

<b>STANDARD OPERATING PROCEDURE</b>	<b>CODE: GE - 004</b>		<b>PAGE: 1 of 2</b>
	<b>EFFECTIVE:</b>		<b>UPDATE NO.: 0</b>
	<b>INITIATED BY: PRIMA CONSULTANT CO., LTD.</b>		<b>DEPT./SECTION:</b>
	<b>REVIEWED BY:</b>		
	<b>APPROVED BY:</b>		
	<b>SUBJECT:</b>		<b>MONTHLY ACCOUNTING ROUTINE</b>

## **OBJECTIVE**

To ensure that all postings to the General Ledger are supported and controlled

## **POLICY**

1. All postings to the General Ledger must be supported by properly authorized and documented journals
2. The Financial Controller is responsible for ensuring that the accounting records for the month are complete and balanced, and for maintaining adequate control procedures to prevent un-authorized posting or irregular alterations from being made to the General Ledger

## **PROCEDURE**

1. The basic monthly accounting routines are
  - The preparation of standard journals, summarizing the transactions of the month for posting to General Ledger
  - The extraction and adjustment of a trial balance
  - The preparation of management control reports
2. Standard journals are the source document for posting all transactions to the General Ledger. The layout is the same in all cases, although the content of each journal varies to suit the posting requirement of each entry
3. The use of the standard journal allows for the pre-printing of account descriptions and codes and sources of entry to provide a consistent and reliable posting source so that errors are minimised. The pre-printing of the standard journal saves valuable time at the month-end and allows for a simple check to be made to monitor progress in monthly accounts preparation and to ensure that no entries are omitted.

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4. Once all journals are completed and posted to the nominal and department ledgers, the Trial Balance will be extracted and certified. The standard journals should be numbered and all journals for the same period will be filed together after posting to the ledger in an orderly way for future reference.
  
5. A timetable will be used to monitor the completion of specific tasks essential to the prompt preparation of period accounts and management information. The timetable specifies both the weekly detailed tasks to be performed and the monthly tasks which occur after the end of the period.
  
6. The timetable will be used by the Financial Controller to monitor progress on a regular basis. He will also review the timetable from time to time to determine which tasks are creating any bottlenecks. Significant and recurrent bottlenecks will be examined to determine the steps required to overcome these problems and to regain a smooth flow of data through the system.

\_\_\_\_\_  
**Chief Accountant**

\_\_\_\_\_  
**Date**

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**Financial Controller**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Director of Finance**

\_\_\_\_\_  
**Date**