

# SFHBG5

## Making and recording payments



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### Overview

This unit is about dealing with documentation from suppliers and ordering and delivery documentation, preparing payments, recording expenditure in the appropriate records, and making payments relating to invoices, wages and salaries, and petty cash.

There are three elements:

- 1 Process documents relating to goods and services received
- 2 Prepare authorised payments
- 3 Make and record payments

Users of this competence will need to ensure that practice reflects up to date information and policies.

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### Performance criteria

#### Process documents relating to goods and services received

- You must be able to:*
- P1 check suppliers' invoices and credit notes against delivery notes, ordering documentation and evidence that goods or services have been received
  - P2 check that totals and balances are correctly calculated on suppliers' invoices
  - P3 ensure available discounts are identified and deducted
  - P4 correctly enter documents as primary records according to organisational procedures
  - P5 code and record entries in the appropriate ledger
  - P6 ensure you either resolve identified discrepancies or refer to the appropriate person if outside own authority
  - P7 handle communications with suppliers regarding accounts politely and effectively

#### Prepare authorised payments

- You must be able to:*
- P8 correctly calculate payments from relevant documentation
  - P9 ensure payments are scheduled and authorised by the appropriate person
  - P10 refer queries to the appropriate person
  - P11 maintain security and confidentiality according to organisational requirements

#### Make and record payments

- You must be able to:*
- P12 use the appropriate payment method in accordance with organisational procedures
  - P13 make payments in accordance with organisational processes and timescales
  - P14 enter payments into accounting records according to organisational procedures
  - P15 refer queries to the appropriate person
  - P16 maintain security and confidentiality according to organisational requirements

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### Knowledge and understanding

*You need to know and understand:*

- K1 double entry bookkeeping
- K2 methods of coding data
- K3 operation of manual and computerised accounting systems
- K4 credit card procedures
- K5 relationship between accounting system and ledger
- K6 petty cash procedures: imprest and non imprest methods; analysis of items of expenditure including VAT charges
- K7 payroll accounting procedures: accounting for gross pay, statutory and non-statutory deductions and payments to external agencies; security and control; cumulative calculations
- K8 methods of handling and storing money from a security aspect
- K9 what is an audit trail
- The business environment
- K10 Types of business transactions and documents involved
- K11 basic law relating to contract law, sale of goods act and document retention policies
- K12 general principles of VAT
- K13 types of discounts
- K14 automated payments: CHAPS, BACS, Direct Debits; Standing Orders
- K15 credit and debit cards
- K16 different ordering systems: internet; fax; in writing; telephone
- K17 documentation for payments
- K18 basic law relating to data protection
- K19 legal requirements relating to cheques, including crossings and endorsements
- K20 the importance of maintaining accurate and comprehensive records and files for an audit trail
- K21 the importance of obtaining signatures and authorisations from the relevant person
- K22 relevant understanding of the organisation's accounting systems and administrative systems and procedures
- K23 the nature of the organisation's business transactions
- K24 organisational procedures for authorisation and coding of purchase invoices and payments
- K25 organisational procedures for filing source information

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### Additional Information

#### External Links

This standard links with the following dimension within the NHS Knowledge and Skills Framework (October 2004):

*To be agreed*

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**Developed by** Skills for Health

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**Date approved**

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**Validity** Current

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**Status** Tailored

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**Originating organisation** Skills for Health

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**Original URN** DAN BG5

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**Relevant occupations** Health, Public Services and Care; Health and Social Care; Managers and Senior Officials; Associate Professionals and Technical Oc; Health and Social Services Officers; Health Associate Professionals; Personal Service Occupations; Healthcare and Related Personal Services

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**Suite** Drugs and Alcohol

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**Key words** Drugs, Alcohol, Substance, Misuse, Abuse, Commissioning