

04 FINANCE							
The function of managing the institution's financial resources.							
Ref.	Activity/ Records Series	Description/ Example Record Types	Trigger - event that prompts start of retention period	Retention Period	Disposal Action	Authority	Citation/ Notes
04.001	Asset management	The activities involved in collecting, recording and analysing information about the value of the institution's fixed assets for accounting purposes.					
		Records documenting the value of the institution's capital assets.	End of current financial year	6 years	Destroy	Statutory	Taxes Management Act 1970 c. 9 s 34
		Records documenting decisions (and authorisations) to dispose of capital assets.	Current financial year (of disposal)	6 years	Destroy	Statutory	Taxes Management Act 1970 c. 9 s 34 Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
04.002	Cash Management	The activities involved in managing the institution's liquid assets.					
		Bank account records (routine administration, opening and closing accounts etc.)	Date account closed	5 years	Destroy	Statutory	Taxes Management Act 1970 c.9 s.34 Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
		Records documenting standing orders, direct debits etc.	Life of instruction	5 years	Destroy	Statutory	Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45

Ref.	Activity/ Records Series	Description/ Example Record Types	Trigger - event that prompts start of retention period	Retention Period	Disposal Action	Authority	Citation/ Notes
		Records documenting routine bank account deposits/withdrawals/transfers (paying-in slips, transfer instructions, bank statements etc.)	End of current financial year	5 years	Destroy	Statutory	Taxes Management Act 1970 c. 9 s 34 Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
04.003	Finance Strategy Development	The activities involved in developing and establishing the institution's finance strategy.					
		Finance strategy and policy: drafts and working papers	Date of issue	1 year	Destroy	Business requirement	
		Finance strategy and policy: key records	Date superseded	10 years	Review	Business requirement	Review for archival value.
04.004	Finance Management Procedure Development	The activities involved in developing the institution's procedures for the management of its financial resources.					
		Finance management procedures: drafts and working papers.	Date of issue	1 year	Destroy	Business requirement	
		Finance management procedures: key records	Date superseded	1 year	Destroy	Business requirement	

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04.005	Financial Accounting	The activities involved in processing, recording, classifying and analysing financial transactions between the institution and third parties, and between the institution and its employees.					
		Annual accounts: drafts and working papers	Date accounts approved.	5 years	Destroy	Statutory	Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
		Annual Accounts: key records	Date superseded	5 years	Review for historical value	Statutory	Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
		Payment and/or reimbursement of employees' expenses.	End of current financial year	5 years	Destroy	Statutory	Taxes Management Act 1970 c. 9 s 34 Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
		Payment of honoraria to third parties.* *Unless honoraria are administered through the payroll.	End of current financial year	5 years	Destroy	Statutory	Taxes Management Act 1970 c. 9 s 34 Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
		Petty cash handling.	End of current financial year	5 years	Destroy	Statutory	Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45 The Value Added Tax Act 1994 c. 23 HMRC 700/21 para. 5.2

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		Receipt and payment of purchase invoices.	End of current financial year	5 years	Destroy	Statutory	Taxes Management Act 1970 c. 9 s 34 Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45 The Value Added Tax Act 1994 c. 23 HMRC 700/21 para. 5.2
		Records documenting the payment of expenses to third parties (e.g. honorary appointees).	End of current financial year	5 years	Destroy	Statutory	Taxes Management Act 1970 c. 9 s 34 Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
		Sales invoices and the processing of incoming payments.	End of current financial year	6 years	Destroy	Statutory	Taxes Management Act 1970 c. 9 s 34 Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45 The Value Added Tax Act 1994 c. 23 HMRC 700/21 para. 5.2
04.006	Financial Planning & Budgeting	The activities involved in forecasting the institution's income, planning the utilisation of these resources and setting and managing budgets.					
		Records documenting the preparation of annual operating budgets.	End of current financial year	1 year	Destroy	Business requirement	

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		Monitoring of income and expenditure against annual operating budgets, and action taken to deal with variances.	End of current financial year	1 year	Destroy	Business requirement	
04.007	Funding Management	The activities involved in administering the institution's income.					
		Administration of annual funding allocations from the appropriate statutory funding body.	End of current financial year	10 years	Destroy	Business requirement	
		Administration of research grants provided by research councils or corporate sponsors.	Termination of grant	5 years	Destroy	Statutory	Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
		Administration of scholarship funds.	End of current financial year	5 years	Destroy	Statutory	Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
04.008	Internal Accounting	The activities involved in processing financial transactions between operating units (i.e. internal cross-charging).					
		Internal accounting transactions between operating units (i.e. cross-charges).	End of current financial year	1 year	Destroy	Business requirement	

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		Negotiation and administration of formal contracts between operating units (e.g. for the provision of services.)	Termination of contract	1 year	Destroy	Business requirement	
04.009	Investment management	The activities involved in managing the institution's financial investment portfolio.					
		Financial investment portfolio management.	Date of divestment	5 years	Destroy	Statutory	Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
		Purchase/sale of investments.	End of current financial year (of transaction)	6 years	Destroy	Statutory	Taxes Management Act 1970 c. 9 s 34
04.010	Management Accounting	The activities involved in monitoring and controlling the use of the institution's financial resources.					
		Analyses of the internal deployment of the institution's financial resources.	End of current financial year	1 year	Destroy	Business requirement	
04.011	Payroll Administration	The activities involved in administering the institution's employee payroll.					
		Non-statutory payroll deductions.	End of current financial year	5 years	Destroy	Statutory	Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45

Ref.	Activity/ Records Series	Description/ Example Record Types	Trigger - event that prompts start of retention period	Retention Period	Disposal Action	Authority	Citation/ Notes
		Payroll records (for employees' salaries and other payments).	End of current tax year	<u>Minimum:</u> 3 years <u>Recommended:</u> 6 years	Destroy	Statutory	<u>Minimum:</u> SI 1999/584 Regulation 38(7) SI 2003/2682 Regulation 97(8) <u>Recommended:</u> Taxes Management Act 1970 c. 9 s 34
		PAYE records	End of current tax year	3 years	Destroy	Statutory	SI 2003/2682 Regulation 97(8) Employer's PAYE records which are not required to be sent to the Inland Revenue (under the provisions of the Income Tax (Pay As You Earn) Regulations 2003. "PAYE records" are defined in Regulation 97(2) of the Income Tax (Paye As You Earn) Regulations 2003 (SI 2003/2682).
		Statutory Sick Pay (SSP) scheme	End of current tax year	3 years	Destroy	Statutory	SI 1982/894 Regulation 13
		Statutory Maternity Pay	End of current tax year	3 years	Destroy	Statutory	SI 1986/1960 Regulation 26
04.012	Pension Contributions Administration	The activities involved in administering payments of the institution's employers' and employees' contributions to pension schemes.					

Ref.	Activity/ Records Series	Description/ Example Record Types	Trigger - event that prompts start of retention period	Retention Period	Disposal Action	Authority	Citation/ Notes
		Employers' contributions to pensions schemes for its employees.	Termination of employment	75 years	Destroy	Statutory	Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
04.013	Statutory Accounting	The activities involved in preparing the institution's statutory accounts.					
		Statutory accounting records: drafts and working papers.	Date final version is agreed.	1 year	Destroy	Business requirement	
		Statutory accounting records: key records.	End of current financial year	5 years	Review for historical value	Statutory	Prescription and Limitation (Scotland) Act 1973 c.52 and 1984 c.45
04.014	Tax Management	The activities involved in managing the institution's tax affairs.					
		Institutional tax returns (preparation and filing).	End of current tax year	6 years	Destroy	Statutory	Taxes Management Act 1970 c. 9 s 34
		Institutional accounting for VAT.	End of current tax year	6 years	Destroy	Statutory	Taxes Management Act 1970 c. 9 s 34