Internal financial controls

Pauline Hogg provides a checklist of the key areas to monitor in a GP practice.

Internal financial controls are systematic measures (such as reviews, checks and balances, methods and procedures) necessary to:
1. Conduct business in an orderly and efficient manner
2. Safeguard assets and resources
3. Deter and detect errors, fraud and theft
4. Ensure accuracy and completeness of accounting data
5. Produce reliable and timely financial and management information
6. Ensure adherence to policies and plans

Simply tailor the following checklist to your practice’s circumstances and ensure relevant staff members receive suitable training in any new procedures implemented.

Payroll
- Only the practice manager should have password-restricted access to the payroll system.
- The payroll should be run in advance if the practice manager is on holiday when the payroll is due.
- If the practice manager is unable to carry out the payroll for any reason the password for the system should be retained in the safe in a sealed envelope.
- Back-ups should be taken monthly and stored in a fireproof safe with the most recent back-up stored off site.
- Staff salaries should be paid by BACS directly into the employees’ bank accounts.
- The senior or finance GP partner should review the monthly payroll to ensure they are aware of the normal payments and can identify any variances. The partner should then initial and date the summaries accordingly.

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Copies of these should be retained in a payroll file.

Cheques
- All cheques should require two signatures; either two of the partners or the practice manager and one of the partners.
- As far as possible, the practice manager should ask the senior or finance partner to sign most cheques so that one partner is aware of all financial transactions.
- The individual concerned should not sign cheques to a partner or the practice manager.

Pauline Hogg is a partner at Condies Health, an AISMA accountant.
manager. The practice manager should ensure two signatures other than the individual in question are obtained.

- Pre-signed cheques should not be retained in the chequebook.
- Cheques that have been written and cancelled should be stapled to the 'stub' of the chequebook as proof that they have not been used.
- A new partner joining the practice should not become a signatory until after their probationary period.
- The chequebook should be checked monthly for blank stubs when carrying out the bank reconciliation.

**Petty cash**

- The practice manager should manage a petty cash system for items requiring immediate purchase. Petty cash should be kept in a locked cash tin in a locked drawer only available to the senior or finance partner or senior receptionist in their absence.
- Reimbursement of the petty cash should be carried out by the practice manager by cashing a cheque at the bank to the value of the agreed level.
- Authorisation must be given in advance of any purchase of items from petty cash by the practice manager or the senior or finance partner or senior receptionist in their absence.
- A receipt must be obtained for all purchases and a petty cash voucher completed indicating who authorised the purchase of the item, what it is for, to whom it was paid and the date. The receipt should be stapled to the voucher and retained in the cash tin.
- The practice manager should reconcile the petty cash record on a weekly basis and initial it accordingly.

**Bank reconciliation**

- A bank reconciliation should be carried out monthly to check the accuracy of the accounts and the bank balance at the end of the month. All obvious errors can be addressed at this time.

A bank reconciliation should be carried out monthly to check the accuracy of the accounts and the bank balance at the end of the month.

- The chequebook should also be reviewed at this time for blank stubs.
- The bank reconciliation should be reviewed by the senior or finance partner.

**Accounts**

- The accounting backup and financial records should be passed to an accountant – ideally a specialist medical accountant - at the end of each financial year for examination, analysis and preparation of the year-end accounts.
- Any concerns regarding errors, fraud or theft should be discussed with your GP partners in the first instance and if confirmed, worked through with advice from specialist GP accountants and lawyers.

Pauline Hogg can be contacted on 01383 721421 or pauline.hogg@condie.co.uk. To find an AISMA accountant in your area go to www.aisma.org.uk

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**Patient record guidance for safe keeping of electronic health and care records**

Advice on sharing electronic health and care records, creating a strong password and keeping it secure, and developing good habits online to protect your information on your computer or mobile device, all appear in new guidance leaflet for the public *Keeping your online health and social care records safe and secure.*

The guidance was published by BCS, the Chartered Institute for IT and the health department. It is available free from www.bcs.org/saferecordkeeping and www.nhs.uk/healthrecords

Dr Wai Keong Wong, who has led the development of the guidelines on behalf of BCS Health, says: ‘We’ve created this guide because patients and users are increasingly accessing their health and care records or holding their own. By March 2015 the Government has mandated that the NHS provides patients online access to their GP medical records. These records contain potentially sensitive personal information, so it’s important that individuals know how to keep them safe. Everyone should take the same care with their health and social care records as they do if they use online banking. This guidance explains how to access records safely, keep them secure, and key factors to consider before choosing to share them with others.’

The guidance is for people who are accessing their own records and who may want to share them with others. It doesn’t include specific advice for people who may be using records on behalf of someone else who can’t do it themselves (for example, children or someone who needs support to make decisions.)

Dr Charles Gutteridge, national clinical director from the health department says: ‘Millions of people across the globe are using online records and apps to look after themselves. In the UK, there is an increasing amount of online information for health purposes which includes NHS Choices, the Summary Care Record, electronic prescribing and booking systems. This guidance really helps everyone to understand how to maximise the benefits of online health resources and how to keep their personal data secure.’

The guidance explains what health records are, how to protect them, and how to share them should individuals wish to. There is also advice on protecting computers, mobile devices and how to access records using a public computer.

Dr Justin Whatling, chair of BCS Health, concludes: ‘We believe this guidance will prove invaluable to patients, especially those who are new to using technology to access their information. We have developed and tested the advice with patients, patient support groups and other interested organisations. BCS is committed to ensuring everyone benefits from IT and this guide will help patients to engage more actively in their health and social care.’

More information can be found at: www.bcs.org/saferecordkeeping and www.nhs.uk/healthrecords

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March 2013

www.practice-management.org.uk