

Finance

The Finance department supports the entire business and is essential to ensuring that the company maintains a profit.

Large businesses are likely to have a number of individual departments within 'finance', whereas smaller ones might just have one Finance department with a number of individuals with different roles.

The types of departments you might expect to find in a larger business, all under the general heading of finance, include:

- Accounts payable: responsible for paying invoices (this is a financial statement showing money owed by the company, similar to a receipt).
- Procurement: in charge of buying in business supplies, such as stationery.
- Credit control (bought ledger): responsible for all money coming in and out of the company, particularly money owed by others to the company (if you owe money to another person or company you are their creditor).

Whether the business has individual departments, or just people sitting in one 'finance' department, there are a number of roles including:

- Accountant
- Accounts Clerk
- Payroll Manager

Accountants advise the business on improving its financial situation; they do this by carrying out audits, dealing with tax issues and generally providing expert financial advice.



Some of the main duties of an accountant include preparing financial reports, producing annual and monthly accounts showing how the businesses finances are doing and providing recommendations on how to improve area's, carrying out audits (evaluations) of the internal systems (e.g. evaluating how invoices are paid), looking for any instances of fraud or wrongdoing and dealing with tax issues, including filing any legal documents. Larger businesses may employ a number of accountants whereas smaller ones may only have one.

To become a qualified accountant you will need a recognised accounting qualification from one of the regulatory bodies (such as the Chartered Institute of Management Accountants or the Association of Chartered Certified Accountants). To be eligible for such a qualification, candidates normally need to have good GCSE's and A-levels as well as a higher qualification such as a degree.

Qualified accountants can earn anywhere between £22,500 and £35,500 or more depending on the type of business and their level of experience.

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Finance cont'd

Accounts Clerks are a type of financial bookkeeper. Their duties include paying invoices, preparing to pay wages and employee expense claims, checking that the accounts of the company are accurate and that the business is making a profit, as well as supporting the company's accountants. There may be a number of clerks within one department.

A good educational background (good GCSE's in Maths and English) is important in this role and candidates may also need a recognised accounting or bookkeeping qualification which most colleges will offer. On the job training will normally be provided and some employers will also allow staff to study for additional qualifications while they work.

Salaries can start at around £15,500.

Payroll is the department that deals with employee wages and benefits. The **Payroll Manager's** duties include managing and training the payroll team, devising policies and ways of dealing with issues which are within the law as well as analysing and reporting on key financial data related to wages and tax issues. This individual or individuals would work with the Payroll Officer in the Human Resources department to deal with employee benefits.

The payroll department needs to ensure that employees are paid correctly and on time. They are responsible for deducting tax and other employee deductibles (e.g. private pension or healthcare) and for paying any expenses, overtime, sickness, maternity/paternity or holiday pay.

Employees normally work their way up to the role of Payroll Manager, in order to ensure they have gained the necessary experience. Good IT skills are essential and recognised payroll qualifications, which most colleges will offer, are also helpful.

Salaries can start at around £28,500 and can reach more than £41,000 with experience.

Employability SKILLS

There are a number of skills needed to work in a Finance department, including:

- Excellent numeracy and IT skills
- Ability to analyse information quickly
- Ability to work under pressure and to deadlines (particularly around key dates such as the end of the tax year in March/April)
- Honesty and discretion
- Teamwork and strong communication skills
- Good attention to detail
- A good understanding of the needs of the business.

A key employability skill is numeracy. Working in a Finance department involves working with numbers and mathematical equations. Any small errors in financial information can be disastrous to a business and in extreme cases could lead to criminal or civil law proceedings.