**Managing financial resources in Health and social care**

1. In Health and Social Care industry, managing financial resources is key as it allows management to make informed decision about service user’s interest and their own long-term goals. Systems set by government, management and regulators to manage financial resources in the company and ensure efficient and effective running of the organisation includes:
2. In an organisation like Care tech, budgets are set by Directors following fundamental principles set to guide public/private organisations. Budget should be in alignment with caretech’s roles and responsibilities, full financial implications of budget should be shown, budget approach must be determined, and all projections must be realistic.
3. A system should be in place for good recording and book-keeping to produce financial report that are published in accordance with current legislation and standards, for external users through books of accounts and Information technology systems (IT). This system should track financial activities (sales, cost of sales), payments, cost and, management accounts, governance and risk management. Some commonly used IT Software includes Sage, Oracle, SAP ERP, QuickBooks, Project management systems (Microsoft project, Prince2), Data management and analysis system (Microsoft Excel) etc.
4. Sources of Revenue (from operating and non-operating activities) should be identified, budget variations should be prepared to understand where budget is favourable or adverse to companies finance and effective cost management can be done through Activity based Costing using appropriate cost pools and cost drivers.