Accounting Records Checklist

Every year, the e-mail or telephone call from your Accounts Manager at Ramsay Brown could be something that a Practice Manager or Finance Partner looks forward to although, with the ever-increasing demand on time that both these roles involve, it may be greeted with trepidation.

Hopefully, in this article, I will be able to allay your fears and try to make sure that you can manage the process in a timely and efficient manner. Although we have a mix of longstanding and new Practice Managers, hopefully, this will be useful to both.

When you are contacted at or around your year-end, the Accounts Manager will look to gauge when you think the records will be ready and then arrange dates for the appointment with the partner from Ramsay Brown to meet with the GP partners and present the accounts. This will normally be around six weeks from when the records are ready, but may vary depending on circumstances.

You will then receive a checklist of what information is required, along with Personal, Professional Expenses (PPE) claim forms that are to be forwarded on to the individual partners to complete. These expenses should cover the same period as the practice accounts so, for a September year-end, the expenses will also run from October to September. Ideally, these forms should be completed and sent in with the practice accounting records. This will allow partnership tax returns to be completed in a timely manner.

The checklist that we use is exhaustive and includes everything that we would need if a practice was to carry out everything (this sometimes has the effect of putting some people off, thinking it will take them a long time to collate everything). However, if we break down the list into a simpler form, you can see that most of the items will already be complete and no additional work is needed.

Books of Prime Entry

All we need is the back-up of Iris or Sage Line 50 that we can restore onto our system. For other accounting software, we will need print-outs of the trial balance and nominal activity, but your Accounts Manager can guide you as to how to do this. We will also need any petty cash books or ledgers as well if these are not computerised.

Bank Statements

We will need statements for all accounts covering the year in question. This would include all current, savings, loan and mortgage accounts.
NHS Statements

We will need all statements and remittances received in the year (and a minimum of three months after the year-end) that relate to NHS income. This would be the monthly Open Exeter statements, drug reimbursements, trainee reimbursements and quarterly list size calculations, along with any ad-hoc remittances.

Purchase Invoices

We will need any folders that you have which have expense invoices in, normally filed in month or alphabetical order.

Payroll Details

We will need monthly summaries, part 1 and part 2, that show the movement from gross to net pay, along with the employer’s NI and pension amounts. This paperwork is particularly important if you have salaried GPs.

Profit Sharing Details

We will need details of any amounts to be prior allocated (e.g. seniority, rent, etc.) and then how the balance should be split between the partners, either by sessions or a percentage. If there is a change in the year, then we will need the relevant dates for each profit share period.

The only item on here that will not necessarily have been recorded by a Practice Manager is the profit share details, but everything else will just need to be collated and boxed. The above information will be 90 to 95% of what we need to complete the accounts for most clients, although we may need additional information concerning debtors (people who owe the practice money), or creditors (people the practice owes money to) and for other clients, the Accounts Manager will be able to advise what we need in addition. For example, if the practice is registered for VAT, then we will need the returns and workings for this.

With all of the above information, hopefully, your annual reminder regarding the accounts preparation will not be dreaded and you will now be in a position to plan ahead for when your records will be ready.