



Overview of General Ledger

Stephanie Davies

Head of Finance : Education and Financial Reporting

5th November 2019



Content

- Role of Audit Committee with regards to General Ledger
- What is the General Ledger?
- Controls
- Monitoring Budgets
- Internal Audit and External Audit
- Statement of Accounts

Role of Audit Committee

Statement of Purpose (extracts)

.....It provides independent and high level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

.....to provide independent assurance to the Members of Rhondda Cynon Taf County Borough Council of the adequacy of the risk management framework and the internal control environment.

.....oversees the financial reporting



Role of Audit Committee

To receive reports on the performance of the Internal Audit Service throughout the year particularly in relation to matters of **financial probity** and corporate Governance.

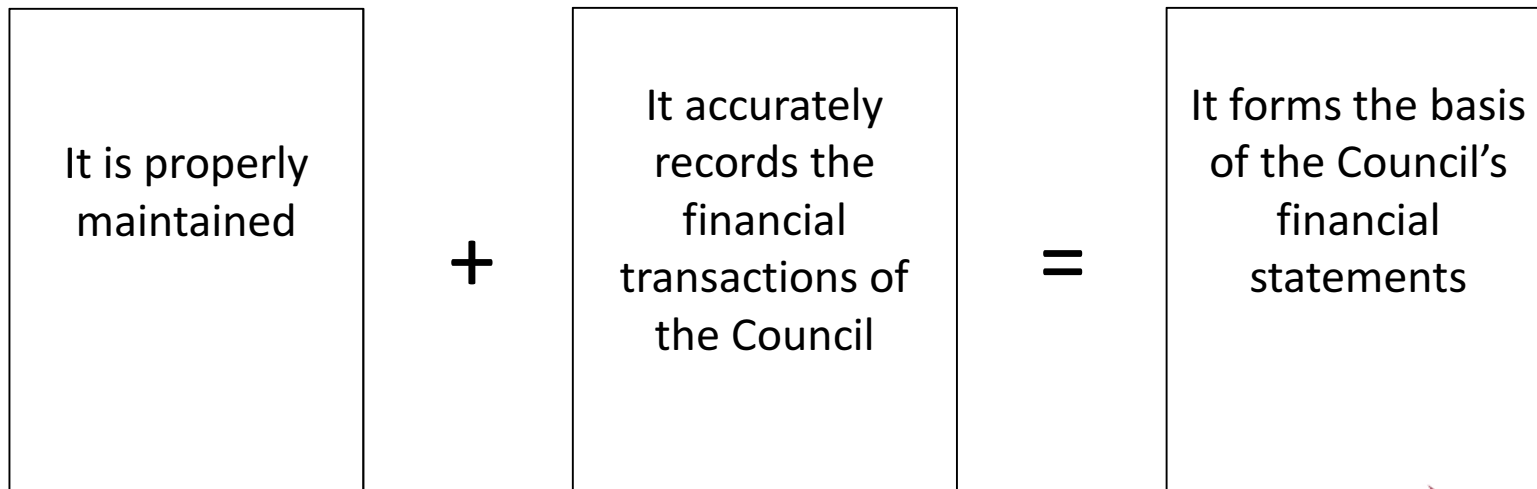
Review, scrutinise and issue reports and recommendations in relation to the Authority's **financial affairs**, and providing the opportunity for direct discussion with the auditor(s) on these.

Review and comment on the Authority's certified **draft financial statements** before their approval by Council.



Role of Audit Committee

General Ledger – seeking assurance on the adequacy and effectiveness of the internal control systems operating within the General Ledger to determine whether:



What is the General Ledger ?

- **ALL** the Council's financial transactions are represented in the General Ledger
 - Payroll
 - Invoices raised
 - Invoices paid
 - Council Tax received
 - Schools transactions
 - Grants / RSG
- Records Budget and Actuals
- Civica – contract details

Controls

- Access
- Reconciles budget
- Balance Sheet balances
- Interface controls
- Year end revenue reconciliations
- Upgrades

Monitoring Budgets

- Robust Financial Management
- Ledger structure reflect management structure
- Quarterly Finance and Performance Reporting to Members

Internal and External Audit

Latest Internal Audit Review

Overall the control environment for the General Ledger and Accounting framework **is considered to be effective** with Civica Financials being used, a system which meets statutory and management accounting and reporting requirements.

External Audit also undertake their own testing as part of systems work and the Statement of Accounts audit.

Statement of Accounts

- Core Financial Statements reconcile to the General Ledger
 - Comprehensive Income and Expenditure Statement
 - Movement in Reserves Statement
 - Balance Sheet
- Comprehensive year end timetable
 - Ensure all transactions updated into the General Ledger
 - Eg Asset Register, Payroll, Purchasing Card transactions
 - 31st May 2019
- External Audit
 - True and Fair View
 - 31st July 2019

Any questions?

Thank you

