P12-1 cut-off date of April 28.

**3.1 Instructions to ensure complete OGD transaction details exchange between departments as at the April 21<sup>st</sup> cut-off date:**

Departments are required to ensure that this information is communicated to all managers within all departments and agencies and included in departmental year-end procedures and training.

**Creditor departments:**

Section 7 of the Treasury Board IS policy (located at [http://publiservice.tbs-sct.gc.ca/pubs\\_pol/dcgpubs/TBM\\_142/isp\\_e.asp](http://publiservice.tbs-sct.gc.ca/pubs_pol/dcgpubs/TBM_142/isp_e.asp)) states, “Invoices relating to old year must be issued within 10 working days following March 31.”.

The Treasury Board policy requires creditor departments to:

- 1) ensure that transaction detail information pertaining to all OGD receivables (including actuals or estimates of salary items, final employee benefit plan (EBP) adjustments and all other goods and services provided on or before March 31st) is communicated to the partnering departments on or before the old year cut-off date.
- 2) be aware that failure to communicate transaction details will impact the resulting revenues which may not have a matching expenditure recorded by the debtor partnering department in the old fiscal year.
- 3) send invoices and detailed listings by fax or e-mail to debtor recipients and a copy to the departmental headquarters, or post transaction details on a departmental Web site.
- 4) ensure that debtor departments have provided the necessary IS ref and org codes.

**Debtor departments:**

The section on Interdepartmental amounts (PAYE-OGD) of the Treasury Board PAYE policy (located at [http://publiservice.tbs-sct.gc.ca/pubs\\_pol/dcgpubs/TBM\\_142/5-5-1\\_e.asp](http://publiservice.tbs-sct.gc.ca/pubs_pol/dcgpubs/TBM_142/5-5-1_e.asp)) states, “Debtors should not rely solely on creditor billings to establish their PAYE-OGD entries. If invoices are not available, the amounts should be determined by reference to internal data or information from the creditor.”.

The Treasury Board policy requires the debtor departments to:

- 1) provide valid IS ref and org codes before the old year cut-off date in response to communication from creditor departments which identifies legitimate outstanding debts.

- 2) record OGD payable items (actual or estimated amounts for all OGD goods and services delivered on or before March 31st) prior to receiving the new year creditor initiated IS. **Departments are advised to monitor new year ISs received during Period 1 to verify that all relevant old year OGD payables have been recorded in the old year.**

### 3.2 OGD Receivable and OGD Payable Variances:

Since the OGD receivables and payables are processed unilaterally by departments, there may be variances between them on a government-wide basis. It is very important for partnering departments to communicate with each other in order to eliminate any variances that may have been created, given that the variance will impact the consolidated charge or credit component in the Treasury Board Secretariat provision entry.

### 3.3 OGD Receivable and Payable Details by Partnering Department (Spreadsheet A):

Departments are required to submit to the Receiver General (RG) their OGD accounts receivable and OGD accounts payable details, with information identifying the partnering departments. Please refer to the most current RGIN on “Managing OGD Receivables and Payables” for complete instructions at the following URL:

<http://publiservice.pwgsc.gc.ca/rg/text/rgin-e.html>.

The information provided as a result of the A/R-OGD and A/P-OGD Transaction Details by Partnering Department spreadsheets will be available at the following URL:

<http://publiservice.pwgsc.gc.ca/cars-sccr/yearend/yeve-e.html>, and thus will provide a means for departments to reconcile their departmental OGD receivables and OGD payables by partnering department. Variances should be followed up with the respective partnering department in order to finalize the receivables and payables and to ensure that the amounts recorded in both departments’ DFMS agree.



## Appendix 6 (Interdepartmental Transactions – Interdepartmental Settlements (ISs) and OGD Receivables and Payables)

The completed spreadsheet will be sent to the RG, no later than the close of business **three (3) working days after the Trial Balance** submission due date for the P12 Regular, P12-1 and P12-2 accounting periods for all departments as indicated in the schedule below.

Period	Date of Submission Spreadsheet A (OGD transaction details)
<p align="center"><u>Period 12 (Regular)</u></p> <p>OGD receivables and payables for items not processed by the SPS IS cut-off date of March 31 are to be recorded and included in the P12 Regular CFMRS trial balance submission.</p>	<p align="center">April 12</p>
<p align="center"><u>Period 12 (Extended 1)</u></p> <p>All outstanding OGD old year receivables and payables are expected to be recorded in their DFMS and included in the P12-1 CFMRS trial balance submission.</p>	<p align="center">May 3</p>
<p align="center"><u>Period 12 (Extended 2)</u></p> <p>OGD old year receivables and payables processed in this period should primarily be limited to corrections, and the OGD receivables and payables included in the P12-2 CFMRS trial balance submission are the final amounts.</p>	<p align="center">May 24</p>

**4. INQUIRIES:**

Queries relating to ISs and OGD Receivables and OGD Payables should be directed to:

Chief, Accounts of Canada Analysis Section  
 Central and Public Accounts Reporting Directorate  
 Central Accounting and Reporting Sector  
 Accounting, Banking and Compensation Branch  
 Public Works and Government Services Canada  
 Place du Portage - Phase III, Core 13A2  
 Gatineau, Quebec  
 K1A 0S5

Telephone: (819) 956-0432

Facsimile: (819) 956-5407

## Appendix 7

### **Cancellation of Canadian and Foreign Receiver General Payments**

#### **1. GENERAL:**

The old year cut-off for the processing of payment cancellations (except those related to payroll, see Appendix 4, "Treatment of Salaries and Wages at Year End"), is March 31. After March 31, all payment cancellations will be identified with the new fiscal year and be processed in the new fiscal year.

Year end procedures permit departments during the period of time overlapping P12-1 to record an old year entry to recognize the effect of a new year cancellation of an old year payment when the old year payment was charged to a lapsing appropriation. It should be noted that the cancellation of an old year payment that was charged to a statutory authority is **not** to be adjusted during Period 12-1.

#### **1.1 Cancellations of Receiver General Payments:**

Per RGD 1999-6R1 "Post-issue Procedures for Receiver General Cheques – For Departments Complying with the Financial Information Strategy (FIS)", which is located at the following URL: <http://publiservice.pwgsc.gc.ca/rg/text/oldrg-e.html>, there are two types of cancellations and four cases.

##### Type 1 – Cancellation of Returned Payment

Where a payment has been recorded as returned by SPS and the department requests the cancellation of the returned payment.

- Case 1 – SPS Payment Issue

In the case where a department wishes to cancel a returned payment, the department will prepare and forward an electronic Client Action File to SPS or cancel the payment online. The processing date on which the SPS payments are cancelled in SPS will determine the fiscal year and fiscal month that will be used to perform the accounting. Where the processing date of the cancellation is March 31 or earlier, the control data file going to the RG-GL and the accounting fiscal year on the Cancelled Payment Register File from SPS forwarded to the department will be old year. If the processing date of the cancellation in SPS is after March 31, both files would be for the new fiscal year. Accordingly, the input old year cut-off date for recording a returned payment cancellation in SPS submitted by a department via **on-line is 8:00 p.m., or an electronic Client Action File is 7:00 p.m., ET, March 31.**

- Case 2 – Non-SPS Payment Issue

Where the payment to be cancelled was not issued by SPS, the department will send the payment to the PWGSC Payment Products and Services Directorate (PPSD) Operations Unit for conversion to SPS and to identify its status as “returned” in SPS, before the department can proceed with its cancellation as described in case 1. The PWGSC PPSD Operations Unit should receive the payment to be cancelled, **on or before March 28 at 4 p.m.** This will allow time to input the payment information into the SPS which will then permit the client to prepare a cancel file or an online file (as described in case 1) before the closing date of March 31. This procedure is necessary to ensure that the client does not present the file, before the cancelled payment is entered in the SPS by the PPSD Operations Unit.

Type 2 – Cancellation When Payment is not Available

Where the payment to be cancelled is not available, one of two CRCD forms shown at the end of this appendix is to be completed. Where the **payment to be cancelled was issued by SPS, use the PWGSC-TPSGC Form 5495 CRCD Cancellation without RG Cheque (SPS Issue).** Where the **payment to be cancelled was not issued by SPS, use PWGSC-TPSGC Form 5498 CRCD Cancellation without RG Cheque (non SPS Issue).** Both forms can be obtained via the Publiservice Intranet at the following URL:  
<http://publiservice.pwgsc.gc.ca/forms/text/index-e.html>.

- Case 3 – SPS Payment Issue

In the case where Form PWGSC-TPSGC 5495 applies, once the cancellation has been made by CRCD, the department will receive a faxed signed copy of the completed form from CRCD and a Cancelled Payment Register File from SPS. SPS will forward cancelled payment control data to the RG-GL to update the payment control accounts.

In order for the forms to be processed by March 31, **the forms must have been received by CRCD by no later than 4:00 p.m., ET, March 28.** The processing by CRCD must be completed on or before March 31 in order that the old year payment control accounts will be affected; otherwise it will be recorded in the new fiscal year.

- Case 4 – Non-SPS Payment Issue

In the case where Form PWGSC-TPSGC 5498 applies, CRCD will input an IJV into the RG-GL to adjust the department’s payment control accounts and will fax a signed copy of the completed form to the department. The IJV, affecting control accounts, processed by CRCD in the RG-GL, will appear on the RG-GL Internal Journal Voucher Report (IJVR) that will be forwarded to the department.

In order for the forms to be processed by March 31, **the forms must have been received by CRCD by no later than 4:00 p.m., ET, March 28.** The processing by CRCD must be completed on or before the end of March 31 for the old year payment control accounts to be affected; otherwise it will be recorded in the new fiscal year.

### 1.2 Foreign Payment Issue:

The procedures and examples below describe the entries required to cancel Canadian dollar payments. To cancel foreign currency payments, departments must replace the control account identified in the examples with the appropriate control account from the following list and use the Canadian dollar equivalent in the "amount" field. It should also be noted that for payments in foreign currencies, other than those indicated, the FRA 61ddd will be used.

<u>Currency</u>	<u>FRA*</u>
U.S. Dollar	66ddd
U.K. Pound	67ddd
Euro Dollar	67ddd

\* FRA stands for Financial Reporting Account and ddd is the number of the department that is requesting that the foreign payment be cancelled.

## 2. PROCEDURES:

A department may, during the period of time overlapping P12-1, process an old year IJV entry to recognize the effect of a new year cancellation of an old year payment, when the old year payment was charged to an old year lapsing appropriation.

The new year cancellation of an old year payment, as identified for each of the four cases, is processed and a sample of the forms used for CRCD cancellation is provided at the end of this appendix.

The accounting entries should be as follows:

#### (a) Old Year

If the new year cancellation of an old year payment is related to a lapsing appropriation, the following old year entry may be processed in the department's DFMS, prior to the P12-2 close-off date.

## Appendix 7 (Cancellation of Canadian and Foreign Receiver General Payments)

DFMS Entry

Financial Reporting Account	Authority Code	Amount
51XXX Program expenses	F123 Refunds of program expenditures	DR xxx
51XXX Program expenses	BXXX Non-statutory expenditures	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

Because of the accrual basis of accounting, the old year accounts receivable that would have been established as of March 31 (see entry below) will be cleared in the new year, based on payment cancellation information supplied by SPS or the RG-GL, with the offset to the payment control account 61ddd.

**Accounts receivable**

Financial Reporting Account	Authority Code	Amount
11231 Accounts receivable for refunds of program expenses	R300 Other assets/liabilities	DR xxx
51XXX Program expenses	F123 Refunds of program expenditures	CR xxx

The X is used when a choice of FRAs is available. Departments will use the appropriate FRAs.

The old year entries must be summarized and submitted as part of the department's trial balance input to the CFMRS during the P12-1 CFMRS trial balance submission.

(b) New Year

Payment cancellations processed in SPS on a processing date after March 31 or not related to SPS issue and processed by CRCD in the RG-GL after March 31 will be processed in the new year. In the cases of a department providing to SPS the Client Action File (case 1) or where **Form PWGSC-TPSGC 5495** (case 3) is submitted and processed by CRCD in SPS, SPS will send a new year Cancelled Payment Register File to the department and cancelled payment control data to the RG-GL.

Department 097 RG-GL

Based on either the payment control data file sent by SPS to the RG-GL, or alternatively, if **Form PWGSC-TPSGC 5498** is completed and CRCD inputs a manual IJV, the following new year entry is processed in the RG-GL.

## Appendix 7 (Cancellation of Canadian and Foreign Receiver General Payments)

Financial Reporting Account	Authority Code	Amount
11131 Outstanding payments	R300 Other assets/liabilities	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

### DFMS Entry

Based on the payment control data file sent to the department by the RG-GL, or per the faxed Form PWGSC-TPSGC 5495 or 5498, the following new year entry needs to be processed in the department's DFMS to record the payment control account effect resulting from the new year payment cancellation.

Financial Reporting Account	Authority Code	Amount
61ddd Payment control account	0000	DR xxx
11231 Accounts receivable for refunds of program expenses	R300 Other assets/liabilities	CR xxx

The d would be substituted by the applicable department number.

The new year entry must be summarized and submitted as part of the department's new year trial balance input to the CFMRS.

## 3. SPECIAL CASES:

### 3.1 Cancellation of Payments as a Result of Salary Garnishment:

Departments must complete a **PWGSC-TPSGC 5497 Salary Garnishment Cheque Cancellation form** and attach the employee payment. A sample of the form is provided at the end of this appendix and can be obtained via the Publiservice Intranet at the following URL: <http://publiservice.pwgsc.gc.ca/forms/text/index-e.html>. The new year cancellations of payments as a result of salary garnishment, **after** the Period 12 Regular cut-off date, will cause the following new year entries.

(a) New Year Entries for Salary Payment Cancellation as a result of Garnishment

Departments must forward to CRCD a Salary Garnishment Cheque Cancellation form to advise CRCD of a payment cancellation. The payment cancellation will be processed in the new year. CRCD will input the cancellation voucher in SPS, but **SPS will not send a Cancelled Payment Register File to the department** and related new year cancelled payment control data to the RG-GL. Instead, CRCD will process an IJV into the RG-GL to adjust the department's payment control accounts and fax a signed copy of the completed form to the department. The IJV will appear on the RG-GL IJVR that will be forwarded to the department.

Department 097 RG-GL

Based on the Salary Garnishment Cheque Cancellation form, the following new year entry will be recorded in the RG-GL.

Financial Reporting Account	Authority Code	Amount
11131 Outstanding payments	R300 Other assets/liabilities	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

DFMS Entry

Based on CRCD's processing of the Salary Garnishment Cheque Cancellation form and the RG-GL IJVR, the department must process the following new year entry in its DFMS to record the payment control account effect resulting from the new year payment cancellation.

Financial Reporting Account	Authority Code	Amount
61ddd Payment control account	0000	DR xxx
21613 Garnished salaries suspense account	R300 Other assets/liabilities	CR xxx

The d would be substituted by the applicable department number.

New Year Entries for Payment of the Garnishment and Salary

The department will raise two payments via the SPS, one to the employee and one to the garnishment creditor. Based on the generic payment return file sent to the department by SPS, the following new year entry is made in its DFMS to record the payment control account effect resulting from the new year payment issue.

## Appendix 7 (Cancellation of Canadian and Foreign Receiver General Payments)

DFMS Entry**Payment to the employee**

Financial Reporting Account	Authority Code	Amount
21613 Garnished salaries suspense account	R300 Other assets/liabilities	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

**Payment of the garnishment**

Financial Reporting Account	Authority Code	Amount
21613 Garnished salaries suspense account	R300 Other assets/liabilities	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

The new year entries must be summarized and submitted as part of the department's trial balance input to the CFMRS.

Department 097 RG-GL

Based on the payment control data file sent to the RG-GL by SPS, the following new year entry **for the combined total of the two payments** is processed in the RG-GL.

Financial Reporting Account	Authority Code	Amount
61ddd Payment control account	0000	DR xxx
11131 Outstanding payments	R300 Other assets/liabilities	CR xxx

The d would be substituted by the applicable department number.

**3.2 Statutory Payments:**

Departments must forward an electronic Client Action File or one of the CRCD Cancellation without RG Cheque forms in the new year for cancellations of old year statutory payments **after** March 31 and credit them to the statutory appropriation. The payment cancellation will be processed in the new year. CRCD will input the cancellation voucher in SPS, and SPS will send a generic Payment Return Register File to the department and cancelled payment control data to the RG-GL.



Department 097 RG-GL new year entry

Based on the payment control data file sent to the RG-GL, the following new year entry is processed in the RG-GL.

Financial Reporting Account	Authority Code	Amount
11131 Outstanding payments	R300 Other assets/liabilities	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

DFMS new year entry

Based on the payment control data file sent by the RG-GL or the generic payment return file sent by SPS, the following new year entry must be processed in the department's DFMS to offset the payment control account resulting from the new year payment cancellation.

Financial Reporting Account	Authority Code	Amount
61ddd Payment control account	0000	DR xxx
XXXXX Applicable accounts	XXXX Applicable statutory authority	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes. The d would be substituted by the applicable department number.

**4. INQUIRIES:**

Queries relating to year-end procedures on Canadian and Foreign Payment Issue should be directed to:

Chief, Payment and Balances Control Section  
 Cash Management Operations Division  
 Banking and Cash Management Sector  
 Accounting, Banking and Compensation Branch  
 Public Works and Government Services Canada  
 Place du Portage - Phase III, Core 15A2  
 Gatineau, Quebec  
 K1A 0S5

Telephone: (819) 956-2922

Facsimile: (819) 956-2921

Queries relating to the completion or processing of payment cancellations should be directed to:

Chief, Operations Unit  
Payment Products and Services Directorate  
Banking and Cash Management Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 10A1  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-2728

Facsimile: (819) 956-0269

Queries relating to the completion or processing of payment cancellations without RG Cheque forms should be directed to:

Chief, Investigations and Recovery Operations  
Cheque Redemption Control Directorate  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
150 Dion Boulevard  
P.O. Box 1000  
Matane, Quebec  
G4W 4N3

Supervisor:

Telephone: (418) 566-7284

Facsimile: (418) 562-1778

Appendix 7 (Cancellation of Canadian and Foreign Receiver General Payments)

**Form PWGSC-TPSGC 5495 – CRCD Cancellation without RG Cheque (SPS Issue)**

DO NOT COPY - SAMPLE ONLY

Public Works and Government Services Canada Travaux publics et Services gouvernementaux Canada Cheque Redemption Control Directorate Direction du contrôle du remboursement des chèques PO Box 1000 Matane, Quebec G4W 4N3		Update your DFMS after receipt of the SPS cancelled file Veuillez mettre à jour votre SGFM sur réception du dossier d'annulation de SNP		CRCD Cancellation without RG Cheque (SPS issue) DCRC Annulation sans chèque du RG (émission SNP)		FIS COMPLIANT DEPARTMENT MINISTÈRE CONFORME À LA SIF	
Date prepared - Date de préparation [Redacted]		Department Number Numéro du ministère [Redacted]		Department Reference Number Numéro de référence du ministère [Redacted]		Check only one - Ne cocher qu'une seule case <input type="checkbox"/> Canadian Dollar / Dollar canadien <input type="checkbox"/> US Dollar / Dollar américain <input type="checkbox"/> Other Foreign Currency / Autre devise étrangère	
Departmental Authorization Signature Signataire autorisé du ministère [Redacted]		D.A.O. No. - N° B.C.M. [Redacted]		CRCD's use only - À l'usage de la DCRC uniquement Contacts Personnes - ressources    Telephone - Téléphone : (418) 566-8151    Fax - Télécopieur : (418) 562-1778		Accounting Period - Période comptable [Redacted]	
Total Number of Items Nombre total d'effets [Redacted]		Total Amount of Cancellations Montant total des annulations [Redacted]		Prepared by - Préparé par [Redacted]		Items - Confirmation Effets - Confirmation [Redacted]	
Telephone No. - N° de téléphone [Redacted]		Departmental Return Fax No. - N° de télécopieur de retour du ministère [Redacted]		Amount - Confirmation Montant - Confirmation [Redacted]		Amount Processed - Montant traité [Redacted]	
Processing Date - Date de traitement [Redacted]		CRCD Approval - Approbation de la DCRC [Redacted]		CRCD Number - Numéro de la DCRC [Redacted]		[Redacted]	
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## Appendix 8

### **Correction of Receiver General Payments Issued or Reported Issued in the Wrong Fiscal Year**

#### **1. GENERAL:**

It is the responsibility of departments to schedule payments (based on the Payment On Due Date policy requirements) that ensures payment requisitions are forwarded to SPS with sufficient lead time that enables SPS to process payments on the payment due dates.

Accordingly, the old year cut-off for Canadian or Foreign payment transactions (**i.e., payment due date must be March 31 or earlier**) to SPS is **March 31, 7:00 p.m. for auto-load input and 8:00 p.m. for on-line input**. After March 31, all SPS payment transactions must have a due date of April 1 or later and be identified with the new fiscal year.

**Departments are required to pay particular attention to payment due dates during March and April to ensure that the payment due dates correctly correspond with the fiscal year identifiers 2005-2006 (for payment due dates March 31 or earlier) or 2006-2007 (for payment due dates April 1 or later).**

#### **1.1 Foreign Payment Issue:**

The procedures and examples detail the entries required to correct Canadian dollar payments processed in the wrong fiscal year. To correct foreign currency payments processed in the wrong fiscal year, departments must replace the control account identified in the examples with the appropriate control account from the following list and use the Canadian dollar equivalent in the "amount" field. It should also be noted that for payments in foreign currencies, other than those indicated, the FRA 61ddd will be used.

<u>Currency</u>	<u>FRA*</u>
U.S. Dollar	66ddd
U.K. Pound	67ddd
Euro Dollar	67ddd

\* FRA stands for Financial Reporting Account and ddd is the number of the department that is requesting the foreign payment.

## 2. CORRECTION FOR PAYMENT ISSUE PROCESSED IN THE WRONG FISCAL YEAR:

The old year cut-off date for forwarding old year payment transactions (i.e., payment due date must be March 31 or earlier) to SPS is **March 31**. After March 31, all SPS payment transactions are to be identified with the new fiscal year and the resulting payments must have a payment due date of April 1 or later.

### 2.1 New Year Payment Requisitions Incorrectly Reported in the Old Year and Paid in the New Year:

The information received from SPS is posted to the RG-GL based on the fiscal year identifier. Thus, if a payment requisition has the old fiscal year identifier, with the payment due date of April 1 or later, it will be recorded against the old year payment control account of the requisitioning department and a correction is required.

#### (a) Old Year

##### Department 097 RG-GL

Based on the payment control data, **incorrectly** identified as old year, which is sent to the RG-GL by SPS, the following old year entry is processed in the RG-GL.

Financial Reporting Account	Authority Code	Amount
61ddd Payment control account	0000	DR xxx
11131 Outstanding payments	R300 Other assets/liabilities	CR xxx

The d would be substituted by the applicable department number.

#### DFMS Entry

Based on the payment control data, identified as old year, which is sent to the department, the following old year entry is made in its DFMS to offset the payment control account resulting from the new year payment issue.

Financial Reporting Account	Authority Code	Amount
21111 Accounts payable ongoing	R300 Other assets/liabilities	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

Subsequently, the RG-GL monitors the information from SPS and identifies that the fiscal year identifier was incorrectly assigned by the department and the payment issue should have been reported and recorded as new year. An IJV is processed in the RG-GL to reverse the old year entry above. The Receiver General will advise the department and in addition a posting will appear on the RG-GL IJVR (Internal Journal Voucher Report).

#### Department 097 RG-GL

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
11131 Outstanding payments	R300 Other assets/liabilities	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

#### DFMS Entry

Based on being advised by the RG-GL of the error in the fiscal year identifier, the payment requisitioning department will reverse the old year entry made previously in its DFMS to reinstate the accounts payable.

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
61ddd Payment control account	0000	DR xxx
21111 Accounts payable ongoing	R300 Other assets/liabilities	CR xxx

The d would be substituted by the applicable department number.

#### (b) New Year

#### Department 097 RG-GL

To record the payment issue as new year an IJV is processed in the RG-GL (previously recorded and subsequently reversed in the old fiscal year). The Receiver General will advise the department and in addition a posting will appear on the RG-GL IJVR provided by the RG-GL.

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
61ddd Payment control account	0000	DR xxx
11131 Outstanding payments	R300 Other assets/liabilities	CR xxx

The d would be substituted by the applicable department number.



DFMS Entry

Based on being advised by the RG-GL, the department will process the following entry in their DFMS, to offset the payment control account resulting from the new year IJV processed in the RG-GL to record the new year payment issue.

Financial Reporting Account	Authority Code	Amount
21111 Accounts payable ongoing	R300 Other assets/liabilities	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

## 2.2 Old Year Payment Requisitions Incorrectly Reported in the New Year and Paid in the New Year:

The information received from SPS is posted to the RG-GL based on the fiscal year identifier. Thus, if a payment requisition has the new fiscal year identifier, with the payment due date of March 31 or earlier, it will be recorded against the new year payment control account of the requisitioning department and a correction is required.

### (a) New Year

#### Department 097 RG-GL

Based on the payment control data, **incorrectly** identified as new year, which is sent to the RG-GL by SPS, the following new year entry is processed in the RG-GL.

Financial Reporting Account	Authority Code	Amount
61ddd Payment control account	0000	DR xxx
11131 Outstanding payments	R300 Other assets/liabilities	CR xxx

The d would be substituted by the applicable department number.

DFMS Entry

Based on the payment control data, identified as new year, which is sent to the department, the following new year entry is made in its DFMS to offset the payment control account resulting from the new year payment issue.

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
21111 Accounts payable ongoing	R300 Other assets/liabilities	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

Subsequently, the RG-GL monitors the information from SPS and identifies that the fiscal year identifier was incorrectly assigned by the department and the payment issue should have been reported and recorded as old year. An IJV is processed in the RG-GL to reverse the new year entry above. The Receiver General will advise the department and in addition a posting will appear on the RG-GL IJVR.

Department 097 RG-GL

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
11131 Outstanding payments	R300 Other assets/liabilities	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

DFMS Entry

Based on being advised by the RG-GL of the error in the fiscal year identifier, the payment requisitioning department will reverse the new year entry made previously in its DFMS to reinstate the accounts payable.

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
61ddd Payment control account	0000	DR xxx
21111 Accounts payable ongoing	R300 Other assets/liabilities	CR xxx

The d would be substituted by the applicable department number.

**(b) Old Year****Department 097 RG-GL**

To record the payment issue as old year, an IJV is processed in the RG-GL (previously recorded and subsequently reversed in the new fiscal year). The Receiver General will advise the department and in addition a posting will appear on the RG-GL IJVR provided by the RG-GL.

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
61ddd Payment control account	0000	DR xxx
11131 Outstanding payments	R300 Other assets/liabilities	CR xxx

The d would be substituted by the applicable department number.

**DFMS Entry**

Based on being advised by the RG-GL, the department will process the following entry in their DFMS, to offset the payment control account resulting from the old year IJV processed in the RG-GL to record the old year payment issue.

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
21111 Accounts payable ongoing	R300 Other assets/liabilities	DR xxx
61ddd Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

**2.3 New Year Payment Requisitions Incorrectly Reported in the Old Year and Paid in the Old Year:**

This situation should not occur as all payments issued by the SPS in March are reported in the old year.

### 3. INQUIRIES:

Queries relating to the correction of Receiver General payments issued or reported in the wrong fiscal year should be directed to:

Manager  
Receiver General-General Ledger Division  
Central Accounting Systems Directorate  
Central Accounting and Reporting Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage, Phase III, Core 13A1  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-2847

Facsimile: (819) 956-8400

## Appendix 9

### Departmental Bank Accounts (DBA)

#### 1. GENERAL:

This appendix applies to all departments which currently issue DBA cheques under the Departmental Bank Account System.

#### 2. ISSUE OF DBA CHEQUES:

Departments can issue old fiscal year DBA cheques until March 31. However, the Period 12 Regular is the final period for processing old year DBA cheque issue data through SPS using the old fiscal year identifier. The SPS cut-off date is **7:00 p.m., March 31**.

Departments that are not able to forward old year DBA cheque issue data to SPS by **7:00 p.m., March 31**, the cut-off, need to make the following entry in their DFMS.

Financial Reporting Account	Authority Code	Amount
51XXX Program expenses	BXXX Non-statutory expenditures	DR xxx
11134 Payments in transit	R300 Other assets/liabilities	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

After March 31, all SPS DBA cheque issue transactions are to be identified as new fiscal year input, for SPS processing in the new year.

Amounts normally paid through DBA, that remain unpaid at the end of March 31, should be accrued in the department's DFMS by the P12-1 cut-off date of **April 28**. Chapter 10, "Accounting Entries", of this manual, which is located at the following URL:

<http://publiservice.pwgsc.gc.ca/rg/text/recgen-e.html>, includes examples in 10.2 Common accrual entries.

### 3. CANCELLATION OF DBA CHEQUES:

Departments cannot cancel old year DBA cheques through CRCD after **4:00 p.m., March 28**. **DBA Cancellation/Adjustment Forms PWGSC-TPSGC 5494** received by CRCD after the Period 12 Regular cut-off date of **4:00 p.m., March 28**, will be processed in the new fiscal year. A sample of the form used for DBA cancellation is provided at the end of this appendix and can be obtained via the Publiservice Intranet at the following URL:  
<http://publiservice.pwgsc.gc.ca/forms/text/index-e.html>.

Year end procedures for appropriation accounting permit departments to record old year entries for old year DBA cheque cancellations processed in the new year, during the period of time overlapping P12-1. Accordingly, departments will be allowed, during P12-1, to recognize the effect of the DBA cheque cancellation on the old year lapsing appropriation. Statutory authorities are not to be adjusted, during the P12-1, to reflect any associated cancellations of old year cheques.

If departments need to reflect in the old year the cancellation of an old year DBA cheque after the Period 12 Regular cut-off date, they must adjust their books using an IJV entry in their DFMS. To do so, the departments have until the P12-1 cut-off date of **4:00 p.m., April 28**.

#### (a) Old Year

If the cheque cancellation is related to a lapsing appropriation and the department wants to report the effect of the cancellation in the old year, the following entry must be processed in their DFMS.

#### DFMS Entry

Financial Reporting Account		Authority Code		Amount
11231	Accounts receivable for refunds of program expenses	R300	Other assets/liabilities	DR xxx
51XXX	Program expenses	BXXX	Non-statutory expenditures	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

The old year entry must be summarized and submitted as part of the department's trial balance input to the CFMRS for the P12-1.

## Appendix 9 (Departmental Bank Accounts (DBA))

(b) New Year

The **DBA Cheque Cancellation/Adjustment form** will be processed in the new year by CRCD.

Department 097 RG-GL

CRCD will process an IJV in the RG-GL to record the cancellation of the DBA cheque.

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
11131 Outstanding payments	R300 Other assets/liabilities	DR xxx
68ddd DBA Payment control account	0000	CR xxx

The d would be substituted by the applicable department number.

DFMS Entry

Based on notification from CRCD that the cancellation was processed, the department will process the following new year entry in its DFMS to offset the DBA payment control account resulting from the new year cheque cancellation. The department will also receive a RG-GL IJVR from the RG, which will have the CRCD IJV information.

<b>Financial Reporting Account</b>	<b>Authority Code</b>	<b>Amount</b>
68ddd DBA Payment control account	0000	DR xxx
11231 Accounts receivable for refunds of program expenses	R300 Other assets/liabilities	CR xxx

The d would be substituted by the applicable department number.

The new year entry must be summarized and submitted as part of the department's new year trial balance input to the CFMRS.

#### **4. CORRECTION OF DBA VOUCHERS REPORTED IN THE WRONG FISCAL YEAR:**

If DBA vouchers have been reported in the wrong year, please contact:

Chief, Payment and Balances Control Section  
Cash Management Operations Division  
Banking and Cash Management Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 15A2  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-2922

Facsimile: (819) 956-2921

#### **5. INQUIRIES:**

Queries relating to the issue or cancellation of DBA cheques should be directed to:

Chief, Investigations and Recovery Operations  
Cheque Redemption Control Directorate  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
150 Dion Boulevard  
P.O. Box 1000  
Matane, Quebec  
G4W 4N3

Telephone: (418) 566-7284

Facsimile: (418) 562-1778

or

Chief, Accounting and Remittance Processing Operations (Issue)  
Telephone: (418) 566-7261                      Facsimile: (418) 562-3221





## **Appendix 10**

### **Goods and Services Tax (GST) and Harmonized Sales Tax (HST)**

#### **1. GENERAL:**

This appendix describes the year end implications for the GST and should be read in conjunction with the Treasury Board policy "Application of the Goods and Services Tax and the Harmonized Sales Tax in the Departments and Agencies of the Government of Canada - For FIS compliant Departments and Agencies", located at the following URL:

[http://publiservice.tbs-sct.gc.ca/Pubs\\_pol/dcgpubs/TBM\\_142/gst\\_hst\\_fis\\_e.asp](http://publiservice.tbs-sct.gc.ca/Pubs_pol/dcgpubs/TBM_142/gst_hst_fis_e.asp). The policy provides the details necessary to ensure the effective and efficient processing of the Goods and Services Tax and the Harmonized Sales Tax within the Government of Canada.

The GST and the provincial sales tax in the provinces of Nova Scotia, New Brunswick and Newfoundland and Labrador have been replaced by the Harmonized Sales Tax.

Departments, as suppliers of goods and services, are required to charge, collect, deposit and report GST and HST in respect of all taxable supplies. The charge would be coded to FRA 21134 GST-HST Payable to the Canada Revenue Agency (CRA) Account.

Departments, as purchasers of goods and services, are to pay the GST and HST and would code the charge to FRA 13392 GST-HST Refundable Advance Accounts (RAA).

The following sections outline the GST and HST requirements that affect departments with attention on the year end requirements. Although many of the example entries provided are made on an ongoing basis, they are included to give a sequence to the entries.

#### **2. GST AND HST ON THE SALE OF GOODS OR SERVICES BY DEPARTMENTS:**

##### **2.1 Departmental recording of GST and HST receivables**

The GST and HST portion of each supply of goods or services by departments will be recorded in the departmental accounts at the time of the cash transaction or when a credit transaction is invoiced to the customer.

**DFMS entry to record a Credit Sale**

Financial Reporting Account	Authority Code	Amount
11221 Accounts receivable non-tax revenue	R300 Other assets/liabilities	DR xxx
423XX Sales of goods & services	DXXX Other revenue	CR xxx
21134 GST-HST payable to CRA	R300 Other assets/liabilities	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

**DFMS entry to record a Cash Sale**

Financial Reporting Account	Authority Code	Amount
11123 Deposits in transit to the Receiver General	R300 Other assets/liabilities	DR xxx
423XX Sales of goods & services	DXXX Other revenue	CR xxx
21134 GST-HST payable to CRA	R300 Other assets/liabilities	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

**2.2 Monthly IS for GST and HST payables to CRA**

In the month that the sale is to be reported on the return to CRA, (i.e., sales that occurred for the previous month) the GST/HST payable will be transferred by departments to the CRA by a debtor initiated IS. The GST and HST amounts reported on the monthly return and deposit advice for the period must be identical to the amount of the IS. **Departments must ensure the final old year transfer of GST and HST to CRA (department number 122) be processed by a debtor initiated IS**, (use 9600 for the recipient organization code field and 9608 for the reference code field) **on or before 7:00 p.m. for auto-load and 8:00 p.m. for on-line, March 31.**

**DFMS entry to record the Interdepartmental Settlement to CRA**

Financial Reporting Account	Authority Code	Amount
21134 GST-HST payable to CRA	R300 Other assets/liabilities	DR xxx
65ddd IS Credit control account	0000	CR xxx

The d is used to identify the department number.

### 2.3 Settling Old Year GST and HST payables after March 31st

The balance in the departmental GST-HST payable to CRA account (FRA 21134), for sales made during March, will be transferred to CRA in April of the new year by initiating the IS transaction in Period 1 of the new year. The balances in FRA 21134 **are not** to be reclassified to FRA 21132 **nor** included in the Departmental A/R-OGD and A/P-OGD Transaction Details by Partnering Department (Spreadsheet A) submission to the Receiver General (RG).

## 3. GST AND HST ON THE PURCHASE OF GOODS OR SERVICES BY DEPARTMENTS:

### 3.1 Departmental recording of GST and HST payables

The GST and HST payable to suppliers is to be recorded at the time the liability is established in their accounts payable sub-ledger and when estimating other PAYE accruals. The GST and HST portion of the accounts payable will be recorded in the GST Refundable Advance Account (RAA). Only GST and HST payments for which an offset is available pursuant to the Tax Remission Order may be charged to a department's RAA.

#### DFMS entry to record purchase and GST

Financial Reporting Account		Authority Code		Amount
51XXX	Program expenses	BXXX	Non-statutory expenditures	DR xxx
13392	GST-HST RAA	G111	GST refundable advance account	DR xxx
21111	Accounts payable ongoing	R300	Other assets/liabilities	CR xxx

The X is used when a choice of FRAs and authority codes is available. Departments will use the appropriate FRAs and authority codes.

### 3.2 Year-end IS for GST-HST RAA

The balance in the department's GST Refundable Advance Account (RAA) is cleared at year end and transferred to CRA, who will process the necessary tax remission order. **Departments must ensure the balance of the GST Refundable Advance Account is transferred to CRA (department number 122) by creditor initiated IS**, (use 5500 for the recipient organization code field and 5530 for the reference code field) **on or before 7:00 p.m. for auto-load and 8:00 p.m. for on-line, March 31.**

**DFMS entry to record the Interdepartmental Settlement to CRA to clear the RAA balance**

Financial Reporting Account	Authority Code	Amount
64ddd IS Debit control account	0000	DR xxx
13392 GST-HST RAA	G111 GST refundable advance account	CR xxx

The d is used to identify the department number.

**3.3 GST-HST RAA recorded after the Year-end**

The GST and HST recorded as a result of any old year accounts payable established after the March transfer to CRA will remain in the FRA and will be rolled over as the opening balance in FRA 13392 GST-HST Refundable Advance Account. The balances in FRA 13392 **are not** to be reclassified **nor** included in the Departmental A/R-OGD and A/P-OGD Transaction Details by Partnering Department (Spreadsheet A) submission to the RG. In the new year, once the opening balance has been finalized, departments are to creditor initiate (no later than May 31) an IS to CRA to transfer the opening balance (use 5500 for the recipient organization code field and 5530 for the reference code field).

**3.4 Interdepartmental Settlement (IS) Notification for GST-HST RAA Transfer to CRA**

CRA requires that each department complete (at the same time the IS is processed) and e-mail an electronic copy of the notification, which is available for download and completion (in a Microsoft Excel (.xls) format) at the following URL:

<http://publiservice.pwngsc.gc.ca/cars-sccr/text/download-e.html>. A completed sample of the notification is included at the end of this appendix.

CRA will include the amounts in the Tax remission order.

### 3.5 GST and HST on Goods Returned to Suppliers by Departments

Departments that return goods to suppliers are to make the necessary entry to the RAA to credit the account for the original GST and HST charged.

Financial Reporting Account		Authority Code		Amount
11231	Accounts receivable for refunds of program expenses	R300	Other assets/liabilities	DR xxx
13392	GST-HST RAA	G111	GST refundable advance account	CR xxx
51XXX	Program expenses	F123	Refunds of program expenditures	CR xxx
or 51XXX	Program expenses	or D311	Refunds of previous years expenditures	

The X is used when a choice of FRAs is available. Departments will use the appropriate FRAs. If the return relates to a current year expenditure, the use of authority BXXX Non-statutory expenditures in an entry does not occur until the refund is received from the supplier. Also, if the return of the goods relate to a previous year's expenditure, the authority code would be D311.

#### 4. INQUIRIES:

Queries about transferring GST to CRA should be directed to:


Revenue Accounting and Reporting Section  
 Financial Administration Directorate  
 Canada Revenue Agency  
 Place de Ville, Tower A - 320 Queen St., 8th floor  
 Ottawa, Canada  
 K1A 0L5

Telephone: (613) 954-5905                      Facsimile: (613) 952-7340

or

IS Monitoring Officer  
 Telephone: (613) 948-5770                      Facsimile: (613) 952-7340

**Interdepartmental Settlement (IS) Notification for GST-RAA Transfer to CRA**  
 DO NOT COPY - SAMPLE ONLY

	Canada Revenue Agency	Agence du revenu du Canada
<b>Interdepartmental Settlement (IS) Notification for GST-HST RAA Transfer to CRA</b>		
This is to confirm to CRA that a Creditor IS has been processed through SPS-IS to settle the 2005-2006 balance in the GST-HST Refundable Advance Accounts (RAA), FRA 13392.		
<b>FROM – Reference Information</b>		
<b>FROM – Department</b>	<i>Department name:</i>	FSSEP
	<i>Department #:</i>	180
	<i>Contact name:</i>	Karine Leroux
	<i>Telephone #:</i>	(819) 958-1065
	<i>E-Mail address:</i>	<a href="mailto:karine.leroux@fssep@gc.ca">karine.leroux@fssep@gc.ca</a>
<b>CREDITOR IS – Transaction Information</b>		
<b>Creditor IS – Transaction</b>	This IS applies to: (please, checkmark one of the following boxes)	
	<input checked="" type="checkbox"/>	Old Year Balance - to be processed no later than March 31, 2006
	<input type="checkbox"/>	New Year Opening Balance - to be processed no later than May 31, 2006 (Period 2 of New Year)
	<b>Please ensure that the following Codes are used when initiating the creditor IS:</b>	
	<i>To Department:</i>	<b>122</b> <i>Organisation Code:</i> <b>5500</b> <i>Reference Code:</i> <b>5530</b>
<i>Date of IS initiated:</i>	<u>yyyy / mm / dd</u> <u>IS Amount</u>	
	2006 / 03 / 31      \$2,475,447.53	
<b>TO – CRA Department Information</b>		
<b>TO – Department</b>	<i>Department name:</i>	Canada Revenue Agency (CRA)
	<i>Department #:</i>	122
	<i>E-Mail address:</i>	<a href="mailto:gstraa.fa@ccra-adrc.gc.ca">gstraa.fa@ccra-adrc.gc.ca</a>
	<i>Contact name:</i>	Nicole Lalonde (613) 957-7557

## Appendix 11

### Revaluation of Monetary Assets or Liabilities Denominated in a Foreign Currency

#### 1. GENERAL:

In 1977, amendments to the *Currency and Exchange Act* and the *Bretton Woods Agreement Act* required the disclosure of foreign denominated monetary assets and liabilities to be reported on a current valuation basis, rather than a historical cost basis in the Statement of Assets and Liabilities of the Government of Canada. These acts were subsequently repealed and replaced by the *Currency Act* and the *Bretton Woods and Related Agreements Act*.

Departments must ensure that the revaluation of foreign monetary assets and liabilities is completed by the **P12-1 cut-off date**.

#### 2. GENERAL ACCOUNTING POLICIES:

The general accounting policy relating to the presentation of foreign denominated monetary assets and liabilities is:

- all the government's monetary assets and liabilities denominated in foreign currencies are to be revalued at March 31 of each fiscal year in the accounts of Canada on a current valuation basis;
- **the rate of exchange to be used will be available at the following URL in early April under the heading "Year End Foreign Exchange Rates":**  
<http://www.pwgsc.gc.ca/recgen/text/bankrt-e.html>. If departments require clarification of a rate, they should contact the Accounting, Banking and Compensation Payment and Balances Control Section referenced in 5.; and,
- any variance between historical costs and/or the valuation at the beginning of the fiscal year and the valuation at the end of the fiscal year is taken into account in determining the impact on the surplus or deficit of the Government for that fiscal year.

Exceptions to the above-noted policy exist where specific regulations apply to specific accounts (e.g., the Exchange Fund Account).

#### 3. CRITERIA:

The assets and liabilities to be revalued include any foreign denominated monetary asset or liability that requires the receipt or payment to be in any currency other than in Canadian dollars.



**4. PROCEDURES:**

1. Departments must examine their monetary asset and liability accounts disclosed on the Statement of Financial Position of the Government of Canada to identify those denominated in a foreign currency.
2. Departments must revalue a foreign denominated monetary asset or liability account using the closing rate of exchange for March 31 available at the following URL in early April under the heading "Year End Foreign Exchange Rates":  
<http://www.pwgsc.gc.ca/recgen/text/bankrt-e.html>.
3. The adjustment due to revaluation (i.e., any adjustment between the recorded book value and the year-end value) must be reflected in the department's DFMS before the end of the P12-1. A worksheet for revaluing a foreign denominated monetary asset or liability account and any necessary valuation adjustment is provided at the end of this appendix.

The following are examples of entries that present a gain and loss on the revaluation of a monetary asset denominated in US currency.

**DFMS entry recording a gain on the revaluation of a monetary asset denominated in US currency**

Financial Reporting Account	Authority Code	Amount
13239 Other loans and advances to national governments and developing countries	G310 Allowance for valuation	DR xxx
42732 Gains on foreign exchange revaluations at year end	D343 Gains on foreign exchange	CR xxx

**DFMS entry recording a loss on the revaluation of a monetary asset denominated in US currency**

Financial Reporting Account	Authority Code	Amount
51712 Loss on foreign exchange revaluations at year end	A126 Losses on foreign exchange	DR xxx
13239 Other loans and advances to national governments and developing countries	G310 Allowance for valuation	CR xxx

4. Refer to Section 15.4 of Chapter 15, Public Accounts Instructions, of this manual (located at the following URL: <http://publiservice.pwgsc.gc.ca/rg/text/recgen-e.html>), for instructions on completing manuscripts pertaining to foreign asset and liability accounts.

**5. INQUIRIES:**

Queries relating to the March 31 rate of exchange should be directed to:

Chief, Payment and Balances Control Section  
Cash Management Operations Division  
Banking and Cash Management Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 15A2  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-2922

Facsimile: (819) 956-2921

Queries relating to the revaluation of foreign monetary assets and liabilities should be directed to:

Chief, Accounting and Quality Assurance Section  
Central and Public Accounts Reporting Directorate  
Central Accounting and Reporting Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 13A2  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-1879

Facsimile: (819) 956-5407

## Appendix 11 (Revaluation of Monetary Assets or Liabilities Denominated in a Foreign Currency)

**Worksheet for Revaluing a Foreign Denominated Monetary Asset or Liability Account**

Department: XYZ

		(1)	(2)	(3)	(4)
Account Description		Identify the foreign currency and value	Recorded value (CDN \$) prior to Y/E valuation adjustment	Adjusted value (at closing rate of exchange) <sup>1</sup>	Adjustment (3) - (2)
Description of Loan Y (FRA # xxxxx)	Balance at April 1 <sup>st</sup> (current year)	6,000,000	8,100,000		
	Gross Debits	600,000 <sup>2</sup>	798,000 <sup>3</sup>		
	Gross Credits	(400,000) <sup>4</sup>	(524,000) <sup>5</sup>		
	Balance at March 31	<u>6,200,000</u>	<u>8,374,000</u>	<u>8,184,000</u>	<u>(190,000)</u>

Note: The net adjustment in column (4) should support the old year revaluation entry.

<sup>1</sup> \$1 US equals \$1.32 CDN. In this example a closing rate of exchange of \$1.00 US dollar equals \$1.32 CDN was used.

<sup>2</sup> per departmental records or contractual agreement.

<sup>3</sup> per General Ledger of Canada.

<sup>4</sup> per departmental records or contractual agreement.

<sup>5</sup> per General Ledger of Canada.

<sup>x</sup> substitute the x for the actual number.

## Appendix 12

### Suspense Accounts

#### 1. INTRODUCTION:

Suspense accounts (financial reporting accounts, FRA 2161X General suspense accounts and 2162X Special suspense accounts) are liability categories to which transactions are recorded temporarily, pending their ultimate disposition and as such, **the balance in suspense accounts (other than FRA 21615) must always be in a credit position. With the exception of FRAs 21611 General suspense account, 21613 Garnisheed salaries and 21614 Family orders, the balance of suspense accounts must be brought to zero before the P12-2 cut-off date of May 19.**

#### 2. GENERAL SUSPENSE ACCOUNT:

The FRA 21611 General suspense accounts is only to be used to record money that is received, for which the ultimate accounting is **not** known at the time the receipts are received. Although the balance of the General Suspense account does not have to be brought to zero before the close of the fiscal year, **departments must endeavor to allocate these transactions to the proper accounts before the P12-2 and the balance remaining will only represent transactions for which the appropriate accounting remains uncertain.**

#### 3. OTHER GOVERNMENT DEPARTMENT SUSPENSE (OGDS) ACCOUNT:

In accordance with the Treasury Board policy on "Interdepartmental Charging and Transfers between Appropriations" (located at the following URL: [http://publiservice.tbs-sct.gc.ca/Pubs\\_pol/dcgpubs/TBM\\_142/ICTA\\_e.asp](http://publiservice.tbs-sct.gc.ca/Pubs_pol/dcgpubs/TBM_142/ICTA_e.asp)), departments using the FRA 21621 OGDS account must ensure that funds are transferred from the funding department (advance) **before** any transactions are incurred by the spending department on behalf of the funding department.

The spending department must regularly (minimum frequency of monthly preferred) provide information to the funding department regarding expenditures made on its behalf in order to permit the funding department to record the expenditures against the funding department's appropriation with the offset to FRA 11244 OGDS advances. This accounting **cannot** go through as an IS requisition to the SPS, since no funds or spending authority are changing hands.

**Under no circumstances can the balance of the FRA 21621 OGDS account or the FRA 11244 OGDS advances account be transferred to the next fiscal year.**

### 3.1 OGDS Account Year-End:

Departments should follow the examples of the OGDS account year end accounting entries presented in the Treasury Board Accounting Manual, (section 9.9, entries 3a) through 4) located at the following URL: [http://publiservice.tbs-sct.gc.ca/fin/common/t\\_acct\\_e.asp](http://publiservice.tbs-sct.gc.ca/fin/common/t_acct_e.asp).

## 4. INQUIRIES:

Queries relating to suspense accounts should be directed to:

Chief, Accounting and Quality Assurance Section  
Central and Public Accounts Reporting Directorate  
Central Accounting and Reporting Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 13A2  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-1879

Facsimile: (819) 956-5407

## Appendix 13

### **Period 9 Certificate of Representations**

#### **1. GENERAL:**

Departments are required to make representations, specific to their Period 9 information, related to the completeness and accuracy of departmental accounts and to provide the detailed information required.

#### **2. PERIOD 9 CERTIFICATE OF REPRESENTATIONS:**

Departments are required to submit preliminary representations on the completeness and accuracy of their departmental accounts and the reciprocal accounts reflected in the Central Financial Management Reporting System (CFMRS) as well as their compliance with Receiver General (RG) and Treasury Board (TB) requirements. This contributes to the timely fiscal year close, by ensuring that departments focus on the clearing of Undistributed Interdepartmental Settlement (IS) items and other items in suspense accounts, thus improving the quality of government-wide financial information and advancing the audits by the Auditor General's staff.

The preliminary representations required under this appendix are achieved through the Period 9 (P9) Certificate of Representations, to be approved by the Senior Full-time Financial Officer (SFFO). The certificate provides the opportunity for departments to demonstrate their clearing activities by providing balances for their P10 Trial Balance.

#### **3. SUBMISSION AND INQUIRIES:**

Departments are required to send the duly completed P9 Certificate of Representations by e-mail to [ncr.rgacas@pwgsc.gc.ca](mailto:ncr.rgacas@pwgsc.gc.ca) no later than **February 9**. An electronic copy of the certificate (in Microsoft Excel (.xls) format) is available for download and completion at the following URL: <http://publiservice.pwgsc.gc.ca/cars-sccr/text/download-e.html>. A completed sample of the certificate is included at the end of this appendix.

In addition, the original duly completed P9 Certificate of Representations, signed by the SFFO, is to be mailed or hand delivered no later than **February 14** to the following address.



Please mail or hand deliver the original completed P9 Certificate of Representations signed by the SFFO and direct any inquiries to:

Chief, Accounts of Canada Analysis Section  
Central and Public Accounts Reporting Directorate  
Central Accounting and Reporting Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 13A2  
11 Laurier Street  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-0432      Facsimile: (819) 956-5407

**Period 9 Certificate of Representations**

DO NOT COPY - SAMPLE ONLY

	Public Works and Government Services Canada	Travaux publics et Services gouvernementaux Canada	Page 1 of 3
<b>PERIOD 9 CERTIFICATE OF REPRESENTATIONS</b> <b>FISCAL YEAR 2005-2006</b>			
Department No.: <u>180</u>		Dept. Name: <u>FSSEP</u>	
<p>I certify that our departmental accounts have been reviewed with the reciprocal government-wide coding used in our Period 9 Trial Balance which was submitted to the Central Financial Management Reporting System (CFMRS). The results of our review and subsequent corrective action made in Period 10 allow me to make the representations listed below. I further certify that during the final quarter (including the P12-1 and P12-2), we will promptly initiate monthly entries to clear all current month Undistributed IS items and items in suspense accounts.</p>			
<b><u>Representation 1</u></b>			
All financial transactions (with the exception of those identified in Representations 3 and 4) have been accurately and completely reported in the P9 and P10 Trial Balances submitted to CFMRS.			
<b><u>Representation 2</u></b>			
Compliance exists with all relevant Receiver General and Treasury Board requirements, the Government's accounting policies, the <i>Financial Administration Act</i> and all legislation relating to the recording and reporting (on a basis consistent with that of the previous year) of the departmental financial transactions in the CFMRS, which is used for the Government of Canada's monthly and quarterly financial statements.			
<b><u>Exceptions (relating to Representations 1 or 2)</u></b>			
Departments are to disclose items considered to be exceptions to the Representations 1 or 2 by modifying the text in this cell.			
"Nil" is to be indicated, if no exceptions apply.			
<b><u>Representation 3</u></b>			
Steps have been taken in Period 10 to clear the Undistributed Interdepartmental Settlement (IS) amounts and the balance in other suspense accounts through the reallocation of amounts to the correct accounts by internal journal vouchers.			
<b><u>Representation 4</u></b>			
Steps have been taken prior to Period 10 to settle previous year's OGD accruals. Outstanding amounts are to be listed with an explanation, by department, as to why the OGD accruals have not yet been settled.			
<b><u>Senior Full-time Financial Officer (SFFO) Approval</u></b>			
Name (printed) <u>Karine Leroux</u>			
Signature: 			
Date: <u>February 3, 2006</u>		Tel. number: <u>(819) 958-1065</u>	


- send by e-mail to [ncr.rgacas@pwgsc.gc.ca](mailto:ncr.rgacas@pwgsc.gc.ca) no later than February 9, 2006

- mail or hand deliver original certificate signed by SFFO to the address specified in Section 3 of Appendix 13 of RGM Chapter 14 (Year End Timetable and Procedures 2005-2006) no later than February 14, 2006



**Period 9 Certificate of Representations – cont'd**

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	Public Works and Government Services Canada	Travaux publics et Services gouvernementaux Canada	Page 2 of 3
<b>PERIOD 9 CERTIFICATE OF REPRESENTATIONS FISCAL YEAR 2005-2006</b>			
Department No.: <u>180</u>		Dept. Name: <u>FSSEP</u>	
<b>Representations 1 and 2 - Exceptions details</b>			
<b>DISCLOSURE OF EXCEPTIONS AND CORRECTIVE MEASURES (or indicate Nil if not applicable)</b>			
1)	Monthly accruals are not reported on a monthly basis.		
2)	Salary transfers (In/Out) are not reported on a monthly basis.		
3)	Amortization of assets is not recorded.		
<b>Representation 3a) - Undistributed Interdepartmental Settlements (ISs)</b>			
<b>UNDISTRIBUTED INTERDEPARTMENTAL SETTLEMENTS</b>			
FRA used for Undistributed ISs	Amount of Undistributed ISs in P9	Amount of Undistributed ISs from P9 remaining in P10	Corrective measures (if amount remaining in P10 exceeds 10% of P9 total)
21615*	150,578.80	22,373.43	All outstanding ISs from P9 will be cleared by P11.
The Undistributed/Unmatched IS Suspense is used to temporarily record the receipt of ISs for which the ultimate accounting is not known at the time the ISs are received.			
* If FRA 21615 is not used to temporarily record the receipt of ISs, please identify the FRA being used.			
<b>Representation 3b) - Suspense accounts</b>			
<b>SUSPENSE ACCOUNTS and SUSPENSE ACTIVITIES</b>			
FRA used for Suspense Activities (excluding 21615)	Closing Balance amounts in P9	Amount in suspense accounts from P9 remaining in P10	Comments
21611	(324,916.60)	(166,729.03)	Will be cleared in P11.
21612			
21613	(16,780.06)	(4,302.91)	Balances are due to the timing of the deductions off employee's pay and payment to the courts.
21614	17,284.02	3,486.45	Will be cleared by the end of P12.
21619			
For suspense accounts, the balance must be zero at year end, except for the FRAs 21611 General Suspense Accounts, 21613 Garnisheed Salaries and 21614 Family Orders.			
<b>Representation 4 - OGD Receivables and Payables</b>			
<b>SETTLEMENT OF PREVIOUS YEAR'S OGD RECEIVABLES AND PAYABLES</b>			
OGD A/R & A/P FRAs	New Year's Opening Balance amount	New Year's Opening Balance amount remaining in P10	Corrective measures by partnering department (if amount in P10 is not zero)
11242	32,515.29	12,515.00	IS will be initiated in P11.
21132	(10,792,225.32)	(244,467.79)	(See attached spreadsheet)

Note: - use "(" for Credit amounts

**Period 9 Certificate of Representations – concl'd**

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Page 3 of 3

<b>SETTLEMENT OF PREVIOUS YEAR'S OGD RECEIVABLES AND PAYABLES (Cont'd)</b>				
<b>OGD A/R &amp; A/P FRAs</b>	<b>Partnering Department Number</b>	<b>New Year's Opening Balance amount</b>	<b>New Year's Opening Balance amount remaining in P10</b>	<b>Corrective measures by partnering department (if amount in P10 is not zero)</b>
21132	056	(73,034.71)	(16,820.50)	Invoice 4X00H20694 had been received in error by another dept. Waiting for TBS to invoice our department.
21132	012	(83,539.62)	(9,069.29)	OGD will initiate IS in P11.
21132	041	(57,882.58)	(38,000.00)	Overestimated - will be cleared in P11.
21132	127	(10,577,768.41)	(180,578.00)	On February 2, 2006, we received an IS from PWGSC for invoice 5C04M1005 in relation to this liability. Unfortunately, it was not processed before the P10 cut off. To be done in P11.
21132	Total FRA	(10,792,225.32)	(244,467.79)	

## Appendix 14

### Certificate of Representations for the Final Trial Balance

#### 1. GENERAL:

The P12-2 provides departments with the final opportunity to finalize their old year departmental accounts by completing entries in their DFMS that correct or adjust accounts and other financial codes. Departments are required to provide the Receiver General with a Certificate of Representations relating to the Final Trial Balance submitted to CFMRS in the P12-2.

#### 2. CERTIFICATE OF REPRESENTATIONS FOR THE FINAL TRIAL BALANCE:

Departments are required to provide the Receiver General with a certificate attesting to the integrity of the accounting information contained in the final trial balance submitted to CFMRS. This certificate will provide the Receiver General with assurance and facilitate the preparation of the government's Audited Financial Statements and other government reports. The Certificate of Representations for the Final Trial Balance is to be certified by the Senior Full-time Financial Officer (SFFO). In the absence of the SFFO, the officer who has been granted signing authority on a temporary or acting basis may sign the certificate. **The delegation of this signing authority to an alternate is not acceptable.** A copy of the formal delegation must be attached to the original certificate signed by the SFFO to be sent by mail or hand delivered.

#### 3. SUBMISSION AND INQUIRIES:

Departments are required to send the duly completed Certificate of Representations for the Final Trial Balance by e-mail to [ncr.rgacas@pwgsc.gc.ca](mailto:ncr.rgacas@pwgsc.gc.ca) no later than **May 25**. An electronic copy of the certificate (in Microsoft Excel (.xls) format) is available for download and completion at the following URL:

<http://publiservice.pwgsc.gc.ca/cars-sccr/text/download-e.html>. A completed sample of the certificate is included at the end of this appendix.

In addition, the original duly completed Certificate of Representations for the Final Trial Balance, signed by the SFFO, is to be mailed or hand delivered no later than **May 29** to the following address.


Please mail or hand deliver the original completed Certificate of Representations for the Final Trial Balance signed by the SFFO and direct any inquiries to:

Chief, Accounts of Canada Analysis Section  
Central and Public Accounts Reporting Directorate  
Central Accounting and Reporting Sector  
Accounting, Banking and Compensation Branch  
Public Works and Government Services Canada  
Place du Portage - Phase III, Core 13A2  
Gatineau, Quebec  
K1A 0S5

Telephone: (819) 956-0432

Facsimile: (819) 956-5407

**Certificate of Representations for the Final Trial Balance**  
**DO NOT COPY - SAMPLE ONLY**

	Public Works and Government Services Canada	Travaux publics et Services gouvernementaux Canada
<b>CERTIFICATE OF REPRESENTATIONS FOR THE FINAL TRIAL BALANCE FISCAL YEAR 2005-2006</b>		
Department No.: <u>180</u> Dept. Name: <u>FSSEP</u>		
I certify that the 2005-2006 Final Trial Balance for this Department, as contained in the Trial Balance which was submitted to the Central Financial Management Reporting System (CFMRS) on May 19, 2006 has been prepared in accordance with Treasury Board requirements, the Government's accounting policies and the Receiver General Manual Chapter 14, and that:		
<b><u>Representation 1</u></b> – the information contained therein is accurate and complete for purposes of preparing the government's Audited Financial Statements and the <i>Public Accounts of Canada</i> ;		
<b><u>Representation 2</u></b> – the accounting policies and practices used are consistent with those of the previous year, except as otherwise indicated (exceptions must be disclosed and detailed); and,		
<b><u>Representation 3</u></b> – all pertinent financial transactions have been included.		
<b><u>Exceptions (relating to Representations 1, 2 or 3)</u></b>		
Nil		
<b><u>Senior Full-time Financial Officer (SFFO) Approval</u></b>		
Name (printed): <u>Karine Leroux</u>		
Signature: <u>Provided on original certificate signed and sent</u>		
Date: <u>May 19, 2006</u> Tel. number: <u>(819) 958-1065</u>		

- send by e-mail to [ncr.rgacas@pwgsc.gc.ca](mailto:ncr.rgacas@pwgsc.gc.ca) no later than May 25, 2006
- mail or hand deliver original SFFO signed certificate to the address specified in Section 3 of Appendix 14 of RGM Chapter 14 (Year End Timetable and Procedures 2005-2006) no later than May 29, 2006