



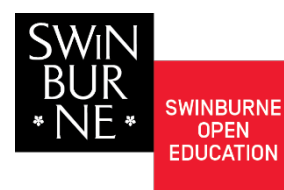
FNSACC311

Process financial transactions and extract interim reports.

ASSESSOR GUIDE

Assessment 1 of 2

Project



Introduction

This assessment assumes a simulated workplace – Ace Finance. Required workplace documents have been provided in hyperlinks under 'File Attached'. The assessment involves knowledge obtained in the learning platform, understanding workplace documents that have been provided, and additional research to be completed.

In this simulated workplace, you will assume the role of a graduate accountant. Andrew will be your manager and will provide you with the direction of the tasks in the form of an email.

As per Andrew's instruction, you are required to engage with fictitious clients of Ace Finance. For this assessment, the client is Joelle from the company Isla & Co.

Assessment Instructions

This assessment is divided into:

- Thirteen [13] knowledge-based questions [Task 1]
- Five [5] case study tasks [Task 2 – Task 6]

Each task will provide instructions on where you are to provide your answer. These will include:

- The **templates** that have been provided. The templates are hyperlinked under each task email as "File Attached". Alternatively, these templates can also be located in the learning platform under the module 3 Assessment 1 tab.
- **Excel Assessment Workbook**. The excel spreadsheet workbook is also provided in the "File Attached" hyperlinked documents. Further instructions have been provided in the workbook.
- **Xero**. The link to Isla & Co's data file is on your online platform under the module 3 Assessment 1 tab.

Xero Course Link

Click to access your [Xero course](#).

You are required to navigate to this link for the company file related to the task.

In this assessment, you will be required to submit a voice recording of yourself. This can be recorded on a device such as a phone and uploaded into the platform as part of your submission. Alternatively, this can be recorded straight into the platform. Voicemails simulate an interaction with yourself and the client, Joelle.

Resources required for assessment

To complete the assessments students, need to have access to:

- A computer with Internet and email access and a working web browser
- Computer Software:
 - MS Word
 - MS Excel
 - Adobe Acrobat Reader
 - Xero Accounting Software
- A video recording device [e.g., mobile phone, webcam, video camera, etc.]

Submission requirements

To be eligible to be deemed competent in this assessment, you are required to submit the following documents. Do so by saving these to your computer and submit and upload your documents onto the LMS once you believe you have successfully completed all required tasks.

Task 1 Requires:	
<input type="checkbox"/>	Assessment 1 Task 1 - Knowledge-Based Questions
<input type="checkbox"/>	Assessment 1 Task 1 - Email Template
Task 2 Requires:	
<input type="checkbox"/>	Assessment 1 Task 2 - Ace Finance Client Document Checklist. This document needs to be updated each time you receive information or documents from Isla & Co.
Task 3 Requires:	
<input type="checkbox"/>	Xero- Trial Balance (Isla & Co)
Task 4 Requires:	
<input type="checkbox"/>	Voice Recording
Task 5 Requires:	
<input type="checkbox"/>	Assessment 1 Task 5 - Petty Cash Vouchers
<input type="checkbox"/>	Xero - Petty Cash Reconciliation Report (Isla&Co)
Task 6 Requires:	
<input type="checkbox"/>	Assessment 1 Task 6 - Assessment Workbook
<input type="checkbox"/>	Xero- Cash Drawer Reconciliation Report (Isla&Co)
Save all documents on your computer with the naming convention: FNSACC311_M3_Assessment 1_Task Number_Student name When you have completed your assessment, upload it into the platform where you downloaded this assessment from.	



Assessment Information

Submission

You are entitled to three (3) attempts to complete this assessment satisfactorily. Incomplete assessments will not be marked and will count as one of your three attempts.

All questions must be responded to correctly to be assessed as satisfactory for this assessment.

Answers must be typed into the space provided and submitted electronically via the LMS. Hand-written assessments will not be accepted unless previously arranged with your assessor.



Reasonable adjustment

Students may request a reasonable adjustment for assessment tasks.

Reasonable adjustment usually involves varying:

- the processes for conducting the assessment (e.g. allowing additional time)
- the evidence gathering techniques (e.g. oral rather than written questioning, use of a scribe, modifications to equipment)



However, the evidence collected must allow the student to demonstrate all requirements of the unit.

Refer to the Student Handbook or contact your Trainer for further information.



Please consider the environment before printing this assessment.

Task 1



Isla & Co.

[FILE ATTACHED-Assessment 1 Task 1 - Knowledge-Based Questions](#)

[FILE ATTACHED-Assessment 1 Task 1 – Email Template](#)

[FILE ATTACHED-Assessment 1 Task 1 - Isla & Co Procedure Manual](#)

Hi there,

I seek your assistance with a project to process financial transactions and extract interim reports for a new client Joelle from Isla & Co.

Background

Joelle owns a retail clothing store which she opened in 2018. She currently has one store located in Geebung QLD but plans to open three more stores over the next 12 months and would like us to take over her accounting and bookkeeping.

Before we can begin, I need you to do the following two [2] tasks:

1. Complete the research task attached to this email.
2. Email Joelle introducing yourself and requesting that she completes our New Client Information Form.

I have attached Isla & Co's procedure manual also. While completing the above task, review this document and check that they align with legislative, regulatory, and industry requirements.



Warm regards,

Andrew | Manager

andrew@ace.finance

Task 1 – MARKING GUIDE

1. Students must download the **knowledge-based assessment template** provided in Task 1 under the "file attached" hyperlink and answer **13 knowledge-based questions**. **Benchmark answers have been provided below.**

This assessment task is divided into 13 knowledge-based questions. Read each question carefully before typing your response into the spaces provided.

Question 1:

Complete the following table describing:

- a. The key principle of each accounting term.
- b. The key practice that applies to each principle identified.
- c. In your own words, explain how each practice is applied when processing financial transactions and interim reports (maximum 40 words).

Assessor Marking Guide

Students' responses may vary but must demonstrate their knowledge of the following:

Double-entry accounting system		
Key principle	Key practice	How it is applied in processing financial transactions and interim reports
Every business transaction affects at least two [2] different accounts.	There is always one [1] credit entry and one [1] debit entry for every transaction.	The business's transactions are recorded by posting debit records and credit records for every transaction to the business's financial accounts.
Accrual accounting system		
Key principle	Key practice	How it is applied in processing financial transactions and interim reports
Accounting transactions are recorded in the period in which they occur rather than in the period the cash flow relating to them occurs.	Revenue is recognised when invoiced. Expenses are recognised when paid.	Students must demonstrate their knowledge and understanding of the timing differences which occur when recognising revenue and expenses in an accrual accounting system.

Question 2: In the space provided for you below:

Identify two [2] standard banking procedures and two [2] standard guidelines recognised by the financial services industry.

Assessor Marking Guide

Students' responses may vary but must demonstrate their knowledge of the following:

<p>Standard banking procedures</p>	<p>Student response must include knowledge of the following:</p> <p>The Code of Banking Practice</p> <ul style="list-style-type: none"> ▪ Account suitability ▪ Terms and conditions ▪ Direct debits and chargebacks ▪ Privacy and confidentiality ▪ Joint debtors ▪ Guarantees ▪ Provision of credit ▪ Financial difficulty and debt collection ▪ Dispute resolution <p>Customer Owned Banking Code of Practice</p> <ul style="list-style-type: none"> ▪ Advertising ▪ Interest rates, fees, and charges ▪ Terms and conditions ▪ Responsible lending ▪ Reverse mortgages ▪ Guarantees ▪ Copies of documents ▪ Direct debits and chargebacks ▪ Privacy ▪ Financial difficulty ▪ Debt collection ▪ Dispute resolution
<p>Standard guidelines</p>	<p>Australian Banker's Association Sanctions Guidelines</p> <p>Protecting vulnerable customers from potential financial abuse</p> <p>Promoting understanding about bank's financial hardship programs</p>

Question 3:

Identify one (1) proof of lodgement that meets standard industry banking procedures and guidelines for each deposit method listed below.

Assessor Marking Guide

Student's responses will vary and are not limited to the following examples; however, the student must identify one (1) form of proof of lodgement for each of the following deposit methods in relation to standard industry banking procedures and guidelines.

<p>Online deposit</p>	<p>Example benchmark answers:</p> <ul style="list-style-type: none"> - Transaction list - Email verification of the transaction - SMS verification of the transaction - Payment details confirmation - Payment register reports.
<p>Over the counter deposit</p>	<p>Example benchmark answers:</p> <ul style="list-style-type: none"> - Bank stamped deposit facility - Tearaway part of a deposit slip - Night safe.

Question 4:

Identify two [2] industry-accepted security and safety precautions in line with the standard industry banking procedures and guidelines appropriate to each of the following banking methods.

Assessor Marking Guide

Student's responses will vary and are not limited to the following examples; however, the student must demonstrate their knowledge of two [2] industry-accepted security and safety precautions appropriate to the following banking methods.

Banking Method	Security Precautions	Safety Precautions
Internet banking	<p>Example answers:</p> <ol style="list-style-type: none">1. Install or update firewall, anti-virus, and anti-spyware software.2. Always log out after each session and clear your browsing history.3. Choose a unique, secure password with a combination of letters and numbers that no one could guess.4. Never show or tell anyone your PIN or password and destroy any paper records of these carefully.5. Avoid keeping records of your internet banking login name and password together.6. Change your password regularly and do not use the same password for other services.7. Check that the web address is correct and the site is not fake.8. Make sure the site is secure—look for a web address beginning with 'HTTPS and a closed padlock symbol.9. Regularly check your banking statements check for any suspicious activity.10. Never transfer money through your account for people you do not know.11. Never give out your personal, credit card, or online account details over the phone unless you made the phone call and got the number from a trusted source or through an email or while chatting online.12. Never respond to emails or phone calls from someone claiming to be your bank and asking for account details. Genuine banks or financial institutions never do this.	<p>Example answers:</p> <p>Watch out for phishing emails posing as authentic emails from your bank.</p> <p>Avoid using unsecured wi-fi networks when banking online.</p> <p>Use the organisation's recommended network connection.</p> <p>Keep your computer, smartphone, or tablet up-to-date with anti-virus, firewall software, and the latest patches.</p>

Deposit pick-up	<p>Example answer:</p> <p>Ensure that cash is handed over in a secure area with CCTV equipment and/or alarms, where available.</p> <p>Prepare cash deposits ahead of time to eliminate the risk of a security breach during armoured service pick up.</p>	<p>Example answer:</p> <p>Handover cash only to uniformed personnel with verifiable identification cards of the armoured service.</p> <p>Secure an armoured cover service for large amounts of cash.</p>
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Question 5:

In the spaces below, answer the following questions about the Privacy Act (200 words maximum).

Example answer:

What is the Privacy Act?	<p>The Privacy Act regulates how personal information is handled. It defines personal information as:</p> <p><i>... information or an opinion, whether true or not, and whether recorded in a material form or not, about an identified individual or an individual who is reasonably identified.</i></p> <p><i>(Source: Privacy Act)</i></p>
How does the Privacy Act apply when processing financial transactions?	<p>Students' responses may vary; a sample response is provided for you below:</p> <p>The Privacy Act applies when processing financial transactions because sensitive information is involved. This can include but is not limited to creditors names, contact information, and payment details, staff's personal details, bank account details, TFN, superannuation details.</p>
Under the Privacy Act, who can issue regulations?	<p>Governor-General</p>
What is the Notifiable Data Breaches (NDB) scheme?	<p>The NDB scheme applies to all agencies and organisations with existing personal information security obligations under the Privacy Act.</p> <p>It introduced the obligation to notify the individual whose personal information is involved in a data breach that is likely to result in serious harm. This notification must include recommendations about the steps individuals should take in response to the breach.</p> <p><i>(Source: Notifiable Data Breaches scheme)</i></p>

Question 6 and 7 will require you to refer to the downloadable Isa & Co Accounting procedures manual.

Question 6:

Identify two [2] points that need to be considered when:

- preparing invoices
- processing invoices.

Organisational policies for preparing invoices.	<p>Example benchmark answer:</p> <p>A customer account will be set up for each customer an invoice is issued for. This account will be used to invoice for all goods purchased by this client.</p> <p>Customer accounts must contain postal and street address, phone numbers and contacts name, email address, Australian Business Number [ABN] and credit limit.</p>
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	<p>Customers are responsible for keeping account contact information current.</p> <p>Under the Privacy Act 1988, details kept must be accurate and not given to any person without the consent of the customer.</p> <p>Invoices are prepared by the bookkeeper.</p>
Organisational policies and processing invoices.	<p>Example benchmark answer:</p> <p>All account sales are entered in Xero at the time of sale using Xero's customised invoice template by the bookkeeper.</p> <p>The client details and availability of stock need to be checked prior to invoicing.</p> <p>Invoices are to be checked to ensure that postage/freight and GST is correctly applied. The tax invoice is printed and included with the goods before they are dispatched.</p>

Question 7:

List Isla & Co's procedures for preparing and processing invoices.

Assessor Marking Guide

Students' wording will vary; however, it must reflect the steps outlined for preparing and processing invoices as outlined in Isla & Co's policy and procedure manual.

Isla & Co's policy for preparing and processing invoices.
<ul style="list-style-type: none"> i. Ensure the client already has a customer account. ii. Check the client details are correct, and stock is available. iii. Create an invoice using the organisation's system following the required template. iv. Ensure that GST and postage are correctly applied, where necessary. v. Provide the client with a copy of the invoice. vi. Collect payment within the terms of payment outlined in the organisation's policies. vii. Once payment is received, encode the payment made into the chart of accounts.

Question 8:

Outline Isla & Co's input standards and journal authorisation procedures in the spaces provided for you below.

Assessor Marking Guide

The student's wording will vary; however, it must reflect the input standards and journal authorisation procedures outlined in Isla & Co's policy and procedure manual.

Input standards.

Example benchmark answer:

All data must be entered at the date of the actual transaction except for petty cash transactions. The cash drawer must be balanced each day to the cash drawer totals in Xero.

At the end of the month:

- a trial balance must be printed and checked for errors
- reconciliation must be completed, and a copy stored with the bank statement
- an aged payables report is to be generated and reconciled to the control account
- an aged receivable report is to be generated and reconciled to the control account
- petty cash must be expensed, recorded and reconciled in Xero, taking into consideration GST.

Journal authorisation procedures

- any journal adjustments requested must be submitted in writing to the bookkeeper, who will discuss the request with the company accountant
- the accountant will approve or decline all request
- the bookkeeper will enter any authorised journal adjustments
- general journal adjustments are to be dated the last day of the month.

Question 9:

List three (3) security procedures you could implement when handling each of the following:

- Electronic payments
- Cheques
- Cash.

Assessor Marking Guide

Student's wording will vary; however, they must demonstrate the knowledge of three (3) security procedures for handling:

- electronic payments,
- cheques and
- cash.

Handling electronic payments	
Security procedures	<p>Example benchmark answer:</p> <ul style="list-style-type: none">• Ensure that only authorised employees have access to your EFTPOS machine and are fully trained on their use.• Check the appearance of the card for things like damage or alteration.• Ensure the transaction has been PIN entered or signature verified by confirming the signature panel of the card.• Check the EFTPOS terminal to verify if the payment is successful or not.• If the credit card transaction exceeds the businesses limit, request a photo id.• Use a firewall on your network and PCs to protect cardholder data.• Restrict physical access to cardholder data.• Do not offer cash refunds for credit card transactions.
Handling cheques	
Security procedures	<p>Example benchmark answer:</p> <p>When receiving a cheque:</p> <ul style="list-style-type: none">• make sure all the necessary fields are complete

	<ul style="list-style-type: none"> • verify the amount in words written on the cheque is the same as the \$ amount • check the date is correct • verify the name the cheque is made out to is correct • check it has been signed • ask the customer to write their details on the back of the cheque. • sight ID if the customer is using a personal cheque <p>When issuing cheques:</p> <ul style="list-style-type: none"> • keep cheque book in a safe place • do not leave signed blank cheques in the cheque book • ensure no gaps in words or numbers when writing cheques • ensure cheques are fully completed – especially the drawer's name and the amount • limit cheque book availability to authorised employees. • reconcile cheques drawn on the account weekly • follow up any unrepresented cheques promptly
Handling Cash	
Security procedures	<p>Example benchmark answer:</p> <ul style="list-style-type: none"> • The cash handler must not leave the register unattended and unsecured. • Large cash payments should be discouraged. • The register must be emptied at the end of the day and handed off to the cash management service used by the organisation or deposited in a safe. • Suppose a cash refund is required. A signed refund request must be processed by the cash handler and the original receipt presented by the client.

Question 10

Identify two [2] banking methods and outline [2] safety procedures for each method in the table below.

Assessor Marking Guide

Student's responses will vary and are not limited to the following examples; however, the student must demonstrate their knowledge of safety procedures for two [2] banking methods appropriate to the following banking methods.

Banking Method	Safety Procedures
<p>Example benchmark answer:</p> <p>Electronic banking</p>	<p>Example benchmark answer:</p> <ul style="list-style-type: none"> • Safety procedures for electronic banking transactions • The employee must access the organisation's electronic banking provider's system only through authorised computers. • Print confirmation of each transaction, send to the organisation's email connected to the system. File each confirmation in the relevant folder. • Employees in charge of transactions done through the electronic banking system must change passwords every fortnight.

	<ul style="list-style-type: none"> • One person in the organisation uploads the payments to the bank, and another person authorises them.
<p>Example benchmark answer:</p> <p>By pick-up</p>	<p>Example benchmark answer:</p> <ul style="list-style-type: none"> • Safety procedures for handling cash for pick-up • The cash drawer must be emptied by the employee in the presence of their supervisor. • The cash must be counted and recorded in the Daily Cash Log and the amount confirmed by signature by both the employee and their supervisor. • Upon collection, the cash must be sorted by the amount and recorded in the deposit slip. • The cash must be handed over to the pick-up personnel at the specified time/s. Their signature must be collected for confirmation that cash has been handed over. • The cash drawer must be emptied at least twice a day.

Question 11:

For each financial report listed below:

- Identify two [2] key features.
- Identify two [2] interim reports that you would generate at the end of each month.

Assessor Marking Guide

Student's response will vary, however, must demonstrate their knowledge two key features of financial reports and two interim reports that would be generated at the end of each month appropriate to the following banking methods.

Financial Report	Key Features
Trial Balances	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> • Lists all the closing balance of all the ledger accounts. • It is not an account. It is only a statement of account. • Ledger balances are posted either on the debit side or the credit side of the statement. • Debit balances should equal the credit balances. • The accuracy established by a trial balance is not proof that there are no mistakes in the books of accounts.
Bank Account Reconciliation Report	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> • Lists the period end bank balance. • Lists the period the reconciliation report was created for.

	<ul style="list-style-type: none"> Provides an explanation of the difference in balances as per the company's recorded amounts and bank statement.
Interim reports that you would generate at the end of each month	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> Balance Sheet Profit and Loss Cash Flow Statement Aged Receivables Report Aged Payable Report

Question 12:

For each of the fourteen (14) accounting processes and procedures listed below:

- List two (2) processes.
- List two (2) procedures.

Assessor Marking Guide

Students' wording will vary; however, they must demonstrate the knowledge of two (2) processes and two (2) procedures for the accounting convention listed below.

	Process	Procedures
Entering and balancing deposits	<p>Example benchmark response includes:</p> <ol style="list-style-type: none"> Ensure that all information in bank records and/or deposit slips are accurate. Ensure that all deposits are properly recorded, including relevant documentation. 	<p>Example benchmark response includes:</p> <ol style="list-style-type: none"> Ensure that deposit slip totals reconcile with the total of cash and cheques. Stamped copies of all deposit slips are to be retained on file in date order.
Entering and balancing payments	<p>Example benchmark response includes:</p> <ol style="list-style-type: none"> All payments made must be supported by appropriate documentation. Ensure that all information relevant to payments made is correct 	<p>Example benchmark response includes:</p> <ol style="list-style-type: none"> Ensure that all staff handling payment transactions are adequately trained. All cheques should be banked intact for the prescribed amount.

<p>Reconciling bank documentation</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Bank reconciliations should be performed regularly. ii. Investigate all irregularities and resolve them in a timely manner 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Ensure that there is a written record of all queries for all bank reconciliations, and any discrepancies are investigated and resolved. ii. Access to banking systems must be strictly controlled
<p>Processing and balancing petty cash transactions</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Maintain a record of all relevant receipts. ii. Investigate all irregularities and resolve them in a timely manner 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. The petty cash system must be kept independently from other financial records. ii. Petty cash float must be reconciled and authorised after every reimbursement.
<p>Checking and verifying supporting documentation for financial transactions</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Ensure that all financial transactions are supported by valid documentation. ii. Ensure that all payments are properly authorised 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Monthly accounting records – bank reconciliation and financial reports must be certified. ii. Conduct an audit of bank account transactions to ensure that documentation for all receipts and payments are in order
<p>Applying security and safety measures when preparing and banking receipts</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Ensure that all financial transactions are supported by valid documentation ii. Ensure that all payments are properly authorised 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Monthly accounting records – bank reconciliation and financial reports must be certified ii. Conduct an audit of bank account transactions to ensure that documentation for all receipts and payments are in order

<p>Preparing deposit facilities</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Use standard bank deposit documentation for all transactions ii. Ensure that all staff preparing deposit documentation are properly authorised to do so 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Totals of cash and cheques included in banking totals are to be reconciled with bank deposit slips ii. All deposits are to be made into the one business bank account
<p>Entering data into financial systems</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Ensure that all staff entering data into the system are given proper permissions to do so ii. Files used must be backed up regularly 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Open the digital system used by the organisation ii. Enter the information asked by the system, ensuring that all information is accurate
<p>Processing general and special journal entries</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Ensure that all staff processing data are given proper permissions to do so ii. Update journal entries regularly to ensure that all information is up to date 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Ensure that there is an audit trail for all financial activities in the business ii. Ensure that the comments on all journal entries contain enough detail to enable the transaction to be verified
<p>Identifying and correcting errors in a journal</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Adjust the entry in the accounts concerned ii. Trial balances must be done regularly to ensure that there are no errors 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. The trial balance is prepared. If it does not balance, staff must go through all transactions to identify the error/s made ii. Adjustments made in the general journal must also be reflected in the specific account

<p>Preparing, authorising and checking journals</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. All journal entries must be authorised before processing. ii. Ensure that all staff preparing and accessing journals are given proper permission to do so 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. All journal entries are to be signed off as evidence of review and authorisation. ii. All journal entries should be referenced to and verifiable against supporting documentation
<p>Processing interim reports</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Ensure that all staff processing the reports are given proper permissions to do so. ii. Ensure that the reports prepared fall within the correct time period. 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Prepare all relevant documentation, including: <ul style="list-style-type: none"> o Balance sheets o Income statements o Cash flow statements ii. Ensure that report is prepared following organisation's recommended format
<p>Extracting, checking, and correcting a trial balance</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Ensure that all staff processing the reports are given proper permissions to do so. ii. Financial reports, including Profit & Loss Report, Balance Sheet and Trial Balance, must be prepared regularly and formally as the output from the accounting system 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Confirm that the trial balance flows through to the financial reports. ii. The monthly trial balance must be signed off to signify that it balances
<p>Filing documentation following organisational and regulatory requirements</p>	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Ensure that all staff processing the reports are given proper permissions to do so. ii. All business records and reports are filed away securely in a structured filing system. 	<p>Example benchmark response includes:</p> <ul style="list-style-type: none"> i. Ensure that the filing system is documented and is operating effectively. ii. Observe the security of filing systems in protecting the records and reports of the business

Question 13:

Describe each accounting convention listed below. (maximum 150 words each accounting convention)

Assessor Marking Guide

Student's response will vary, however, must demonstrate their knowledge of each accounting convention listed.

<p>Historical cost convention</p>	<p>Example benchmark response includes:</p> <p>The historical cost convention is a rule which states that all transactions are recorded at their original value, and adjustments are not made for inflation. This means that assets are not valued at what they could be sold for at the present time.</p>
<p>Accounting period convention</p>	<p>Example benchmark response includes:</p> <p>The continuous life of a business is based on accounting periods which maybe a week, a month, a quarter or a full year but must not be any longer due to taxation requirements</p>
<p>Verifiability</p>	<p>Example benchmark response includes:</p> <p>Evidence should be available whenever possible to verify or check the details of financial transactions. Business documents such as invoices, receipts and cheque butts are the tools of verifiability.</p>
<p>The matching principle</p>	<p>Example benchmark response includes:</p> <p>The matching principle endeavours to calculate a profit or loss figure for an accounting period by matching revenue for that period with the expenses over the same period of time. There are two basic methods of applying this matching principle.</p> <ol style="list-style-type: none"> 1. Cash accounting, where profit is calculated by matching revenue received with expenses paid. 2. The accrual method where profit is determined by matching revenue earned with expenses incurred.

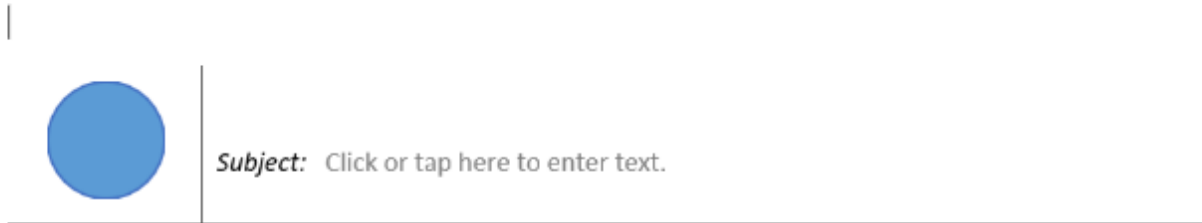
MARKING GUIDE Task 1

2. Students must download the email template provided in Task 1 under the "file attached" hyperlink and draft an email to Joelle introducing themselves and requesting that she completes Ace Finance's New Client information form.

In the email, students must:

- Introduce themselves.
- Use professional language and clear communication.
- Attach a copy of Ace Finance New Client information form.

Students need to save the email and upload it with their assessment as evidence.



Click or tap here to enter text.



Warm regards,
 Click or tap here to enter text. | Junior
student@ace.finance

The following is Isla & Co's procedure manual. The student will download this in Task 1 under the "file attached" hyperlink. Alternatively, this is accessible in Module 3, Assessment 1 tab in the platform.

General Procedures

- All computerised accounting entries must have supporting written documentation.
- The supporting documentation must be authorised by John Sweet.
- All authorised documentation, reports, etc., are to be filed in the filing cabinet labelled 'Accounts' in the office.
- Whether issuing or receiving, all cheques must be checked for errors before they are processed.
- No cash payments amounting to \$200.00 and above will be accepted. All payments amounting to \$200.00 and above must be made with cheques.

Sales and Banking Deposits

- All customer sales must be entered into the POS system, and a tax invoice provided to the customer.
- Cheques and cash must be kept in a locked drawer and cleared each night to the safe.
- Cheques and cash from the safe will be banked each Friday by the bookkeeper.
- No cash is to be left in the cash drawer overnight.
- The store manager will cash up at the end of each day's trading. Sales will be reconciled to each payment method (EFTPOS, cash and cheque payments). Once the daily takings are reconciled, the total takings figure is entered into the Cash Drawer in Xero.
- It is the Store Managers responsibility to investigate and correct any discrepancies or errors.

- NAB transfer the EFTPOS settlement total to the Business Savings Account 306-234 12345679 at midnight each night.
- The bookkeeper must:
 - reconcile the daily EFTPOS settlement total to the amount transferred to the Business Savings Account and investigate any discrepancies.
 - transfer the EFTPOS settlement amount from the cash drawer to the Business Savings Account in Xero.
- Two (2) copies of the Bank Deposit slip must be taken to the bank and stamped and signed by the teller. One of the stamped copies must be filed in the filing cabinet labelled 'Accounts' in the office.
- The bank deposits will then be transferred from the cash drawer to the Business Savings Account in Xero by the bookkeeper.

Account Reconciliations

- Reconciliations of the Business Savings Account account must be done as soon as possible.
- The petty cash account must be reconciled each time that a reimbursement cheque is drawn.
- PDF copies of the Reconciliation Reports must be filed by year and month and bank account in https://myisla.sharepoint.com/Finance/reconciliation_reports

Petty Cash

Isla&Co's petty cash float is \$200.

The petty cash must be kept in a locked petty cash box.

Reimbursement of Expenses

Form to use: Petty Cash Voucher

- This is when staff member spends their personal money for an expense and need to be reimbursed.
- No money is to be reimbursed without:
 - a receipt for the purchase
 - a Petty Cash Claim voucher being completed and signed.
 - the purchase being authorised.
- Only the bookkeeper or Joelle can authorise petty cash transactions.

Advance Procedure

Form to use: Petty Cash Voucher

- This is when a staff member is given an authorised advance from petty cash to purchase a shop item, and the exact price is not known.
- The Petty Cash Voucher should be filled in with the amount advanced, and the receiver is to sign the form for receipt of money.
- Once a purchase has been made and the receipt and change handed back to the bookkeeper, the Petty Cash Voucher must be filled in completely and the unused funds checked and returned to the petty cash float. The receipt is to be attached to the voucher and
- Only the bookkeeper or Joelle can authorise petty cash advances.

To balance the petty cash:

- Count the money left in the petty cash (cash in hand).
- Take all receipts and total these.
- Add the total receipts and cash in hand. These should add up to the total float amount of \$200.
- All transactions are to be entered into Xero by the bookkeeper.

- Once any variances Identified, have been investigated, a reconciliation report is to be generated and a cash cheque written to reimburse petty cash.

Journal Entries

- All journal entries should be supported by documentation and should be reviewed and approved by Joelle. Any changes must be initialled by her.
- Entries are to be batched together and recorded at the end of the month.
- Adjusting journal entries should be posted as of the last day of the appropriate accounting month.

Invoices

- The business always issues 'Tax Inclusive' invoices on plain paper for sales.
- Items will be purchased and sold using an item invoice. However, items will not be inventoried.

Authorisation

The following must be authorised and signed-off by Joelle:

- All purchases
- Petty cash discrepancies
- Month-end adjustments
- Xero Data errors and discrepancies

Xero entries should be reversed and re-entered, not deleted to ensure an audit trail exists for all transactions.

All communication regarding paperwork sign-off will be placed in a manila file titled 'Awaiting Authorisation' and placed on Joelle's office desk by 3:00 PM. This is to ensure sign-off on the same day.

Urgent matters will be attended to immediately by phone or face-to-face contact but should still be placed in the folder for written sign-off confirmation.

Record-keeping

- Invoices - Supplier tax invoices must be stored in monthly folders according to the date of the invoice.
- Bank statements - PDF copies of bank statements are to be filed with the reconciliation reports in SharePoint by year and month and bank account name.

https://myisla.sharepoint.com/Finance/reconciliation_reports

- Copies of pay advices are to be filed in the payroll file on SharePoint by year, month and date.

<https://myisla.sharepoint.com/Finance/Payroll>

Data Security

Xero uses multi-factor authentication (MFA). This adds an additional layer of security by checking that it's really you when you log in to Xero. It combines your username and password with an authentication app on your smartphone or tablet. This second layer of security is designed to prevent anyone but you from accessing your account even if they know your password.

There is no need to back up Xero as the data is automatically backed up and protected online in the cloud. Xero does regular data security audits and monitors security systems to identify and manage threats.

All documents no longer required in the business must be shredded for security reasons and never put in the rubbish bin.

Input Standards

- All data must be entered daily into the accounts and at the date of the actual transaction.

- At the end of the month, a Trial Balance must be printed and checked.
- Reconciliation must be completed, and any authorised adjustments entered in General Journal dated the last day of the month.

Trial Balances and Interim Reports

- At the month's end, all account reconciliations must be completed, including all adjustments journalised and posted.
- Once these have been completed, a final trial balance needs to be generated.
- Once this has been verified by Joelle, then a Profit and Loss statement and Balance Sheet can be generated and given to Joelle, along with Reconciliation Reports.

Banking Security Measures

- Money must be counted before being deposited. Cash should be counted in a secure room, away from areas available to the public. The authenticity of cheques should be ensured before any banking is undertaken.
- All cash payments and cheques received should be delivered, in person, to NAB. To ensure accountability, at least two (2) people should transfer the money to and from the bank.
- Employees must comply with identification and verification requirements as per Anti-Money Laundering and Counter-Terrorism Financing Act 2006.

Banking Safety Measures

- In compliance with WHS legislation and the duties of care outlined therein, it is the business's foremost concern to ensure the health and safety of employees in all business undertakings, including the handling and transporting of cash.
- Employees must vary the time's money is counted and transferred to the bank. As much as possible, money should be moved at low-risk times.
- Employees must vary the route taken to the bank.
- Employees must not place the cash/cheques in obvious bank bags.
- The bank should be informed of the expected transaction, as well as the expected time of arrival and return of the employees transferring money to and from the bank.



ACE Finance
New Client Information Form

To assist us in providing you with bookkeeping and accounting services, could you please provide the following details.

Entity Name	
Trading Name	
Industry	
Entity Structure	
ABN	
Address	
Postal Address	
Primary Contact	
Email Address	
Company Website	
GST Accounting Method	
TFN	
GST Reporting Frequency	
PAYG withholding period	
PAYG Income Tax Method	
Commencement date of processing your transactions	

Task 2



New Client Agreement

[FILE ATTACHED](#)-Assessment 1 Task 2 - Ace Finance Client Engagement Agreement

[FILE ATTACHED](#)-Assessment 1 Task 2 - Ace Finance New Client Information Form

[FILE ATTACHED](#)-Assessment 1 Task 2 - Ace Finance Client Document Checklist

[FILE ATTACHED](#)-Assessment 1 Task 2 - Outstanding Invoices, Credit Notes & Bills

Hi there,

Joelle had sent through some financial documents to assist us in processing Isla & Co's account transaction. I have attached them to this email.

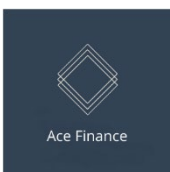
We need to identify, check, and record information from these financial documents provided by Isla & Co.

To do this, I need you to complete the following two [2] tasks:

1. Review our Terms of Engagement agreement attached to this email. This outlines the terms agreed to by clients when they engage with Ace Finance to process their monthly transactions and generate reports.
2. Complete the Ace Finance Client Document Checklist based on our client engagement agreement, policies and procedures and the information provided by Joelle. At this stage in the process, you are only checking to ensure that the client has provided all the documentation we require to commence this engagement.

Based on your checklist, I will follow up with Joelle to provide any outstanding initial documentation.

The checklist will be updated progressively throughout the assessment. At the end of the assessment pdf the checklist and upload it with your assessment.



Warm regards,
Andrew | Manager
andrew@ace.finance

[FILE ATTACHED](#)-Assessment 1 Task 2 - Ace Finance Client Engagement Agreement

Ace Finance Client Engagement Agreement

TERMS OF ENGAGEMENT

Purpose of the Engagement

The purpose of this engagement document is to set out and confirm our understanding of the Terms of Engagement.

1. Objectives of the Engagement

The objectives of the Engagement are to perform the work as set out in the Scope of the Engagement

2. Scope of Engagement

The work you require us to do is specified by the appointments booked, written quotations accepted by you, or requests made in writing by you.

3. Engagement Output

We consider it appropriate to advise you of the following in relation to the Engagement Output as outlined above:

- a) Engagement Commencement date: The date your appointment is scheduled to commence, the date our written quotation is accepted by you, or the date the requests are made in writing by you.
- b) Expected timing. An expected timeframe for completion will be provided to you in writing in the event the task is not able to be completed the day the appointment is booked, or the request is made in writing to us.

4. Relative Responsibilities, Privacy Protection and Confidentiality

You agree and acknowledge that you are solely responsible for the completeness and accuracy of the information supplied to us. You agree and acknowledge that we are responsible for ensuring that your confidential information acquired by us during the course of the professional work is not disclosed, except where consent has been obtained by you or where there is legal obligation to disclose the confidential information, or where there is professional duty to disclose the information, when not prohibited by law, and you have consented to the disclosure to:

- a) Comply with the quality review program of a member body or professional body;
or
- b) Respond to an inquiry or investigation by a member body or regulatory body; or
- c) To protect the professional interests of a member in legal proceedings; or
- d) Comply with technical standards and ethics requirement.

We are required and committed to protecting your personal information under the Privacy Act 1988 (Cth). Disclosure of such information may be compelled by law (for example, under the Social

Security Act 1991 (Cth)). We will deal with your personal information, in accordance with the ACE Finance Privacy Policy ("Privacy Policy"). By signing this Engagement Letter document, you confirm that, amongst other things, you consent for us to collect, hold, use and disclose such personal information in accordance with our Privacy Policy (as amended from time to time) and in accordance with your acknowledgments, consents and other matters raised therein.

5. Tax Services

A taxpayer is responsible to keep full and proper records in order to facilitate the preparation of a correct return. Accordingly, you should check the return before it is signed to ensure that the information provided is accurate.

6. Quality Review

In accordance to the relevant APESB standard, our firm establishes and maintains a system of quality control.

7. Standards

The highest professional standard will be provided to you. If for any reason you feel that you have not received the service expected, please contact us to discuss.

8. Storage of Personal Information

In signing this Engagement Letter, you acknowledge and agree that your personal information may be stored in Australia or overseas as set out in our privacy statement which is accessible at the bottom of our website home page www.acefinance.com.au.

9. Disclosure

You must provide all information and documents relevant to the proper performance of the work at the outset of the Engagement and during the Engagement.

10. Lodging of Documents

Before documentation is lodged on your behalf, drafts will be forwarded for your approval. Documentation will be lodged with the relevant departments by the due dates, provided all information and documentation is received promptly after the Financial Year End or once requested by ACE Finance. This will allow us adequate time for preparation and lodgement. No responsibility will be accepted for any late lodgement penalties incurred.

11. Ownership of Documents and Termination of Engagement

We own any documents produced as a result of this Engagement or any documents provided by you for this Engagement including any electronic data. We will on completion of the work retain any paper documents for no more than seven (7) years on the understanding that we have your authority to destroy your file seven (7) years after the date of completion of the work.

We may decide, in our discretion, to not continue with the Engagement in any one of the following circumstances:

- if you fail to pay our bills;
- if you fail to provide us adequate instructions in a timely and reasonable fashion;

You may terminate our services by giving us not less than 30 days written notice expiring at the end of a month of the term. You will be required to pay our costs incurred up to the date of termination

12. Professional Fees and Payments

Payment is required for the services rendered. Please refer to our website www.acefinance.com where pricing for our fixed fee services are detailed along with the time allocated for each appointment type.

13. Billing and Payment of Our Account

Our usual policy is to issue an invoice each month. You must pay each invoice within 14 days of the date of that invoice. You consent to us sending our invoices issued to you electronically at your usual email address specified by you.

14. Expenses

You will be responsible for expenses which we incur in carrying out your instructions. Our rates (GST exclusive) for expenses are:

- Travel time for requested meetings: applicable hourly rate(s)
- Postage, parking, software specific to your business

15. Interests/Penalties

We reserve the right to charge interest on any amounts unpaid after the expiry of 30 days after a tax invoice is given to you. Our tax invoices will specify the interest rate to be charged.

16. Statutory Due Dates

Where client information is not provided to our firm within 9 business days of a statutory due date, we will impose an additional surcharge of 30% to complete works by the due date to ensure your compliance obligations are met.

17. Providing Information

For clients who have a reporting obligation on a quarterly or monthly basis and require our assistance for bookkeeping or lodgement services, We require necessary data or documents to be provided to us on a monthly basis at least 9 days prior to any statutory due dates.

Before documentation is lodged on your behalf, drafts will be forwarded for your approval. Documentation will be lodged with the relevant departments by the due dates, provided all information and documentation is received promptly after the Financial Year End or other statutory date. This will allow adequate time for preparation and lodgement.

If you are late in providing information, best efforts will be made to meet deadlines. ACE Finance will accept no responsibility for any late lodgement penalties incurred.

18. Commonwealth and State Taxes and Duties

Any Commonwealth and/or State Taxes and Duties, including the Goods and Services Tax (GST), imposed by legislation will be due and payable together with any other fees.

19. Mode of communication

We prefer that any instructions from you should be provided to us in writing via email or hard copy format, at our offices, in person. Authorisation may also be requested from you verbally.

20. Complaints

Our firm will endeavour to handle any complaints you may have in regards to tax agent services provided by us to you. Where you are not satisfied with the outcome of the complaint, we advise you to seek assistance provided by our governing body (Australian Tax Practitioners Board).

21. Governing Law

This agreement shall be governed by and construed in accordance with the laws of the State in which it is entered into.

22. Verbal Authorisation

ACE Finance may verbally contact you to seek authorisation and clarification of information. Verbal authorisations will be recorded for our internal records. Please advise us if you don't wish to be recorded. When giving authorisation client will be asked to state:

- Name
- Position
- Organisation
- Scope of work they are authorising ACE Finance to perform.

23. Client Documents

For the purpose of processing transactions all relevant financial documents need to be provided to ACE Finance by the client. The list at the end of this client engagement agreement must be used to record documents received and documents outstanding.

Agreement

This Agreement is made (date) _____ between ACE Finance ABN: 51 515 151 and

Name of Client _____

Signature of Client _____

Client Document List			
Purpose of Document			
<p>This Client Engagement Checklist is used by staff of Ace Finance to record the documents that have been received from new clients and documents that are still outstanding.</p> <p>Complete the checklist using ACE Finance Client Engagement Agreement, Clients Policies and Procedures as well as other documents provided by the client.</p>			
Name of Client			
Financial Year			
INFORMATION	REQUESTED Y/N	PROVIDED Y/N	COMMENTS
PART A - Initial Documentation			
New Client Information Form			
2020/2021 Trial Balance from previous accountant			
Outstanding Customer Invoices and Supplier Bills			
PART B - Follow up Documentation			
<i>These documents will be provided in increments as we process the client's transactions.</i>			
Copies of Invoice Issued to Clients/Customers			
Bills			
Payments			
Staff payment summaries			
Petty Cash Receipts			
Petty Cash Vouchers			
Credit Card Statements			
Cheque payments			
EFTPOS payments			
Cash payments			
List of inventory			
Details of Last Stock Take			
Other Information Requested (please list)			



ACE Finance

New Client Information Form

To assist us in providing you with bookkeeping and accounting services, could you please provide the following details.

Entity Name	Isla&Co
Trading Name	Isla&Co Pty Ltd
Industry	Women's Retail Clothing
Entity Structure	Pty Ltd Company
ABN	11 111 111 138
Address	23 Main Street Geebung QLD 4012
Postal Address	PO Box 789 Geebung QLD 4012
Primary Contact	Joelle James
Email Address	joelle@islaandco.com
Company Website	https://isla.and.co
GST Accounting Method	Accrual Basis
TFN	53003086254
GST Reporting Frequency	Monthly
PAYG withholding period	Monthly
PAYG Income Tax Method	Quarterly
Commencement date of management of accounts	1 April 2021
Telephone	1300 111 111

Task 2 MARKING GUIDE

The student will download a copy of Ace Finance's Client Document Checklist under the Task 2 "file attached" hyperlink. The checklist will be updated progressively throughout the assessment. At the end of the Assessment, students should identify the documents that they have requested and been provided.

- Documentation that have a 'Yes' in both the requested and provided column have been requested by students.
- Documentation with a 'No' in both the requested and provided column are not required for this assessment.
- Documentation with a 'No' in the requested column and a Yes in the provided column have been forwarded from Joelle without having to be requested.

Ace Finance Client Document Checklist

Purpose of Document

This Client Engagement Checklist is used by the staff of Ace Finance to record the documents that have been received from new clients and documents that are still outstanding.

Complete the checklist using ACE Finance Client Engagement Agreement, Clients Policies and Procedures as well as other documents provided by the client.

PART A - Initial Documentation must be completed prior to commencing processing financial transactions for a new client.

PART B - Follow up Documentation must be completed while working through Assessment 1 Tasks 2-5.

Name of Client **Isla & Co**

Financial Year **2020/2021**

INFORMATION	REQUESTED Y/N	PROVIDED Y/N	COMMENTS
PART A - Initial Documentation			
New Client Information Form	Yes	Yes	
2020/2021 Trial Balance from the previous accountant	Yes	Yes	
Outstanding Customer Invoices and Supplier Bills	No	Yes	
PART B - Follow up Documentation			
<i>These documents will be provided in increments as we process the client's transactions.</i>			
Copies of Invoice Issued to Clients/Customers	No	Yes	
Bills	Yes	Yes	
Payments	Yes	Yes	
Staff payment summaries	No	No	Not needed for this UOC
Petty Cash Receipts	No	Yes	
Petty Cash Vouchers	No	Yes	
Credit Card Statements	No	No	Not needed for this UOC
Cheque payments	Yes	Yes	
EFTPOS payments	Yes	Yes	
Cash payments	Yes	Yes	
List of inventory	No	No	Not needed for this UOC
Details of Last Stock Take	No	No	Not needed for this UOC
Other Information Requested (please list)			

FILE ATTACHED-Assessment 1 Task 2 – Outstanding Invoices, Credit Notes & Bills

Task 3



Set up Isla & Co in Xero

FILE ATTACHED – Assessment 1 Task 3 – Trial Balance 31.03.2021

Hi there,

I followed up with the outstanding documentation and attached it to this email. Please update the Ace Finance Client Document Checklist.

Following Isla & Co's Accounting Procedures manual and using the documents Joelle has provided, I need you to set up Isla & Co in Xero:

1. Set up NAB Business Bank Account, petty cash and a cash drawer.
2. Add the account balances to the chart of accounts and any outstanding invoices and bills, equal to the Accounts Receivable and Payable totals. Ensure that as you enter the information, check it for accuracy and reliability (correct spelling, recording of data, appropriate authorisations and tax codes etc.)
3. Generate a Trial Balance as at 31 March 2021 in Xero. Save a copy to your desktop and upload it with your assessment.

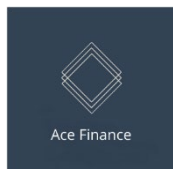
Xero Course Link



To complete this task, click on the '**Xero Course Link**' that is located in the Module 3 Assessment 1 home page on the LMS in the student instruction area.

Xero Course Link

Click to access your [Xero course](#).



Warm regards,
Andrew | Manager
andrew@ace.finance

Trial Balance

Isla & Co

As at 31 March 2021

Account		Debit	Credit
Sales			350,000.00
Sales Returns		35,000.00	
Freight, Postage & Delivery Outwards			2,930.00
Purchases		179,500.00	
Purchase Returns			18,000.00
Freight, Postage & Delivery Inwards		3,500.00	
Advertising & Marketing		13,000.00	
Bank Fees		1,300.00	
Bookkeeping		5,860.00	
Cleaning & Laundry		15,000.00	
Insurance		10,910.00	
Interest Expense		4,500.00	
Utilities		17,590.00	
Repairs & Maintenance		18,660.00	
Wages & Salaries		60,455.00	
Telephone		5,100.00	
Rent Paid		30,000.00	
Cash Drawer	Bank	1,580.00	
NAB Business Bank Account 306-234 12345678	Bank	48,470.00	
Petty Cash		400.00	
Accounts Receivable		5,588.04	
Stock on Hand		120,000.00	
Office Equipment		5,800.00	
Less Accumulated Depreciation on Office Equipment			1,250.00
Furniture & Fittings		30,000.00	
Less Accumulated Depreciation Furniture & Fittings			5,700.00
Accounts Payable			2,783.00
GST			2,470.00
PAYG Withholdings Payable			5,640.00
Loans from Joelle			50,000.00
Loans NAB			60,000.00
Retained Earnings			113,440.04
		612,213.04	612,213.04

Task 3 – MARKING GUIDE

Information required to set up the company in Xero is provided in the new client information form.

Financial Information to be entered in Xero.

Financial Year End
30 June [Change](#)

Activity Statement Settings [?](#)

GST Accounting Method	Tax File Number	GST Calculation	PAYG Withheld Period	PAYG Income Tax Method
Accruals Basis	53003086254	Monthly	Monthly	Option 1 (Pay instalment quarterly)

Additional tax areas applicable to your business

Fringe Benefits Tax Fuel Tax Credits Wine Equalisation Tax

Tax Defaults

For Sales
Tax inclusive Includes invoices, quotes, credit notes and receive money items

For Purchases
Tax inclusive Includes bills, purchase orders, credit notes, and spend money items

Lock Dates [?](#)

Lock dates stop data from being changed for a specific period. You can change these at any time.


Stop all users (except advisers) making changes on and before
[]

Stop all users making changes on and before
[]

Time zone
(UTC+10:00) Brisbane

Basic Information to be entered in Xero.

Basic Information

Display name	<input type="text" value="Isla & Co"/>
Legal / trading name	<input type="text" value="Isla & Co Pty Ltd"/>
Logo	<div style="border: 1px dashed gray; padding: 10px; text-align: center;"> Upload logo</div>
What is your line of business?	<input type="text" value="Womens Retail Clothing"/>
Organisation type	<input type="text" value="Company"/>
Australian Business Number	<input type="text" value="11 111 111 138"/>
Branch (if applicable)	<input type="text"/>
Organisation description	<input type="text" value="Womens Retail Clothing Store"/> 2/2

Contact Details


Postal address	<input type="text" value="Quick find"/>
	<input type="text" value="PO Box 789"/>
	<input type="text" value="Geebung"/>
	<input type="text" value="QLD"/> <input type="text" value="4012"/>
	<input type="text" value="Australia"/>
	<input type="text" value="Joelle James"/>
	<input type="checkbox"/> Same as postal address
Physical address	<input type="text" value="Quick find"/>
	<input type="text" value="25 Main Street"/>
	<input type="text" value="Geebung"/>
	<input type="text" value="QLD"/> <input type="text" value="4012"/>
	<input type="text" value="Australia"/>
	<input type="text" value="Joelle James"/>
	Telephone
Email	<input type="text" value="joelle@islaandco.com"/>
Website	<input type="text" value="http://islaandco.com"/>

1. Set up NAB Business Bank Account, petty cash and a cash drawer.

Students need to set up three (3) bank accounts:

- Business Savings Account
- Petty Cash Account
- Cash Drawer Account

Students must refer to Isla & Co's Procedure Manual to locate the information on the NAB Business Savings Account BSB:306-234 Account #:12345679.

Cash Drawer 000-000-00000000  Manage Account ▾

0.00
Statement Balance
No transactions imported

[Get Bank Feeds](#) or manually import a statement


Show account on Dashboard Change order ▲ ▼

Petty Cash 111-111-11111111 Manage Account ▾

0.00
Statement Balance
No transactions imported

No transactions imported
[Import a bank statement to get started](#)

Show account on Dashboard Change order ▲ ▼

Business Savings Account 306-234-12345679  Manage Account ▾

0.00
Statement Balance
No transactions imported

[Get Bank Feeds](#) or manually import a statement

Show account on Dashboard Change order ▲ ▼

2. Add the account balances to the chart of accounts and any outstanding invoices, credit notes and bills, equal to the Accounts Receivable and Account Payable totals.

Students are provided with a trial balance dated 31/03/2021. They must enter this data in Xero and produce a trial balance dated 31/03/2021.

Accounts Receivable balance of \$5,588.40 is made up of:

Isla & Co Outstanding Invoice as at 31/03/2021		
Name Debtor	INV #	Amount
Sail Away	1044	808.12
SouthSide FDC	1045	343.09
Rork Real Estate	1046	3,299.45
Smith & Co	1047	1,167.38
SouthSide FDC (Credit Note)	CN1045	-30.00
Total outstanding		5,588.04

Conversion Balances >

Sales Invoices

Enter invoices sent on or before 31 Mar 2021 that have not been fully paid

[+ Add Invoice](#) [+ Add Credit Note](#)

Number	Ref	To	Date	Due Date	Amount Due (31 Mar 2021) AUD
Use the buttons above to add your historic sales invoices and credit notes.					
Total AUD					0.00
AUD Accounts Receivable Balance					5,588.04
Balance out by					5,588.04

Add sales invoices or credit notes to bring this balance to zero.

Accounts Payable balance of \$2,783.00 is made up of:

Isla & Co
Outstanding Bills as at 31/03/2021

Name Creditor	INV #	Amount
Rags by Rick	RBR1290	1,364.00
The Clothing Co	TCC000123	544.50
The Clothing Co	TCC000176	874.50
Total outstanding		2,783.00

 Your Total Bills match your Total Accounts Payable. Click 'Next' to continue.

Enter invoices received on or before 31 Mar 2021 that have not been fully paid

[+ Add Bill](#) [+ Add Credit Note](#)

Ref	From	Date	Due Date	Amount Due (31 Mar 2021) AUD
TCC000123	<input type="checkbox"/> The Clothing Co	10 Mar 2021	7 Apr 2021	544.50 <input type="checkbox"/>
TCC000176	<input type="checkbox"/> The Clothing Co	30 Mar 2021	27 Apr 2021	874.50 <input type="checkbox"/>
RBR1290	<input type="checkbox"/> Rags by Rick	22 Mar 2021	5 Apr 2021	1,364.00 <input type="checkbox"/>
Total AUD				2,783.00
AUD Accounts Payable Balance				2,783.00
 Matched				

3. Generate a Trial Balance, as of 31 March 2021 in Xero

Students must generate a Trial Balance from Xero as per the example below. It must contain:

- Name of the company – Isla & Co
- Account Types as listed below. Highlighted accounts are either new accounts students have to create or existing accounts that they can amend.
- Total Debits should equal Total Credits (\$612,213.04)
- NAB Business Bank Account, Cash Drawer, Petty Cash

Xero Ledger account code may vary as a student do have the freedom to allocate their own account numbers. A benchmark answer has been provided below.

Trial Balance

Isla & Co Pty Ltd

As at 31 March 2021

ACCOUNT CODE	ACCOUNT	ACCOUNT TYPE	DEBIT	CREDIT
200	Sales	Sales		350,000.00
205	Sales Returns	Revenue	35,000.00	
206	Freight, Postage & Delivery Outwards	Revenue		2,930.00
351	Purchases	Direct Costs	179,500.00	
353	Purchase Returns	Expense		18,000.00
355	Freight & Delivery	Direct Costs	3,500.00	
402	Advertising & Marketing	Expense	13,000.00	
406	Bank Fees	Expense	1,300.00	
407	Bookkeeping	Expense	5,860.00	
410	Cleaning & Laundry	Expense	15,000.00	
433	Insurance	Expense	10,910.00	
437	Interest Expense	Expense	4,500.00	
444	Utilities	Expense	17,590.00	
469	Rent	Expense	30,000.00	
473	Repairs & Maintenance	Expense	18,660.00	
477	Wages & Salaries	Expense	60,455.00	
489	Telephone	Expense	5,100.00	
	Business Savings Account	Bank	48,470.00	
	Petty Cash	Bank	400.00	
	Cash Drawer	Bank	1,580.00	
610	Accounts Receivable	Current Asset	5,588.04	
630	Stock on Hand	Current Asset	120,000.00	
710	Office Equipment	Fixed Asset	5,800.00	
711	Less Accumulated Depreciation on Office Equipment	Fixed Asset		1,250.00
750	Furniture & Fittings	Fixed Asset	30,000.00	
751	Accumulated Depreciation Furniture & Fittings	Fixed Asset		5,700.00
800	Accounts Payable	Current Liability		2,783.00
820	GST	Current Liability		2,470.00
825	PAYG Withholdings Payable	Current Liability		5,640.00
851	Loans from Joelle	Current Liability		50,000.00
897	Loan - NAB	Liability		60,000.00
960	Retained Earnings	Equity		113,440.04
Total			612,213.04	612,213.04

Task 4



Establish accuracy and authorisation

FILE ATTACHED-Assessment 1 Task 4 - Petty Cash Transactions
FILE ATTACHED-Assessment 1 Task 4 - Voice Recording

Hi there,

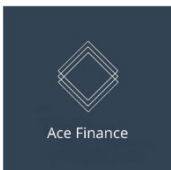
We received petty cash information from Joelle, which I have attached to this email. Could you please review to check it complies with Isla & Co's Petty Cash procedure and update the Ace Finance Client Document Checklist.

I have sent Joelle a copy of the Trial Balance from Xero and asked her to confirm the balance is accurate as at 31/03/2021. We need verbal authorisation from her to move forward with managing Isla & Co's accounts as she has not yet signed and returned Ace Finance Client Engagement Agreement. We are also still waiting on copies of all the financial transactions for April 2021.

Could you please follow up with Joelle by calling her and:

- requesting details or copies of April Invoices, Bills, Payments and Shop Sales
- ask if she can return the signed Ace Finance Client Engagement Agreement and request verbal authorisation for Ace Finance to manage Isla & Co's accounts
- ask her to confirm the total debit and credit figures in the 31/03/2021 Xero trial balance are correct
- request any petty cash documentation that is missing.

I have attached tips to help with this call. Please ensure you follow Ace Finance's policies and procedures when dealing with clients and also adhere to Isla & Co's procedures when managing their accounts.



Warm regards,
Andrew | Manager
andrew@ace.finance

Isla & Co
Petty Cash Transactions March 2021

Date	Item purchased	From	Cost	GST	Invoice provided
1/3/2021	Coffee & Milk	Woolworths	11.85	0	No
3/3/2021	Mailing tube & Bubble wrap	Officeworks	43.47	3.95	Yes
10/3/2021	Signage	Shop & Display	58.05	5.28	Yes
10/3/2021	Cables & Phone Case	JBHFI	112.00	10.18	Yes
13/3/2021	Postage	Aust Post	27.85	0.13	Yes
17/3/2021	Client Meeting	Jamaica Blue	29.00	2.64	Yes
			<u>282.22</u>	<u>22.18</u>	

FILE ATTACHED-Assessment 1 Task 4 - Voice Recording

Task 4 Marking guide:

Voice message

During this task, students must:

- Introduce themselves clearly and professionally.
- Establish the accuracy of the information you have entered in Xero by asking Joelle to review the Xero Trial Balance and confirming the total debit and credit figure at 31/03/2021 of \$612,213.04 is correct.
- Ask Joelle to provide copies of petty cash receipts, vouchers and authorise the petty cash transactions [As per Isla & Co's Petty Cash procedure]
- Seek authorisation to commence processing April transactions.
- Ask Joelle to return the signed Ace Finance Client Engagement Agreement
- Ask Joelle to send through details of all transactions for the period 01/04/2021 – 11/04/2021. Students must request at least 2 of the following transaction types:
 - Shop Sales Transactions
 - Bank Deposits
 - Bill received and paid
 - Invoices generated and paid

Voice Recording

⊕

You have reached Joelle's answering machine.

Record your voice using either a smartphone or laptop:

- Upload your voice recording at the END of completing this assessment.
- OR
- Record your voice straight into the platform using the voice record submission button.

Considerations:

- Create a script and practice before recording.
- Ensure that there is no background noise.
- Ensure that you speak clearly to be understood by an assessor.
- Ensure you act within our policies and procedures.

Did you?	
<input type="checkbox"/>	Introduce yourself
<input type="checkbox"/>	Establish the accuracy of the information you have entered in Xero by asking Joelle to review the Trial Balance generated in Xero and confirming the total debit and credit figure at 31/03/2021 is correct. You must state the figure you want her to verify.
<input type="checkbox"/>	Request copies of petty cash receipts and vouchers.
<input type="checkbox"/>	Request copies of April Invoices, Bills, Payments and Shop Sales
<input type="checkbox"/>	Ask Joelle to sign and return the Ace Finance Client Engagement Agreement and request verbal authorisation for Ace Finance to manage Isla & Co's accounts.

Task 5



Prepare and process banking and petty cash documents

FILE ATTACHED-Assessment 1 Task 5 - Petty Cash Vouchers
FILE ATTACHED-Assessment 1 Task 5 - Petty Cash Receipts

Hi there,

We have received Joelle's authorisation below. Please listen and confirm it has met our policy and procedure requirements.



Joelle has sent through the requested financial documents, which I have attached to this email. Please update the Ace Finance Client Document Checklist. She has also informed us that on 01/04/2021, Joelle wrote a cheque (#1122) for \$332.22 from the Business Bank Account to reimburse petty cash and increase the float.

To process these March transactions, I need you to do the following two [2] tasks. While you complete these tasks, ensure that you are checking the accuracy of the documents while following Isla & Co's Procedures Manual.

1. Fill out a petty cash voucher for each petty cash receipt in the template provided. Save the document as a PDF and upload it with your assessment.

Joelle has advised:

- the purchases were all made by William Winsor.
- Allocate
 - Aust Post to postage
 - Woolworths to Staff Amenities
 - Officeworks, Shop & Display and JB HIFI to Office Expenses
 - Jamaica Blue to Sundry Expenses

2. Enter the transactions into Xero and attach a copy of the receipt to the transaction.

3. Generate a Petty Cash reconciliation report for the period 01/03/2021 – 30/04/2021 and upload it with your assessment.

Xero Course Link

To complete this task, click on the '**Xero Course Link**' that is located in the Module 3 Assessment 1 home page on the LMS in the student instruction area.



Xero Course Link

Click to access your **Xero course**.



Warm regards,
Andrew | Manager
andrew@ace.finance

FILE ATTACHED-Assessment 1 Task 5 - Petty Cash Receipts

TAX INVOICE



JB HI-FI Macarthur
 Macarthur Square, Shop L086
 Ambarvale, NSW, 2560
 Phone - 02 4632 2700
 ABN 37 093 114 286

13/3/2021 1:18 PM
 Order No: PDA7R5VX008

Staff ID: 44118 Cashier ID: 44118

QTY	Stock Code	Supplier SKU	Description	Price
1	348324	CY2668PCCAL	CYGNETT - 10cm LIGHTNING TO USB-A BLACK	\$22.00
1	348408	CY2680PCUSA	CYGNETT - 10CM 3AMP/60W USB-C TO USB-A B	\$16.00
1	402434	F8W948ZZ	BELKIN - IPHONE 11 TEMPERED GLASS	\$25.00
1	403442	525157	OTTERBOX - IPHONE 11 SYMMETRY BLACK	\$49.00

Discounted. Ask For A Deal

Total Price **\$112.00**
 GST Included **\$10.18**

JBNSN: PDA7R5VX008-55

ANZ EFTPOS

ANZ CUSTOMER COPY

JB HI FI - MACARTHUR

S 1086 MACARTHUR SQ
 AMBARVALE 2560

TERMINAL ID 00912021709
 VISA (C) CR
 2562

PUR ADD \$112.00

NAB Visa Debit
 AID A3000000031010
 TVR 0000000000
 AFSPN 00 P00302 ATC 005F

APPROVED AUTH 479083
 STAN 013001
 RRN PDA7R5VX008-55

13/3/2021
 Purchased from Woolworths
 Tea, Coffee Milk \$11.85
 Receipt lost
 Store Manager

Shop + Display

13/3/2021
 Phone: (02) 5099 0625
 Fax: (02) 5099 0660
 info@woolworths.com.au

TAX INVOICE
 13/3/2021

NET TOTAL	12.99
NET TOTAL TAXABLE	6.15
NET TOTAL TAXABLE	6.15
TOTAL	58.05

REFER DETAILS:
 COMMONWEALTH BANK EFTPOS
 MURDOCH AND SYDNEY BRANCH
 SYDNEY NSW
 TERMINAL ID 52188000
 REFERENCE 098517

CUSTOMER COPY
 CARD NO: 4822 742501
 EXPIRY DATE: 0000/00/00
 AID: A0000000000000
 ATC: 16 TVR: 0000000000
 CSR: 00 10000000000000
 15:11

CREDIT PURCHASE TOTAL ADD \$58.05

APPROVED AUTH 348935
 POS REF 200601517040020
 THANK YOU

REFUND 402504444474/5 56.15
 Total includes GST of \$3.28

Officeworks
 www.officeworks.com.au
 OFFICeworks Cash/Call/Text
 PH: (02) 4621 6700
 OFFICeworks Ltd ABN 36 001 763 526
 TRK INVOICE (04 2019/20) 03/03/2021

0015550 \$5.49
 MAILING TUBE 300x850MM \$37.98
 PPS850050
 PPS BUBBLEWRAP 500x900MM

TOTAL \$43.47
 GST Included in Total \$3.95
 * GST Free Item

OFF Purchase \$43.47

Officeworks
 Campbellton NSW 661
 26857367 022903
 15/03/21 16:14 10570000
 ***** 1195
 CREDIT ACCOUNT
 JPSM 0001 BIC 0012 60300300041010
 MCHISE
 AUTH 061961
 ID PIN OR SIGNATURE: 104960

Please retain receipt for
 return/exchange
 Team Number: Victoria

Upicks
 Need tech support?
 Call: 1300 610 197

One or more of your purchases has
 contributed to planting trees as
 part of the Restoring Australia
 with Officeworks Initiative.
 For qualitative product details, visit
 restoringaustralia.com.au

Tell us what you think
 by giving feedback on the
 officeworks.com.au/229

JamaicaBlue®
 Moore Park EQ
 Ph: 02 9380 8507
 ABN: 62 792 531 007
 *** TAX INVOICE ***

Chicken, Almond & Herb \$29.00
 Bread \$0.00

Subtotal \$29.00
 GST \$2.64
 Total \$29.00

Transaction Status: APPROVED
 Authorisation: 394486
 Reference: 394486

Payment Total \$29.00

Order type: Takeaway
 Date: 17/03/2021 12:51:43 PM
 Clerk: Bruno
 Receipt No: 666
 Tran Ref: 125143385
 Order No: 86
 Terminal: Moore Park Entertainment Quarter Till 1 (24539)

* Indicates tax free item(s)
 Download the App today to redeem free coffee

AUSTRALIA POST 2560
 Macarthur Square

PADDED MAILER PH2 x 1 1.45 *
 Standard (Small) 26.40
 UNITED KINGDOM - Zone 6
 Up to 250 gm (Scale)
 Track (Free)
 Tracking Number:
 LX115961729AU

Please retain as proof of lodgement.
 For track event information go to
 www.auspost.com.au/track

Extra Cover Not Purchased
TOTAL \$27.85
 Payment Tendered Details :
 Cash 50.00

Payout Details :
 Change 22.15-
 * LPO supplied, price includes GST.
 GST on LPO Taxable Supply : 0.13

ABN:46 948 989 584 TAX INVOICE
 12/03/21 00/77630 fk/vvv 238393 14:44
 PROVIDE FEEDBACK ON TODAY'S VISIT AT
 AUSPOST.COM.AU/MYVISIT

Australia Post collects, stores and shares
 your personal information with relevant
 international government authorities
 located outside of Australia in order to
 fulfil your international delivery
 service. Without your information we would
 be unable to provide this service.
 Australia Post will not disclose your

FILE ATTACHED-Assessment 1 Task 5 - Petty Cash Vouchers

Petty Cash Voucher

Voucher Number:	0456	Date:	
Description of items purchased	GST	Amount (GST inc)	
Purchased by:		Authorised by:	
Signature:		Signature:	

Task 5 Marking Guide:

1. Fill out a petty cash voucher for each petty cash receipt in the template provided. Save the document as a PDF and upload it with your assessment.

Students must complete a petty cash voucher for each of the transactions. They must include:

- date of the transaction
- description of the item purchased
- any GST included in the purchase price
- the total amount paid, including GST
- purchased by Willian Winsor
- Joelle as the person authorising the transaction

Task 5-MARKING GUIDE

2. Generate a Petty Cash reconciliation report for the period 01/03/2021 – 30/04/2021.

Students must Generate a petty cash reconciliation report dated 01/03/2021 - 30/04/2021 that shows a Statement balance and Balance in Xero of \$450.

The Bank Statement must have:

- 01/03/2021 opening balance \$400.00
- 01/04/2021 reimbursement \$332.22
- Closing balance \$450.00

A benchmark answer has been provided below.

Bank Reconciliation Summary

Petty Cash Isla&Co Pty Ltd As at 30 April 2021

Date	Description	Reference	Amount
30 Apr 2021	Balance in Xero		450.00
30 Apr 2021	Statement Balance		450.00

Bank Statement

Petty Cash
Isla&Co Pty Ltd
From 1 March 2021 to 30 April 2021

Date	Description	Date imported into Xero	Reference	Reconciled	Source	Amount	Balance
1 Mar 2021	Opening Balance						400.00
3 Mar 2021	Officeworks	22 Apr 2021		Yes	User	(43.47)	356.53
3 Mar 2021	Woolworths	22 Apr 2021		Yes	User	(11.85)	344.68
10 Mar 2021	JBHIFI	22 Apr 2021		Yes	User	(112.00)	232.68
10 Mar 2021	Shop & Display	22 Apr 2021		Yes	User	(58.05)	174.63
13 Mar 2021	Australia Post	22 Apr 2021		Yes	User	(27.85)	146.78
17 Mar 2021	Jamaica Blue	22 Apr 2021		Yes	User	(29.00)	117.78
1 Apr 2021		22 Apr 2021		Yes	User	332.22	450.00
	Closing Balance						450.00

Task 6



Complete cash journals.

[FILE ATTACHED-Assessment 1 Task 6 - April Shop Sales](#)
[FILE ATTACHED-Assessment 1 Task 6 - Assessment Workbook](#)

Hi there,

Joelle has provided us with the following information:

- there was no money in the safe to be banked as at the end of March
- the EFTPOS transactions for 31/03/2021 have not been transferred from the cash drawer to the bank account in Xero.

Review Isla & Co's Procedures Manual, focusing on 'Sales and Banking Deposits' and complete the following tasks:

Manually:

1. Enter the daily sales for 01/04/2021 to 10/04/2021 in the cash receipts journal.
2. Transferred all the daily EFTPOS sales, including 31/03/2021 sales, from the cash drawer to the business bank account using the Cash Payments Journal.
3. Record the banking of the cash and cheques in the Cash Payments Journal.
4. Post the cash payments journal into the following general ledger accounts:
 - Cash Drawer ledger
 - GST Payable Ledger
 - Bank Ledger
 - Sales Ledger

In Xero:

5. Record Isla & Co's cash, cheque and EFTPOS Sales for up to 10/04/2021. Transfer the daily EFTPOS sales, including 31/03/2021 sales, from the cash drawer to the bank account.
6. Reconcile the Cash Drawer and generate a Cash Drawer Reconciliation Report for the period of 31/03/2021- 30/04/2021.

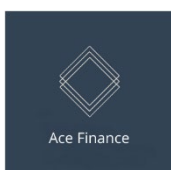
Xero Course Link

To complete this task, click on the '**Xero Course Link**' that is located in the Module 3 Assessment 1 home page on the LMS in the student instruction area.



Xero Course Link

Click to access your [Xero course](#).



Warm regards,
Andrew | [Manager](#)
andrew@ace.finance

ISLA&CO Cash, Cheque & EFTPOS Sales									
Day	Date	Cash Count	Till Float	Total Cash Sales	EFTPOS Sales	Cheque Sales	Total Sales	Banking	
Monday	29/03/2021	200.00	200.00	0.00	1240.00		1240.00		
Tuesday	30/03/2021	200.00	200.00	0.00	1160.00		1160.00		
Wednesday	31/03/2021	200.00	200.00	0.00	1580.00		1580.00		
Thursday	1/04/2021	540.00	200.00	340.00	2580.00		2920.00		
Friday	2/04/2021	480.00	200.00	280.00	2320.00	190.00	2790.00	340.00	
Saturday	3/04/2021	750.00	200.00	550.00	3550.00		4100.00		
Sunday	4/04/2021	Closed							
Weekly Sales		2370.00	1200.00	1170.00	12430.00		13790.00		

Day	Date	Cash Count	Till Float	Total Cash Sales	EFTPOS Sales	Cheque Sales	Total Sales	Banking	
Monday	5/04/2021	300.00	200.00	100.00	1150.00		1250.00		
Tuesday	6/04/2021	330.00	200.00	130.00	890.00	350.00	1370.00		
Wednesday	7/04/2021	280.00	200.00	80.00	1720.00		1800.00		
Thursday	8/04/2021	310.00	200.00	110.00	2610.00		2720.00		
Friday	9/04/2021	490.00	200.00	290.00	2140.00		2430.00	1790.00	
Saturday	10/04/2021	670.00	200.00	470.00	3160.00		3630.00		
Sunday	11/04/2021	Closed							
Weekly Sales		2380.00	1200.00	1180.00	11670.00		13200.00		

Task 6- MARKING GUIDE

Manually

- Students must Enter the daily sales for 01/04/2021 to 10/04/2021 in the cash receipts journal. A benchmark answer has been provided below.

Isla & Co Cash Receipts Journal								CRJ1
Date	Details	Folio	Bank	Cash Drawer	GST Payable	Sales	Accounts Receivable	Sundry
1/04/2021	Shop Sales			2,920.00	265.45	2,654.55		
2/04/2021	Shop Sales			2,790.00	253.64	2,536.36		
3/04/2021	Shop Sales			4,100.00	372.73	3,727.27		
5/04/2021	Shop Sales			1,250.00	113.64	1,136.36		
6/04/2021	Shop Sales			1,370.00	124.55	1,245.45		
7/04/2021	Shop Sales			1,800.00	163.64	1,636.36		
8/04/2021	Shop Sales			2,720.00	247.27	2,472.73		
9/04/2021	Shop Sales			2,430.00	220.91	2,209.09		
10/04/2021	Shop Sales			3,630.00	330.00	3,300.00		
				23,010.00	2,091.83	20,918.17		

- Students must transfer the daily EFTPOS sales from the cash drawer to the business bank account using the Cash Payments Journal.
- Students must record the banking of the cash and cheques in the Cash Payments Journal. A benchmark answer has been provided below.

Isla & Co Cash Payments Journal

CPJ1

Date	Details	Folio	Bank	Cash Drawer	GST Input Tax Credit	Purchases	Accounts Payable	Sundry
31/03/2021	TFR Eftpos Sales		1,580.00	1580.00				
1/04/2021	TFR Eftpos Sales		2,580.00	2,580.00				
2/04/2021	TFR Eftpos Sales		2320.00	2320.00				
2/04/2021	Banking from Cash		340.00	340.00				
3/04/2021	TFR Eftpos Sales		3,550.00	3,550.00				
5/04/2021	TFR Eftpos Sales		1,150.00	1,150.00				
6/04/2021	TFR Eftpos Sales		890.00	890.00				
7/04/2021	TFR Eftpos Sales		1,720.00	1,720.00				
8/04/2021	TFR Eftpos Sales		2,610.00	2,610.00				
9/04/2021	TFR Eftpos Sales		2140.00	2140.00				
9/04/2021	Banking from Cash Drawer		1790.00	1790.00				
10/04/2021	TFR Eftpos Sales		3,160.00	3,160.00				
			23,830.00	23,830.00				

4. Students must post the cash payments journal into the:

- Cash Drawer ledger
- GST Payable Ledger
- Bank Ledger
- Sales Ledger

A benchmark answer has been provided below.

Isla & Co Ledger (Extract)					
					200
Sales					
Date	Details	Amount	Date	Details	Amount
			1/04/2021	balance b/d	350,000.00
			30/04/2021	Cash Drawer	20,918.17
					820
GST Payable					
Date	Details	Amount	Date	Details	Amount
			1/04/2021	balance b/d	2,470.00
			30/04/2021	Cash Drawer	2,091.83
					105
Cash Drawer					
Date	Details	Amount	Date	Details	Amount
1/04/2021	balance b/d	1,580.00	30/04/2021	Bank	23,830.00
30/04/2021	Sales/GST Payable	23,010.00			
					100
Bank					
Date	Details	Amount	Date	Details	Amount
1/04/2021	balance b/d	48,470.00			
30/04/2021	Cash Drawer	23,830.00			

In Xero

5. Record Isla & Co's cash, cheque and EFTPOS Sales for up to 10/04/2021 and transfer them from the cash drawer to the bank account.
6. Reconcile the Cash Drawer and generate a Cash Drawer reconciliation report for the period of 31/03/2021-30/04/2021.

Student's must generate a Cash Drawer Reconciliation report consistent with the benchmark answers provided below. The student should be able to demonstrate they have:

- Recorded the total daily total sales amount (as per Isla&Co's updated procedure)
- Transferred the EFTPOS sales from the cash draw to the business bank account each day
 - 31/03/2021 \$1580
 - 01/04/2021 \$2580
 - 02/04/2021 \$2320
 - 03/04/2021 \$3550
 - 05/04/2021 \$1150
 - 06/04/2021 \$890
 - 07/04/2021 \$1720
 - 08/04/2021 \$2610
 - 09/04/2021 \$2140
 - 10/04/2021 \$3160
- Banked the cash and cheques every Friday
 - 02/04/2021 \$340.00
 - 09/04/2021 \$1790.00
- Balance in the reconciliation report should equal \$760.00.

Bank Reconciliation Summary

Cash Drawer
Isla & Co Pty Ltd
As at 30 April 2021

<u>Date</u>	<u>Description</u>	<u>Reference</u>	<u>Amount</u>
30 Apr 2021	Balance in Xero		760.00
30 Apr 2021	Statement Balance		760.00

Bank Statement

Cash Drawer
Isla & Co Pty Ltd
From 31 March 2021 to 30 April 2021

Date	Description	Date imported into Xero	Reference	Reconciled	Source	Amount	Balance
31 Mar 2021	Opening Balance						1,580.00
31 Mar 2021		5 Oct 2021		Yes	User	(1,580.00)	0.00
1 Apr 2021		5 Oct 2021		Yes	User	(2,580.00)	(2,580.00)
1 Apr 2021	Shop Sales	5 Oct 2021		Yes	User	2,920.00	340.00
2 Apr 2021		5 Oct 2021		Yes	User	(340.00)	0.00
2 Apr 2021		5 Oct 2021		Yes	User	(2,320.00)	(2,320.00)
2 Apr 2021	Shop Sales	5 Oct 2021		Yes	User	2,790.00	470.00
3 Apr 2021		5 Oct 2021		Yes	User	(3,550.00)	(3,080.00)
3 Apr 2021	Shop Sales	5 Oct 2021		Yes	User	4,100.00	1,020.00
5 Apr 2021		5 Oct 2021		Yes	User	(1,150.00)	(130.00)
5 Apr 2021	Shop Sales	5 Oct 2021		Yes	User	1,250.00	1,120.00
6 Apr 2021		5 Oct 2021		Yes	User	(890.00)	230.00
6 Apr 2021	Shop Sales	5 Oct 2021		Yes	User	1,370.00	1,600.00
7 Apr 2021		5 Oct 2021		Yes	User	(1,720.00)	(120.00)
7 Apr 2021	Shop Sales	5 Oct 2021		Yes	User	1,800.00	1,680.00
8 Apr 2021		5 Oct 2021		Yes	User	(2,610.00)	(930.00)
8 Apr 2021	Shop Sales	5 Oct 2021		Yes	User	2,720.00	1,790.00
9 Apr 2021		5 Oct 2021		Yes	User	(1,790.00)	0.00
9 Apr 2021		5 Oct 2021		Yes	User	(2,140.00)	(2,140.00)
9 Apr 2021	Shop Sales	5 Oct 2021		Yes	User	2,430.00	290.00
10 Apr 2021		5 Oct 2021		Yes	User	(3,160.00)	(2,870.00)
10 Apr 2021	Shop Sales	5 Oct 2021		Yes	User	3,630.00	760.00
	Closing Balance						760.00



Congratulations, you have reached the end of Assessment 1!