

Unit of Competency Details

Code	Title
FNSACC312	Administer subsidiary accounts and ledgers

Course and Module Details

Assessments may be published in more than one course.

Course Code (UPed)	Module Number (Order)	Module Code (UPed)
SUT4001A	6	M00081
SUT4002A	10	M00081A

Assessment Task

Number	Title
2	Administer subsidiary accounts and ledgers

Section 1 – Assessment Task Overview and Description

Assessment Method: Choose an item. Choose an item. Choose an item.

Project:

This assessment assumes a simulated workplace – Ace Finance where you are employed as a new Graduate Accountant. The assessment is divided into four (4) tasks. Each task will be outlined in an email sent from your manager Andrew, instructing you to download and complete templates or perform a task.

Throughout the assessment, you will be asked to complete tasks in this assessment document or the Excel Assessment Workbook that can be downloaded from the LMS. Save the workbook on your desktop and **resave after completing each task to ensure that you don't lose any data.**



To help you navigate the assessment, we have included an Excel icon against all tasks that need to be completed in the Excel Assessment Workbook.

Additional resources and supporting documentation, including templates, will be hyperlinked under "File Attached" to each task. This includes a copy of Mel's Makeup Finance Policy and Procedure Manual, which you will need to refer to throughout the assessment.

The following attachments are provided for each task:

Attachments Task 1

- Mel’s Makeup Finance Policy and Procedures Manual
- Excel Assessment Workbook
- Bank Statement March 2021

Section 2 - Assessment Task Criteria and Outcome

This assessment will be graded as Satisfactory (S) or Unsatisfactory (US).

To achieve Satisfactory; valid, sufficient, authentic, and current evidence of meeting the criteria must be submitted.

Refer to the mapping spreadsheet for this unit.

Section 3 - Assessment Task Submission Instructions

Submission Details	Student signs in to the secure LMS platform with their personal log in details. Students will complete a series of tasks based on the project scenario provided. Tasks will be completed in the spaces provided within this assessment and in an Excel workbook which on completion will be pdf’d and submitted as separate documents. Details are outlined below.
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Summary of Evidence (Submission item checklist)

A satisfactory grade will be applied when all of the required evidence listed has been assessed as satisfactory. Failure to submit all required evidence will result in an unsatisfactory grade and count as a submission attempt. All learners have a total of 3 attempts to achieve a satisfactory outcome.

1	A2Task 1 – Memo Template
2	A2Task 2 – Excel Assessment Workbook <ul style="list-style-type: none"> • Tab 1 - Cash Receipts Journal • Tab 2 - Accounts Receivable Subsidiary Ledger
3	A2Task 3 – Excel Assessment Workbook <ul style="list-style-type: none"> • Tab 3 - Reconciliation Statement Accounts Receivable Control Account • Tab 4 - Statement of Account (x2) • Tab 5 - Aged Receivables Summary
4	A2Task 4 – Task 4 Answer Template <ul style="list-style-type: none"> - Overdue Account Customer Payment Record - Email Template

Section 4 – Assessment

Note: Instructions will be added directly into the LMS for students. This template is for drafting, development, and review stages only. Any associated files will be accessed via the LMS, as will any Assessor Guides, Matrix, Templates etc. Students and Assessors have restricted permissions in the LMS. Assessor Guides, including model answers, will be available to

Assessors ONLY. Please refer to Section 2 and Section 3 to confirm how the assessment tools will be built and the methods used to collect evidence, i.e., Student's will type answers directly into LMS or upload files of completed assessment tasks.

The following pages contain the draft assessment, which will be built into the LMS once reviewed.

It includes:

- Instructions to students**
- Instructions to assessors**
- Sample answers / Examples of benchmark**
- Questions / Tasks**
- Templates / Tables where applicable**
- Links to supporting files / Websites**

Task 1 - Review accounts receivable



Review accounts receivable

[FILE ATTACHED](#) – Bank Statement March 2021

[FILE ATTACHED](#) – Excel Assessment Workbook

[FILE ATTACHED](#) – Mel's Makeup Finance Policy and Procedures

Hi there,

I need your assistance. One of our clients, Melissa Murray, has asked us to assist her in managing her outstanding accounts receivable and implement a debt recovery plan.

Background

Melissa is the managing director of Mel's Makeup Pty Ltd. Mel's Makeup operates five (5) retail stores across Australia and plans to expand to all states within the next two (2) years. Mel is aware that several staff changes have recently occurred in the accounts department, resulting in longer than usual delays in chasing overdue accounts. So that she can focus on tasks that are core to her business, she has asked us to review her current account receivable processes, chase up any overdue accounts and recommend an effective management strategy moving forward.

I have attached Mel's Makeup Finance Policy and Procedure Manual. While undertaking your review, please check that her policies and procedures relating to reconciling and monitoring financial accounts and her credit policy are being followed internally.

Melissa has provided copies of the following document:



- Bank Statement Mel's Makeup March 2021
- Mel's Makeup Finance Policy and Procedure Manual
- Cash Receipts Journal Mel's Makeup March 2021
- Accounts Receivable Subsidiary Ledger (extract) Mel's Makeup March 2021

I need you to:

- a. Check the accuracy of transactions recorded in the cash receipts journal against the March 2021 bank statement.

Using the attached memo template draft a memo to Melissa notifying her of any incorrect transactions you identify.

Include:

- a screenshot of each error

- a short description of each error
- source documents have used to check the accuracy of the receipts.

[Approximately 50 words per incorrect transaction]

- b. Identify any discrepancies between the amounts owed and amounts recorded in the Accounts Receivable Subsidiary Ledger. Advise Melissa of the errors in your memo and describe what action you have taken to investigate and correct these.



Warm regards,

Andrew | Manager

andrew@ace.finance

[FILE ATTACHED](#) – Bank Statement March 2021

**Statement Period****Bank Statement****01 March 2021 - 21 March 2021**Mel's Makeup Pty Ltd
200 Main Street
Sydney NSW 2000

Account No.	027-000	20-00001
Opening Balance		15,986.00
Total Debits		76,085.70
Total Credits		95,615.34
Closing Balance		35,515.64

Statement 23

Page 1

Date	Transaction Details	Withdrawals (\$)	Deposits (\$)	Balance (\$)	
1/03/2021	Balance b/f			15,986.00	CR
	EFTPOS Settlement		2,775.45	18,761.45	CR
2/03/2021	EFTPOS Settlement		4,595.85	23,357.30	CR
3/03/2021	EFTPOS Settlement		2,346.00	25,703.30	CR
4/03/2021	Cheque 183	1,595.00		24,108.30	CR
	Direct Deposit {from acc 274385}		2,345.50	26,453.80	CR
	Direct Deposit {from acc 27889791}		8,776.00	35,229.80	CR
	EFTPOS Settlement		1,264.50	36,494.30	CR
5/03/2021	Cheque 187	1,500.00		34,994.30	CR
5/03/2021	EFTPOS Settlement		2,650.00	37,644.30	CR
	Branch Deposit Cash/Cheque Deposit		9,865.79	47,510.09	CR
8/03/2021	EFTPOS Settlement		979.00	48,489.09	CR
	Cheque 186	3,500.00		44,989.09	CR
	Cheque 184	1,350.00		43,639.09	CR
	Westpac Internet Banking				
	Telstra {98765}	245.75		43,393.34	CR
	Westpac Internet Banking				
	AAMI {76564}	3,775.85		39,617.49	CR
9/03/2021	EFTPOS Settlement		2,768.95	42,386.44	CR
10/03/2021	EFTPOS Settlement		5,410.15	47,796.59	CR
	Cheque 188	198.00		47,598.59	CR
11/03/2021	EFTPOS Settlement		2,453.20	50,051.79	CR
12/03/2021	EFTPOS Settlement		2,398.00	52,449.79	CR
	Branch Deposit Cash/Cheque Deposit		7,094.03	59,543.82	CR
15/03/2021	EFTPOS Settlement		3,119.05	62,662.87	CR
	Cheque book fee	15.00		62,647.87	CR
16/03/2021	EFTPOS Settlement		1,296.55	63,944.42	CR
17/03/2021	EFTPOS Settlement		2,234.95	66,179.37	CR
	Direct Deposit {from acc 13245}		696.00	66,875.37	CR
TOTALS AT END OF PAGE		12,179.60	63,068.97	66,875.37	

Account No.

027-000

20-00001

Page 2

Date	Transaction Details	Withdrawals (\$)	Deposits (\$)	Balance (\$)	
18/03/2021	EFTPOS Settlement		1,987.45	68,862.82	CR
	Dishonoured cheque - D & K Jones	2,707.50		66,155.32	CR
	Dishonoured cheque fee	22.00		66,133.32	CR
19/03/2021	EFTPOS Settlement		2,342.55	68,475.87	CR
	Branch Deposit Cash/Cheque Deposit		4,522.05	72,997.92	CR
22/03/2021	EFTPOS Settlement		987.95	73,985.87	CR
23/03/2021	EFTPOS Settlement		1,987.45	75,973.32	CR
24/03/2021	EFTPOS Settlement		2,345.90	78,319.22	CR
	Transfer to 27137101407	60,000.00		18,319.22	CR
25/03/2021	EFTPOS Settlement		965.35	19,284.57	CR
26/03/2021	EFTPOS Settlement		1,887.55	21,172.12	CR
	Branch Deposit Cash/Cheque Deposit		3,045.92	24,218.04	CR
29/03/2021	EFTPOS Settlement		3,412.50	27,630.54	CR
30/03/2021	EFTPOS Settlement		2,345.90	29,976.44	CR
31/03/2021	EFTPOS Settlement		2,323.30	32,299.74	CR
	Direct Deposit {from acc 13245} P&K P\L		1,369.50	33,669.24	CR
	Direct Deposit {from acc 64378789}		2,985.50	36,654.74	CR
	Interest		37.50	36,692.24	CR
	Merchant Fees	597.60		36,094.64	CR
	Account Fees	29.00		36,065.64	CR
	Transfer - Drawings	550.00		35,515.64	CR
TOTALS AT END OF PAGE		63,906.10	32,546.37	35,515.64	
TOTALS AT END OF PERIOD		76,085.70	95,615.34	35,515.64	

Summary of fees	Total no of transactions	Fee per transaction	Total Charge
Merchant fees	747.00	0.80	597.60
Account service fee			29.00
Dishonoured cheque fee	1.00	22.00	22.00
Cheque book fee			15.00
Total Bank Account Fees and charges			663.60

Please check all entries and call 171317 regarding any errors on this statement.

All entries generated are subject to authorisation and verification and if necessary adjustments will appear on later statements.



1. Cash Receipts Journal



Cash Receipts Journal

CRJ0321

Date	Details	Folio	Receipt #	GST Adj	Discount Allowed	Bank	GST Payable	Accounts Receivable Control	Sales	Sundries
1/03/2021	EFTPOS Settlement 0103					2,775.45	252.31		2,523.14	
2/03/2021	EFTPOS Settlement 0203					4,595.85	417.80		4,178.05	
3/03/2021	EFTPOS Settlement 0303					2,346.00	213.27		2,132.73	
4/03/2021	EFTPOS Settlement 0403					1,264.50	114.95		1,149.55	
	J P Hip Pty Ltd	MMR001	1021	11.22	112.23	2,345.50		2,468.95		
	Swinging Dance Studio	MMR002	1022			8,766.00		8,766.00		
5/03/2021	EFTPOS Settlement 0503					2,650.00	240.91		2,409.09	
	Branch Deposit cash & cheques		BBD2890			9,865.79	435.50		4,355.00	
	- Jack & Jill Photography	MMR003	1023	1.37	13.67			300.77		
	- Sydney Makeup	MMR004	1024					4,789.56		
8/03/2021	EFTPOS Settlement 0803					979.00	89.00		890.00	
9/03/2021	EFTPOS Settlement 0903					2,768.95	251.72		2,517.23	
10/03/2021	EFTPOS Settlement 1003					5,410.15	491.83		4,918.32	
11/03/2021	EFTPOS Settlement 1103					2,453.20	223.02		2,230.18	
12/03/2021	EFTPOS Settlement 1203					2,398.00	218.00		2,180.00	
	Branch Deposit cash & cheques		BBD2891			7,094.03	336.50		3,365.00	
	- D & K Jones	MMR006	1025	12.95	129.55			2,850.00		
	- Fiona's Face Painting	MMR007	1026					685.03		
15/03/2021	EFTPOS Settlement 1503					3,119.05	283.55		2,835.50	
16/03/2021	EFTPOS Settlement 1603					1,296.55	117.87		1,178.68	
17/03/2021	EFTPOS Settlement 1703					2,234.95	203.18		2,031.77	
	AA Theatre Company	MMR008	1027			696.00		696.00		
18/03/2021	EFTPOS Settlement 1803					1,987.45	180.68		1,806.77	
19/03/2021	EFTPOS Settlement 1903					2,342.55	212.96		2,129.59	
	Branch Deposit cash & cheques		BBD2892			4,522.05	186.55		1,865.50	
	- Superheroes Party Hire	MMR009	1028					1,294.46		
	- Pamper Party Pty Ltd	MMR011	1029	5.62	56.25				1,237.41	
22/03/2021	EFTPOS Settlement 2203					987.95	89.81		898.14	
23/03/2021	EFTPOS Settlement 2303					1,987.45	180.68		1,806.77	
24/03/2021	EFTPOS Settlement 2403					2,345.90	213.26		2,132.64	
25/03/2021	EFTPOS Settlement 2503					965.35	87.76		877.59	
26/03/2021	EFTPOS Settlement 2603					1,887.55	171.60		1,715.95	
	Branch Deposit cash & cheques		BBD2892			3,045.92	112.50		1,125.00	
	- Blossom Makeup	MMR0012	1030	1.66	16.59			365.00		
	- Wedding Hair & Makeup	MMR0013	1031	2.66	26.59			585.00		
	- ABC Amateur Theatre	MMR0014	1032	4.33	43.35			953.60		
29/03/2021	EFTPOS Settlement 2903					3,412.50	310.23		3,102.27	
30/03/2021	EFTPOS Settlement 3003					2,345.90	213.26		2,132.64	
31/03/2021	EFTPOS Settlement 3103					2,323.30	211.21		2,112.09	
	Portraits by Paul	MMR0015	1034			2,985.50		2,985.50		
	Interest					37.50				37.50
	Totals			39.81	398.23	94,235.84	6,059.92	26,739.87	61,836.59	37.50

2. Accounts Receivable Subsidiary Ledger



Accounts Receivable Subsidiary Ledger

JP Hip Pty Ltd - MMR001

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
27/02/2021	Sales		2,244.50				
	GST Payable		224.45				
			<u>2,468.95</u>				
1/03/2021	balance b/d		2,468.95	4/03/2021	Cash at bank	CRJ0321	2,345.50
					Discount Allowed	CRJ0321	112.23
					GST Payable	CRJ0321	11.22

Swinging Dance Studio - MMR002

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		8,776.00				
1/03/2021	balance b/d		<u>8,776.00</u>	4/03/2021	Cash at bank	CRJ0321	8,766.00

Jack and Jill Photography - MMR003

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
28/02/2021	Sales		273.43				
	GST Payable		27.34				
			<u>300.77</u>				
1/03/2021	balance b/d		300.77	5/03/2021	Cash at bank	CRJ0321	285.73
15/03/2021	Sales	SJ03	265.00		Discount Allowed	CRJ0321	13.67
	GST Payable	SJ03	26.50		GST Payable	CRJ0321	1.37

Sydney Makeover - MMR004

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
29/03/2021	Sales	SJ03	150.00	5/03/2021	Cash at bank	CRJ0321	4,789.56
	GST Payable	SJ03	15.00				

Sydney Makeup - MMR005

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/03/2021	balance b/d		4,789.56				

D & K Jones - MMR006

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
18/02/2021	Sales	SJ03	2,590.91				
	GST Payable	SJ03	259.09				
			<u>2,850.00</u>				
1/03/2021	balance b/d		2,850.00	12/03/2021	Cash at Bank	CRJ0321	2,707.50
					Discount Allowed	CRJ0321	129.55
					GST Payable	CRJ0321	12.95

Fiona's Face Painting - MMR007

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		1,285.03				
1/03/2021	balance b/d		<u>1,285.03</u>	12/03/2021	Cash at Bank	CRJ0321	685.03

AA Theatre Company - MMR008

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/03/2021	balance b/d		696.00	17/03/2021	Cash at Bank	CRJ0321	696.00

Superheroes Party Hire - MMR009

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/03/2021	balance b/d		1,294.46	19/03/2021	Cash at Bank	CRJ0321	1,294.46

P & K Pty Ltd - MMR010

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
25/02/2021	Sales	SJ02	1,369.50				
	GST Payable	SJ02	136.95				
			<u>1,506.45</u>				
1/03/2021	balance b/d		1,506.45				

Pamper Party Pty Ltd - MMR011

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
5/03/2021	Sales	SJ02	1,124.92				
	GST Payable	SJ02	112.49				

Blossom Makeup - MMR012

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
5/03/2021	Sales	SJ02	331.82	26/03/2021	Cash at Bank	CRJ0321	346.75
	GST Payable	SJ02	33.18		Discount Allowed	CRJ0321	16.59
					GST Payable	CRJ0321	1.66

Wedding Hair & Makeup - MMR013

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
8/03/2021	Sales	SJ02	531.82	26/03/2021	Cash at Bank	CRJ0321	555.75
	GST Payable	SJ02	53.18		Discount Allowed	CRJ0321	26.59
					GST Payable	CRJ0321	2.66

ABC Amateur Theatre - MMR014

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
12/03/2021	Sales	SJ02	866.91	26/03/2021	Cash at Bank	CRJ0321	905.92
	GST Payable	SJ02	86.69		Discount Allowed	CRJ0321	43.35
					GST Payable	CRJ0321	4.33

Portraits by Paul - MMR015

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		<u>2,985.50</u>				
1/03/2021	balance b/d		2,985.50	12/03/2021	Cash at Bank	CRJ0321	2,985.50

Paint Your Face - MMR016

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		<u>4,595.50</u>				
1/03/2021	balance b/d		4,595.50				

Samantha K's Dance School - MMR017

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		<u>7,554.95</u>				
1/03/2021	balance b/d		7,554.95				

Action Training College - MMR018

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		<u>10,115.25</u>				
1/03/2021	balance b/d		10,115.25				

ALK Pty Ltd - MMR019

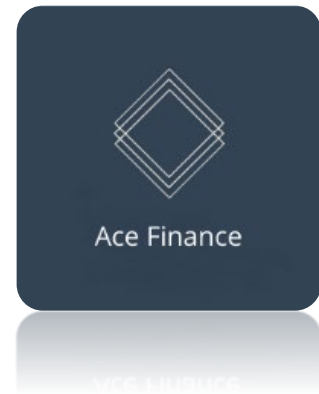
Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		<u>8.00</u>				
1/03/2021	balance b/d		8.00				

Task 1 MARKING GUIDE

- a. Students must write a memo to Melissa Murray using the memo template provided. They must include their name, date and subject. The wording in the body of the memo may vary; however, a competent answer must identify four (4) incorrect entries in the cash receipts journal. Students must specify the type of error and possible source documents they could use to check accuracy in their response. A benchmark answer has been provided below.

Task 1- Memo

memo



To: Melissa Murray
From: Students Name
Date: xx/xx/20xx
Re: Review of Accounts Receivable – Mel's Makeup

Error 1 - 04/03/2021 – Swinging Dance Studio

Source of receipt – Remittance advice / Cash receipt

Type of error – Direct Deposit {from acc 27889791} \$8,776.00 incorrectly entered into Cash Receipts Journal \$8.766.00.

Statement 23				Page 1
Date	Transaction Details	Withdrawals (\$)	Deposits (\$)	Balance (\$)
1/03/2021	Balance b/f			15,986.00 CR
	EFTPOS Settlement		2,775.45	18,761.45 CR
2/03/2021	EFTPOS Settlement		4,595.85	23,357.30 CR
3/03/2021	EFTPOS Settlement		2,346.00	25,703.30 CR
4/03/2021	Cheque 183	1,595.00		24,108.30 CR
	Direct Deposit {from acc 274385}		2,345.50	26,453.80 CR
	Direct Deposit {from acc 27889791}		8,776.00	35,229.80 CR
	EFTPOS Settlement		1,264.50	36,494.30 CR



Cash Receipts Journal

CRJ0321

Date	Details	Folio	Receipt #	GST Adj	Discount Allowed	Bank	GST Payable	Accounts Receivable Control	Sales	Sundries
1/03/2021	EFTPOS Settlement 0103					2,775.45	252.31		2,523.14	
2/03/2021	EFTPOS Settlement 0203					4,595.85	417.80		4,178.05	
3/03/2021	EFTPOS Settlement 0303					2,346.00	213.27		2,132.73	
4/03/2021	EFTPOS Settlement 0403					1,264.50	114.95		1,149.55	
	J P Hip Pty Ltd	MMR001	1021	11.22	112.23	2,345.50		2,468.95		
	Swinging Dance Studio	MMR002	1022			8,766.00		8,766.00		
5/03/2021	EFTPOS Settlement 0503					2,650.00	240.91		2,409.09	
	Branch Deposit cash & cheques		BBD2890			9,865.79	435.50		4,355.00	

Error 2 - 18/03/2021 - Dishonoured cheque D & K Jones

Source of receipt - Bank statement

Type of error - Dishonoured cheque \$2,707.50 not recorded in the Cash Receipts Journal.

Account No.

027-000

20-00001

Page 2

Date	Transaction Details	Withdrawals (\$)	Deposits (\$)	Balance (\$)
18/03/2021	EFTPOS Settlement		1,987.45	68,862.82 CR
	Dishonoured cheque - D & K Jones	2,707.50		66,155.32 CR
	Dishonoured cheque fee	22.00		66,133.32 CR
19/03/2021	EFTPOS Settlement		2,342.55	68,475.87 CR



Cash Receipts Journal


CRJ0321

Date	Details	Folio	Receipt #	GST Adj	Discount Allowed	Bank	GST Payable	Accounts Receivable Control	Sales	Sundries
17/03/2021	EFTPOS Settlement 1703					2,234.95	203.18		2,031.77	
	AA Theatre Company	MMR008	1027			696.00		696.00		
18/03/2021	EFTPOS Settlement 1803					1,987.45	180.68		1,806.77	
19/03/2021	EFTPOS Settlement 1903					2,342.55	212.96		2,129.59	
	Branch Deposit cash & cheques		BBD2892			4,522.05	186.55		1,865.50	

Error 3 - 19/03/2021 – Pamper Party Pty Ltd

Source of receipt – Deposit book / Cash receipt

Type of error - Branch Deposit cash & cheques – Payment from Pamper Party Pty Ltd recorded in the Sales column of the Cash Receipts Journal instead of Accounts Receivable Control column.


										
CRJ0321										
Date	Details	Folio	Receipt #	GST Adj	Discount Allowed	Bank	GST Payable	Accounts Receivable Control	Sales	Sundries
19/03/2021	EFTPOS Settlement 1903					2,342.55	212.96		2,129.59	
	Branch Deposit cash & cheques		BBD2892			4,522.05	186.55		1,865.50	
	- Superheroes Party Hire	MMR009	1028					1,294.46		
	- Pamper Party Pty Ltd	MMR011	1029	5.62	56.25				1,237.41	
22/03/2021	EFTPOS Settlement 2203					987.95	89.81		898.14	

Error 4 - 31/03/2021 – P & K Pty Ltd

Source of receipt – Bank Statement

Type of error – Direct Deposit {from acc 13245} P&K P\L for \$1369.50 not recorded in the Cash Receipts Journal.

Account No. 027-000 20-00001				
Page 2				
Date	Transaction Details	Withdrawals (\$)	Deposits (\$)	Balance (\$)
31/03/2021	EFTPOS Settlement		2,323.30	32,157.24 CR
	Direct Deposit {from acc 13245} P&K P\L		1,369.50	33,526.74 CR
	Direct Deposit {from acc 64378789}		2,985.50	36,512.24 CR
	Interest		37.50	36,549.74 CR

										
CRJ0321										
Date	Details	Folio	Receipt #	GST Adj	Discount Allowed	Bank	GST Payable	Accounts Receivable Control	Sales	Sundries
30/03/2021	EFTPOS Settlement 3003					2,345.90	213.26		2,132.64	
31/03/2021	EFTPOS Settlement 3103					2,323.30	211.21		2,112.09	
	Portraits by Paul	MMR0015	1034			2,985.50		2,985.50		
	Interest					37.50				37.50
	Totals			39.81	398.23	94,235.64	6,059.92	26,739.87	61,836.59	37.50

b. Wording may vary; however, students must identify the following five (5) discrepancies between the amounts owed and amounts recorded in the Accounts Receivable Subsidiary Ledger and describe what action they took to investigate these discrepancies. Actions taken must demonstrate the students understanding of:

- checking source documents to verify the accuracy of the transaction
- the need to contact customers to discuss discrepancies with payments
- procedure for posting from journals to ledgers.

Discrepancies	Actions taken to investigate and correct discrepancies																																																																																
<p>4/03/2021</p> <p>Direct Deposit \$8,776.00 incorrectly entered into the Cash Receipts Journal and posted to the ledger.</p>	<p>Incorrect Posting Subsidiary Ledger</p> <table border="1" data-bbox="300 707 1489 853"> <thead> <tr> <th colspan="8">Swinging Dance Studio - MMR002</th> </tr> <tr> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1/02/2021</td> <td>balance b/d</td> <td></td> <td>8,776.00</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1/03/2021</td> <td>balance b/d</td> <td></td> <td>8,776.00</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>4/03/2021</td> <td>Cash at bank</td> <td>CRJ0321</td> <td>8,766.00</td> </tr> </tbody> </table> <p>Corrected Posting Subsidiary Ledger</p> <table border="1" data-bbox="300 954 1489 1099"> <thead> <tr> <th colspan="8">Swinging Dance Studio - MMR002</th> </tr> <tr> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1/02/2021</td> <td>balance b/d</td> <td></td> <td>8,776.00</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1/03/2021</td> <td>balance b/d</td> <td></td> <td>8,776.00</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>4/03/2021</td> <td>Cash at bank</td> <td>CRJ0321</td> <td>8,776.00</td> </tr> </tbody> </table> <p>Checked the balance outstanding in the accounts receivable subsidiary ledger against the amount paid.</p> <p>Reviewed source documents – invoice, remittance advice.</p> <p>Corrected amount received in Cash Receipts Journal and amount posted to the:</p> <ul style="list-style-type: none"> • Accounts Receivable Subsidiary Ledger • Accounts Receivable Control Account • Bank Ledger account. 	Swinging Dance Studio - MMR002								Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount	1/02/2021	balance b/d		8,776.00					1/03/2021	balance b/d		8,776.00									4/03/2021	Cash at bank	CRJ0321	8,766.00	Swinging Dance Studio - MMR002								Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount	1/02/2021	balance b/d		8,776.00					1/03/2021	balance b/d		8,776.00									4/03/2021	Cash at bank	CRJ0321	8,776.00
Swinging Dance Studio - MMR002																																																																																	
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				4/03/2021	Cash at bank	CRJ0321	8,776.00																																																																										
<p>05/03/2021</p> <p>A cheque from Sydney Makeup has been applied to the account of Sydney Makeover in the subsidiary ledger.</p>	<p>Incorrect Posting Subsidiary Ledger</p> <table border="1" data-bbox="300 1624 1489 1727"> <thead> <tr> <th colspan="8">Sydney Makeover - MMR004</th> </tr> <tr> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>29/03/2021</td> <td>Sales</td> <td>SJ03</td> <td>150.00</td> <td>5/03/2021</td> <td>Cash at bank</td> <td>CRJ0321</td> <td>4,789.56</td> </tr> <tr> <td></td> <td>GST Payable</td> <td>SJ03</td> <td>15.00</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <table border="1" data-bbox="300 1783 1489 1872"> <thead> <tr> <th colspan="8">Sydney Makeup - MMR005</th> </tr> <tr> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1/03/2021</td> <td>balance b/d</td> <td></td> <td>4,789.56</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Sydney Makeover - MMR004								Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount	29/03/2021	Sales	SJ03	150.00	5/03/2021	Cash at bank	CRJ0321	4,789.56		GST Payable	SJ03	15.00					Sydney Makeup - MMR005								Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount	1/03/2021	balance b/d		4,789.56																												
Sydney Makeover - MMR004																																																																																	
Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount																																																																										
29/03/2021	Sales	SJ03	150.00	5/03/2021	Cash at bank	CRJ0321	4,789.56																																																																										
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1/03/2021	balance b/d		4,789.56																																																																														

Correct Posting Subsidiary Ledger

Sydney Makeover - MMR004							
Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
29/03/2021	Sales	SJ03	150.00	5/03/2021	Cash at bank	CRJ0321	4,789.56
	GST Payable	SJ03	15.00				
5/03/2021	Cash at bank	CRJ0321	4,789.56				
Sydney Makeup - MMR005							
Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/03/2021	balance b/d		4,789.56	5/03/2021	Cash at bank	CRJ0321	4,789.56

Checked the balance outstanding in the accounts receivable subsidiary ledger against the amount paid.

Contacted the customer to confirm if a payment was made in error.

Reviewed source documents – invoice, remittance advice.

05/03/2021 Reversed posting in the Sydney Makeover - MMR004 Subsidiary ledger and post payment to Sydney Makeup – MMR005.

18/03/2021

A dishonoured cheque from D & K Jones was not entered in the Cash Receipts Journal.

Incorrect Posting Subsidiary Ledger

D & K Jones - MMR006							
Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
18/02/2021	Sales	SJ03	2,590.91				
	GST Payable	SJ03	259.09				
			2,850.00				
1/03/2021	balance b/d		2,850.00	12/03/2021	Cash at Bank	CRJ0321	2,707.50
					Discount Allowed	CRJ0321	129.55
					GST Payable	CRJ0321	12.95

Correct Posting Subsidiary Ledger

D & K Jones - MMR006							
Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
18/02/2021	Sales	SJ03	2,590.91				
	GST Payable	SJ03	259.09				
			2,850.00				
1/03/2021	balance b/d		2,850.00	12/03/2021	Cash at Bank	CRJ0321	2,707.50
18/03/2021	Cash at Bank	CRJ0321	2,707.50		Discount Allowed	CRJ0321	129.55
	Discount Allowed	CRJ0321	129.55		GST Payable	CRJ0321	12.95
	GST Payable	CRJ0321	12.95				

Reversed the entry in the Cash Receipts Journal.

Reversed the entry in the subsidiary ledger of D & K Jones.

Adjusted the amount posted to the:

- Accounts Receivable Control Account
- GST Payable Ledger
- Discount Allowed Ledger
- Cash at Bank Ledger

	<p>Contacted customer to discuss dishonoured cheque.</p> <p>Highlighted the discrepancy on the statement of account sent to the customer.</p>																																																
<p>19/03/2021 – Pamper Party Pty Ltd. Incorrectly recorded in the Sales column of the Cash Receipts Journal</p>	<p>Corrected Cash Receipts Journal by removing amount paid from Sales column and including in the Accounts Receivable Control column. Post payment to Pamper Party Pty Ltd – MMR011 Subsidiary Ledger and amended amounts posted to the:</p> <ul style="list-style-type: none"> • Sales Ledger. • Account Receivable Control Account <p>Corrected Posting Subsidiary Ledger</p> <table border="1" data-bbox="300 654 1513 846"> <thead> <tr> <th colspan="8">Pamper Party Pty Ltd - MMR011</th> </tr> <tr> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>5/03/2021</td> <td>Sales</td> <td>SJ02</td> <td>1,124.92</td> <td>19/03/2021</td> <td>Cash at Bank</td> <td>CRJ0321</td> <td>1175.54</td> </tr> <tr> <td></td> <td>GST Payable</td> <td>SJ02</td> <td>112.49</td> <td></td> <td>Discount Allowed</td> <td>CRJ0321</td> <td>56.25</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>GST Payable</td> <td>CRJ0321</td> <td>5.62</td> </tr> </tbody> </table>	Pamper Party Pty Ltd - MMR011								Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount	5/03/2021	Sales	SJ02	1,124.92	19/03/2021	Cash at Bank	CRJ0321	1175.54		GST Payable	SJ02	112.49		Discount Allowed	CRJ0321	56.25						GST Payable	CRJ0321	5.62								
Pamper Party Pty Ltd - MMR011																																																	
Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount																																										
5/03/2021	Sales	SJ02	1,124.92	19/03/2021	Cash at Bank	CRJ0321	1175.54																																										
	GST Payable	SJ02	112.49		Discount Allowed	CRJ0321	56.25																																										
					GST Payable	CRJ0321	5.62																																										
<p>31/03/2021 Transaction not recorded in the Cash Receipts Journal and amount paid is the GST excluded amount.</p>	<p>Posting Subsidiary Ledger</p> <table border="1" data-bbox="300 952 1513 1137"> <thead> <tr> <th colspan="8">P & K Pty Ltd - MMR010</th> </tr> <tr> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> <th>Date</th> <th>Particulars</th> <th>Folio</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>25/02/2021</td> <td>Sales</td> <td>SJ02</td> <td>1,369.50</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>GST Payable</td> <td>SJ02</td> <td>136.95</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>1,506.45</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1/03/2021</td> <td>balance b/d</td> <td></td> <td>1,506.45</td> <td>31/03/2021</td> <td>Cash at Bank</td> <td>CRJ0321</td> <td>1,369.50</td> </tr> </tbody> </table> <p>Record transaction in Cash Receipts Journal</p> <p>Checked the invoice to confirm the GST has been calculated correctly.</p> <p>Highlighted the discrepancy on the statement of account sent to the customer.</p> <p>Post to P & K Pty Ltd Subsidiary Ledger and amend amounts posted to</p> <ul style="list-style-type: none"> • Account Receivable Control Account • Cash at Bank Ledger 	P & K Pty Ltd - MMR010								Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount	25/02/2021	Sales	SJ02	1,369.50						GST Payable	SJ02	136.95								1,506.45					1/03/2021	balance b/d		1,506.45	31/03/2021	Cash at Bank	CRJ0321	1,369.50
P & K Pty Ltd - MMR010																																																	
Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount																																										
25/02/2021	Sales	SJ02	1,369.50																																														
	GST Payable	SJ02	136.95																																														
			1,506.45																																														
1/03/2021	balance b/d		1,506.45	31/03/2021	Cash at Bank	CRJ0321	1,369.50																																										

Task 2 - Amend Receipts Entered



Amend receipts entered

Hi there,

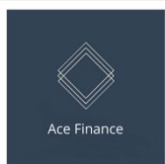
Melissa has asked if we can amend the identified discrepancies between the March 2021 bank statement, Cash Receipts Journal and Accounts Receivable Subsidiary Ledger.

Would you please action her request and update the Cash Receipts Journal and Accounts Receivable Subsidiary Ledger (provided in Task 1).



This task is to be completed in the Assessment Workbook (Excel Document) provided in Task 1. Once you have updated the Cash Receipts Journal and Accounts Receivable Subsidiary Ledger tabs, save the assessment workbook so that your changes are saved.

Warm regards,



Andrew | Manager
andrew@ace.finance

Task 2 MARKING GUIDE

Using the Excel Assessment Workbook, students must correct the errors they identified in the Cash Receipts Journal and Accounts Receivable Subsidiary Ledger. A correct response with highlighted changes has been provided below.

Corrected Cash Receipts Journal



Cash Receipts Journal

CRJ0321

Date	Details	Folio	Receipt #	GST Adj	Discount Allowed	Bank	GST Payable	Accounts Receivable Control	Sales	Sundries
1/03/2021	EFTPOS Settlement 0103					2,775.45	252.31		2,523.14	2,775.45
2/03/2021	EFTPOS Settlement 0203					4,595.85	417.80		4,178.05	4,595.85
3/03/2021	EFTPOS Settlement 0303					2,346.00	213.27		2,132.73	2,346.00
4/03/2021	EFTPOS Settlement 0403					1,264.50	114.95		1,149.55	1,264.50
	J P Hip Pty Ltd	MMR001	1021	11.22	112.23	2,345.50		2,468.95		
	Swinging Dance Studio	MMR002	1022			8,776.00		8,776.00		
5/03/2021	EFTPOS Settlement 0503					2,650.00	240.91		2,409.09	
	Branch Deposit cash & cheques		BBD2890			9,865.79	435.50		4,355.00	
	- Jack & Jill Photography	MMR003	1023	1.37	13.67			300.77		
	- Sydney Makeup	MMR004	1024					4,789.56		
8/03/2021	EFTPOS Settlement 0803					979.00	89.00		890.00	
9/03/2021	EFTPOS Settlement 0903					2,768.95	251.72		2,517.23	
10/03/2021	EFTPOS Settlement 1003					5,410.15	491.83		4,918.32	
11/03/2021	EFTPOS Settlement 1103					2,453.20	223.02		2,230.18	
12/03/2021	EFTPOS Settlement 1203					2,398.00	218.00		2,180.00	
	Branch Deposit cash & cheques		BBD2891			7,094.03	336.50		3,365.00	
	- D & K Jones	MMR006	1025	12.95	129.55			2,850.00		
	- Fiona's Face Painting	MMR007	1026					685.03		
15/03/2021	EFTPOS Settlement 1503					3,119.05	283.55		2,835.50	
16/03/2021	EFTPOS Settlement 1603					1,296.55	117.87		1,178.68	
17/03/2021	EFTPOS Settlement 1703					2,234.95	203.18		2,031.77	
	AA Theatre Company	MMR008	1027			696.00		696.00		
18/03/2021	EFTPOS Settlement 1803					1,987.45	180.68		1,806.77	
18/03/2021	Dishonoured Cheque - D & K Jones	MMR006	1025	- 12.95	- 129.55	- 2,707.50		- 2,850.00		
19/03/2021	EFTPOS Settlement 1903					2,342.55	212.96		2,129.59	2,342.55
	Branch Deposit cash & cheques		BBD2892			4,522.05	186.55		1,865.50	
	- Superheroes Party Hire	MMR009	1028					1,294.46		
	- Pamper Party Pty Ltd	MMR011	1029	5.62	56.25			1,237.41		4,522.05
22/03/2021	EFTPOS Settlement 2203					987.95	89.81		898.14	987.95
23/03/2021	EFTPOS Settlement 2303					1,987.45	180.68		1,806.77	1,987.45
24/03/2021	EFTPOS Settlement 2403					2,345.90	213.26		2,132.64	2,345.90
25/03/2021	EFTPOS Settlement 2503					965.35	87.76		877.59	965.35
26/03/2021	EFTPOS Settlement 2603					1,887.55	171.60		1,715.95	1,887.55
	Branch Deposit cash & cheques		BBD2892			3,045.92	112.50		1,125.00	
	- Blossom Makeup	MMR012	1030	1.66	16.59			365.00		
	- Wedding Hair & Makeup	MMR013	1031	2.66	26.59			585.00		
	- ABC Amateur Theatre	MMR014	1032	4.33	43.35			953.60		3,045.92
29/03/2021	EFTPOS Settlement 2903					3,412.50	310.23		3,102.27	3,412.50
30/03/2021	EFTPOS Settlement 3003					2,345.90	213.26		2,132.64	2,345.90
31/03/2021	EFTPOS Settlement 3103					2,323.30	211.21		2,112.09	2,323.30
	Portraits by Paul	MMR015	1034			2,985.50		2,985.50		2,985.50
	P & K Pty Ltd	MMR010				1,369.50		1,369.50		1,369.50
	Interest					37.50				37.50
	Totals			26.86	268.68	92,907.84	6,059.91	26,506.78	60,599.19	37.50

93,203.38

93,203.38

Corrected Accounts Receivable Subsidiary Ledger



Accounts Receivable Subsidiary Ledger

J P Hip Pty Ltd - MMR001

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
27/02/2021	Sales		2,244.50				
	GST Payable		224.45				
			<u>2,468.95</u>				
1/03/2021	balance b/d		2,468.95	4/03/2021	Cash at bank	CRJ0321	2,345.50
					Discount Allowed	CRJ0321	112.23
					GST Payable	CRJ0321	11.22

Swinging Dance Studio - MMR002

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		8,776.00				
1/03/2021	balance b/d		8,776.00	4/03/2021	Cash at bank	CRJ0321	8,776.00

Jack and Jill Photography - MMR003

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
28/02/2021	Sales		273.43				
	GST Payable		27.34				
			<u>300.77</u>				
1/03/2021	balance b/d		300.77	5/03/2021	Cash at bank	CRJ0321	285.73
15/03/2021	Sales	SJ03	265.00		Discount Allowed	CRJ0321	13.67
	GST Payable	SJ03	26.50		GST Payable	CRJ0321	1.37

Sydney Makeover - MMR004

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
29/03/2021	Sales	SJ03	150.00	5/03/2021	Cash at bank	CRJ0321	4,789.56
	GST Payable	SJ03	15.00				
5/03/2021	Cash at bank	CRJ0321	4,789.56				

Sydney Makeup - MMR005

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/03/2021	balance b/d		4,789.56	5/03/2021	Cash at bank	CRJ0321	4,789.56

D & K Jones - MMR006

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
18/02/2021	Sales	SJ03	2,590.91				
	GST Payable	SJ03	259.09				
			<u>2,850.00</u>				
1/03/2021	balance b/d		2,850.00	12/03/2021	Cash at Bank	CRJ0321	2,707.50
18/03/2021	Cash at Bank	CRJ0321	2,707.50		Discount Allowed	CRJ0321	129.55
	Discount Allowed	CRJ0321	129.55		GST Payable	CRJ0321	12.95
	GST Payable	CRJ0321	12.95				

Fiona's Face Painting - MMR007

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		1,285.03				
1/03/2021	balance b/d		1,285.03	12/03/2021	Cash at Bank	CRJ0321	685.03

AA Theatre Company - MMR008

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/03/2021	balance b/d		696.00	17/03/2021	Cash at Bank	CRJ0321	696.00

Superheroes Party Hire - MMR009

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/03/2021	balance b/d		1,294.46	19/03/2021	Cash at Bank	CRJ0321	1,294.46

P & K Pty Ltd - MMR010

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
25/02/2021	Sales	SJ02	1,369.50				
	GST Payable	SJ02	136.95				
			<u>1,506.45</u>				
1/03/2021	balance b/d		1,506.45	31/03/2021	Cash at Bank	CRJ0321	1,369.50

Pamper Party Pty Ltd - MMR011

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
5/03/2021	Sales	SJ02	1,124.92	19/03/2021	Cash at Bank	CRJ0321	1175.54
	GST Payable	SJ02	112.49		Discount Allowed	CRJ0321	56.25
					GST Payable	CRJ0321	5.62

Blossom Makeup - MMR012

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
5/03/2021	Sales	SJ02	331.82	26/03/2021	Cash at Bank	CRJ0321	346.75
	GST Payable	SJ02	33.18		Discount Allowed	CRJ0321	16.59
					GST Payable	CRJ0321	1.66

Wedding Hair & Makeup - MMR013

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
8/03/2021	Sales	SJ02	531.82	26/03/2021	Cash at Bank	CRJ0321	555.75
	GST Payable	SJ02	53.18		Discount Allowed	CRJ0321	26.59
					GST Payable	CRJ0321	2.66

ABC Amateur Theatre - MMR014

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
12/03/2021	Sales	SJ02	866.91	26/03/2021	Cash at Bank	CRJ0321	905.92
	GST Payable	SJ02	86.69		Discount Allowed	CRJ0321	43.35
					GST Payable	CRJ0321	4.33

Portraits by Paul - MMR015

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		<u>2,985.50</u>				
1/03/2021	balance b/d		2,985.50	12/03/2021	Cash at Bank	CRJ0321	2,985.50

Paint Your Face- MMR016

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		<u>4,595.50</u>				
1/03/2021	balance b/d		4,595.50				

Samantha K's Dance School - MMR017

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		<u>7,554.95</u>				
1/03/2021	balance b/d		7,554.95				

Action Training College - MMR018

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		<u>10,115.25</u>				
1/03/2021	balance b/d		10,115.25				

ALK Pty Ltd - MMR019

Date	Particulars	Folio	Amount	Date	Particulars	Folio	Amount
1/02/2021	balance b/d		<u>8.00</u>				
1/03/2021	balance b/d		8.00				

Task 3 – Identify bad and doubtful debts



Identify bad and doubtful debts

Hi there,

Great work in identifying the errors in the cash receipts journal. Now that all the transactions have been corrected and posted to the subsidiary ledgers, could you prepare:

- a. A Reconciliation Statement for 31 March 2021.
- b. A Statement of Account for D & K Jones and P & K Pty Ltd as at the end of March 2021 verifies outstanding amounts and adheres to Mel's Makeup's accounts receivable procedure.
- c. An Aged Receivables Summary report to the end of March 2021.



These tasks are to be completed in the Assessment Workbook (Excel Document) provided in Task 1. **Once you have completed each task, save the assessment workbook so that your work is saved.**

Melissa has sent through the following Aged Receivables Summary report to the end of February. She has confirmed the accounts receivable control account balance at the end of February was \$49,226.42 and at the end of March \$26,317.15.

Account	Ledger No.	Total	Current	< 1 Month	1 Month	2 Months	3 Months	Older
J P Hip Pty Ltd	MMR001	2,468.95	2,468.95					
Swinging Dance Studio	MMR002	8,776.00				8,776.00		
Jack and Jill Photography	MMR003	300.77	300.77					
Sydney Makeup	MMR005	4,789.56			4,789.56			
D & K Jones	MMR006	2,850.00	2,850.00					
Fiona's Face Painting	MMR007	1,285.03			1,285.03			
AA Theatre Company	MMR008	696.00		696.00				
Superheroes Party Hire	MMR009	1,294.46		1,294.46				
P & K Pty Ltd	MMR010	1,506.45	1,506.45					
Portraits by Paul	MMR015	2,985.50				2,985.50		
Paint your Face	MMR016	4,595.50						4,595.50
Samantha K's Dance School	MMR017	7,554.95						7,554.95
Action Training College	MMR018	10,115.25						10,115.25
ALK Pty Ltd	MMR019	8.00				8.00		
Totals		49,226.42	7,126.17	1,990.46	6,074.59	11,769.50	0.00	22,265.70

Warm regards,



Andrew | Manager
andrew@ace.finance

Task 3a MARKING GUIDE

Students must produce a Reconciliation Statement that lists customers who have outstanding invoices as at 31 March 2021, each customer ledger number and outstanding balance. The reconciliation statement total must equal \$26,317.15 as per the benchmark answer below.

Account	Ledger No.	Total
Jack and Jill Photography	MMR003	291.50
Sydney Makeover	MMR004	165.00
D & K Jones	MMR006	2,850.00
Fiona's Face Painting	MMR007	600.00
P & K Pty Ltd	MMR010	136.95
Paint Your Face	MMR016	4,595.50
Samantha K's Dance School	MMR017	7,554.95
Action Training College	MMR018	10,115.25
ALK Pty Ltd	MMR019	8.00
Total		26,317.15

Task 3b MARKING GUIDE

Students must produce a Statements of Account for P & K Pty Ltd and D & K Jones. A benchmark response and assessor checklist for both Statement of Accounts has been provided below.

For P & K Pty Ltd, the statement must include:

Statement Criteria	Yes	No
Accounts Receivable Customers name - P & K Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>
1 March 2021 opening balance of \$1,506.45	<input type="checkbox"/>	<input type="checkbox"/>
31 March 2021 payment of \$1,369.50	<input type="checkbox"/>	<input type="checkbox"/>
Balance due \$136.95	<input type="checkbox"/>	<input type="checkbox"/>

Note to the customer from Mel's Makeup accounts receivable procedure.
 We understand that oversights happen but would appreciate prompt payment of this amount.
 Could you please let our accounts department accounts@melsmakeup.com.au know when we can expect payment?
 If payment has already been made, please disregard this email. If you believe an error has been made, don't hesitate to contact our accounts department to discuss.
 Thanks in advance for your cooperation.

<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------



Statement From Date: 1/03/2021
 Statement To Date: 31/03/2021

Mel's Makeup
 200 Main Street
 SYDNEY NSW 2000

STATEMENT OF ACCOUNT

To: P & K Pty Ltd

Date	Activity	Due Date	Invoice Amount	Payments	Balance AUD
1-Mar-21	Opening Balance				1,506.45
31-Mar-21	Payment on Invoice			1,369.50	
BALANCE DUE AUD					\$ 136.95

NOTE TO CUSTOMER

We understand that oversights happen but would appreciate prompt payment of this amount.
 Could you please let our accounts department accounts@melsmakeup.com.au know when we can expect payment?
 If payment has already been made, please disregard this email. If you believe an error has been made, don't hesitate to contact our accounts department to discuss.
Thanks in advance for your cooperation.

When paying by cheque, please complete this payment advice, detach and post to the address provided.
 Online payment preferred - use our account 027-000 20-00001 or use the 'Pay online now' link to pay via PayPal with your credit card.



PAYMENT ADVICE

Overdue	Current	Total AUD Due
136.95		136.95

To: Mel's Makeup
 Attention: Melissa
 200 Main Street
 SYDNEY NSW 2000

Amount Enclosed:

Customer: P & K Pty Ltd

For D & K Jones, the statement must include:

Statement Criteria	Yes	No
Accounts Receivable Customers name - D & K Jones	<input type="checkbox"/>	<input type="checkbox"/>
1 March 2021 opening balance of \$2,850.00	<input type="checkbox"/>	<input type="checkbox"/>
12 March 2021 prompt payment discount of \$142.50	<input type="checkbox"/>	<input type="checkbox"/>
12 March 2021 payment of \$2,707.50	<input type="checkbox"/>	<input type="checkbox"/>
18 March 2021 reversal of payment due to the dishonoured cheque of \$2,707.50	<input type="checkbox"/>	<input type="checkbox"/>
18 March 2021 reversal of prompt payment discount \$142.50	<input type="checkbox"/>	<input type="checkbox"/>
Balance due \$2,850.00	<input type="checkbox"/>	<input type="checkbox"/>
<p>Note to the customer from Mel's Makeup accounts receivable procedure. <i>We understand that oversights happen but would appreciate prompt payment of this amount. Could you please let our accounts department accounts@melsmakeup.com.au know when we can expect payment? If payment has already been made, please disregard this email. If you believe an error has been made, don't hesitate to contact our accounts department to discuss. Thanks in advance for your cooperation.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>



Statement From Date: 1/03/2021

Statement To Date: 31/03/2021

Mel's Makeup
200 Main Street
SYDNEY NSW 2000

STATEMENT OF ACCOUNT

To: D & K Jones

Date	Activity	Due Date	Invoice Amount	Payments	Balance AUD
1-Mar-21	Opening Balance				2,850.00
12-Mar-21	Prompt payment discount (CR Invoice)		-142.50		2,707.50
12-Mar-21	Payment on invoice # MM1043			-2,707.50	0.00
18-Mar-21	Payment reversed (Dishonoured cheque)		2,707.50		2,707.50
18-Mar-21	Prompt payment discount reversed		142.50		2,850.00
BALANCE DUE AUD					\$ 2,850.00

NOTE TO CUSTOMER

We understand that oversights happen but would appreciate prompt payment of this amount.

Could you please let our accounts department accounts@melsmakeup.com.au know when we can expect payment?

If payment has already been made, please disregard this email. If you believe an error has been made, don't hesitate to contact our accounts department to discuss.

Thanks in advance for your cooperation.

When paying by cheque, please complete this payment advice, detach and post to the address provided.

Online payment preferred - use our account 027-000 20-00001 or use the 'Pay online now' link to pay via PayPal with your credit card.

PAYMENT ADVICE

Overdue	Current	Total AUD Due
2,850.00		2,850.00

To: Mel's Makeup
Attention: Melissa
200 Main Street
SYDNEY NSW 2000

Amount Enclosed:

Customer: D & K Jones

Task 3c MARKING GUIDE

Students must produce an aged receivables summary report that lists customers who have outstanding invoices as at 31 March 2021, each customer ledger number and outstanding balance. The aged receivables total must equal \$ 26,317.15. A exemplar answer has been provided below.



Aged Receivables Summary

As at 31 March 2021

Account	Ledger No.	Total	Current	< 1 Month	1 Month	2 Months	3 Months	Older
Jack and Jill Photography	MMR003	291.50	291.50					
Sydney Makeover	MMR004	165.00	165.00					
D & K Jones	MMR006	2,850.00			2,850.00			
Fiona's Face Painting	MMR007	600.00				600.00		
P & K Pty Ltd	MMR010	136.95			136.95			
Paint your Face	MMR016	4,595.50						4,595.50
Samantha K's Dance School	MMR017	7,554.95						7,554.95
Action Training College	MMR018	10,115.25						10,115.25
ALK Pty Ltd	MMR019	8.00					8.00	
Totals		26,317.15	456.50	0.00	2,986.95	600.00	8.00	22,265.70

Task 4 - Plan a recovery action for clients in default of trading terms



Recovery action for bad debts

Hi there,

Melissa is in the process of recruiting a Finance Manager and has asked us to take on this role until a replacement is found.

She has sent through a debt summary report as at 10 April 2021 (see below) and a record of all contact they have had with customers who have money outstanding (included at the end of this email under Task 4b - Overdue Accounts Customer Payments Record). Melissa has asked us to follow up on these overdue payments for her.

Mel's Makeup Debt Summary Report as at 10 April 2021

Account	Original Value of Debt	Outstanding Total	Invoice No	Date of Invoice	Contacts Name	Contact details
D & K Jones	2,850.00	2,850.00	MM1043	18/02/2021	David Jones	d.jones@gmail.com 123 South St Balmain NSW 2041
Fiona's Face Painting	600.00	600.00	MM0979	5/01/2021	Fiona Day	fiona's@fiona'sface.com.au 56 Queen St Sydney NSW 2000
Paint your Face	4,595.50	4,595.50	MM0956	23/12/2020	Lewis Smith	accounts@paintyourface.com.au 18 Wells Pde Liverpool NSW 2170
Action Training College	10,115.25	5,115.25	MM0947	13/12/2020	Brad Night	accounts@actiontraining.com.au 100 River Rd Ryde NSW 2021
ALK Pty Ltd	1,980.00	8.00	MM0902	11/11/2020	Philip Paul	accounts@alkptyltd.com 23 Victoria Rd Mortdale NSW 2223

I need you to:

- a. Review Mel's Makeup's Debt Management Policy and all previous communications with the customers listed in the Debt Summary Report.
 - i. Using the Task 4a – Answer Template provided at the end of this task, describe what action you would propose next for each customer listed in the Debt Summary Report.
 - ii. If required, use the templates available on the [Business Victoria website](#) to pursue debt recovery. Ensure your actions align with Mel's Makeups Finance Policy and Procedure Manual.



In this task, you may be required to draft emails to customers using templates from the Business Victoria website. If emails are necessary, use the Windows Snipping Tool to copy the email and paste it into the box provided in Task 4a – Answer Template.

[Click Here](#) for instructions on how to use the Snipping Tool.

b. Update the Task 4b - Overdue Accounts Customer Payments Record by:

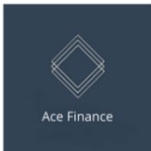
- recording the action you propose to recover outstanding payments for each customer
- listing all future options available to Mel's Makeup to pursue debt recovery for each customer. [Approximately 150 words per customer].

Once you have completed the task above, we need to report to Melissa on the state of her business's debts and file all documents we have updated according to Mel's Makeup's Finance Policy and Procedures.

c. Using the attached email template, draft an email to Melissa. Provides a brief overview of the current state of each outstanding account and a debt recovery plan for each customer. Also, please include the name and location where you would save the updated overdue accounts customer payments record so the new Finance Manager can review it. Please cc me on the email.

After completing this task, pdf a copy of all documents and submit them for assessment.

Warm regards,



Andrew | Manager
andrew@ace.finance

Task 4a MARKING GUIDE

Students must describe what action they would take for each customer listed in the Debt Summary Report.

Mel's Makeups Debt Management Policy aligns with the recommended steps businesses can take to recover outstanding money and measures they can put in place to reduce the chance of it happening again, as outlined on the [Business Victoria website](#).

For customers who default on Mel's Makeups trading terms and have not responded to previous reminder emails, students must pursue customers to recover outstanding money by following the steps outlined and templates provided on the Business Victoria Website.

Student responses must demonstrate they have treated debtors with fairness, respect and courtesy. They must not harass or coerce debtors, treat them unconscionably or mislead them about the nature of their debt, their legal obligations or any possible outcomes if the debt is not paid.

Benchmark answers have been provided below for each of the accounts receivable customers.

Task 4a – Answer Template

D & K Jones

Describe the action you would take.	Give the customer another call & or send an email or letter reminding them of the money owing and requesting payment.
Using the Business Victoria overdue email template, students must draft an overdue invoice reminder for D & K Jones as per the benchmark answer below. Both accounts@melsmakeup.com and financemanager@melsmakeup.com must be cc'd in the email.	

Overdue email template

To: d.jones@gmail.com

CC: accounts@melsmakeup.com financemanager@melsmakeup.com

Subject: Overdue Invoice Reminder – **URGENT ACTION REQUIRED**

Dear David

We regret to advise that the following invoice is now 14 days overdue:

Invoice Date: **18 February 2021**

Invoice No: **MM1043**

Invoice Amount: **\$2,850.00**

We require immediate payment of this amount to avoid further action. Could you please let me know when we can expect payment?

If payment has already been made, please disregard this email.

Thanks in advance for your understanding and cooperation.

Best regards

(insert Name)

(insert position title)

Fiona's Face Painting

Describe the action you would take.

Write off debt - Customer payments that remain outstanding for three months are written off as bad debts, and no further sales are to be undertaken with that customer without approval from The Finance Manager.

Add Email here if required

Paint your Face

Describe the action you would take.

Send Paint your Face a formal letter of demand.

Using the Business Victoria letter of demand template, students must draft a formal letter of demand. Melissa Murray, Managing Director, must sign the letter.

Letter of demand template

Paint your Face
18 Wells Pde
Liverpool NSW 2170

XX / XX / XXXX

Dear Lewis

Re: Letter of Demand for unpaid invoice

Invoice Date: 23/12/2020

Invoice No: MM0956

Invoice Amount: \$4,595 50

As you are aware the above invoice remains unpaid by you. Despite numerous reminder emails and telephone calls requesting payment of this account, the debt remains owing.

Accordingly, we advise that if payment in the sum of \$4,595 50 is not received by this office within seven days of the date of this letter, we will instruct our solicitor to issue proceedings against you, to recover the unpaid debt together with our legal costs.

Yours sincerely

Melissa Murray
Managing Director

Action Training College

Describe the action you would take.	No action was taken. Promised payment received; therefore, repayment arrangement has been complied with.
-------------------------------------	--

	Students' responses must demonstrate they have treated debtors with fairness and have not harassed them.
Add Email here if required.	

ALK Pty Ltd

Describe the action you would take.	<p>Write off bad debt. - Debt is under \$10.00</p> <p>Customer payments that remain outstanding for three months are written off as bad debts</p> <p>The Finance Manager is to apply to the Managing Director to write-off a receivable when the amount outstanding is less than \$10.00 (excluding GST), and it is not viable to chase the debt.</p>
Add Email here if required.	

Task 4b MARKING GUIDE

Wording may vary, but students responses must demonstrate they have followed Mel's Makeup Pty Ltd Finance Policy and Procedures and treated debtors with fairness, respect and courtesy. They must not harass or coerce them, treat them unconscionably or mislead them about the nature of their debt, their legal obligations or any possible outcomes if the debt is not paid. Benchmark answers have been provided below for each of the accounts receivable customers.

Task 4b - Overdue Accounts Customer Payments Record

Customer	Action Taken	Record of all contact with customer
D & K Jones [Previous Communication and Follow Up activities log]	Invoice Number & Date	18/02/2021 – Invoice MM1043 12/03/2021 – Cheque received 18/03/2021 – Notified by bank cheque dishonoured 20/03/2121 – Contacted David Jones, who advised they were in the process of changing banks, and he would transfer the outstanding amount by eft once their new accounts were set up.
	Statement sent	03/04/2021 – Statement forwarded to the customer asking when we can expect payment. (ACE Finance)
	Friendly reminder	10/04/2021 – email sent to the customer reminding them their payment has not been received
Pursue Debt Recovery [Steps Taken]	Overdue Reminder	xx/xx/20xx - Overdue Invoice reminder email sent to the customer.
Debt Recovery Plan [Plan moving forward]	<p>If no payment is received, the following procedure should be followed:</p> <ul style="list-style-type: none"> • Final notice sent • Make direct contact with customer • Formal letter of demand sent • Referred to a debt collection agency • Debt is written off if uncollectable 	
Fiona's Face Painting [Previous Communication and Follow Up activities log]	Invoice Number & Date	05/01/2021 – Invoice MM0979
	Statement sent	01/02/2021
	Friendly reminder	12/02/2021 – reminder sent to the customer
	Overdue reminder	17/02/2021 – no contact with the customer. Sent an overdue reminder email and left a message on the mobile asking Fiona to return the call.
	Final notice	08/03/2021 – no contact from the customer. Left a voice message on mobile. Final notice sent.
	Direct contact	17/03/2021 – Left voice messages on mobile and office phone asking Fiona to contact us

		regarding the outstanding invoice from January 2021.
	Formal letter of demand	31/03/2021 – No response from the customer. Formal letter of demand sent via registered mail VPPN:3984148108 – record number.
Pursue Debt Recovery [Steps Taken]	Write off debt	xx/xx/20xx - As per the Customer Debt Collection Policy, amounts under \$800.00 that remain outstanding for three months can be written off. The Accounts Receivable Procedure must be followed when writing off bad debts.
Debt Recovery Plan [Plan moving forward]	<p>A write off request should be sent to the General Manager and include the following information:</p> <ul style="list-style-type: none"> • A statement signed by the Finance Manager stating that the accounts are uncollectible in their opinion and should be written off. • A list showing each debtor's name, the dollar amounts due, and the basis for determining the account to be uncollectible. • The total dollar amount is to be written off. • The total number of accounts to be written off. <p>Once approval has been given from the General Manager, the debt can be written off.</p>	
Paint your Face [Previous Communication and Follow Up activities log]	Invoice Number & Date	23/12/2020 – Invoice MM956
	Statement sent	05/01/2021 – Statement sent to the customer
	Friendly reminder	30/01/2021 – reminder sent to the customer
	Overdue reminder	07/02/2021 – no contact from the customer. Sent overdue reminder notice.
	Final notice	25/02/2021 – no contact from the customer. Sent final notice.
	Direct contact	01/03/2021 – Phoned office left message for Lewis asking him to ring us re outstanding invoice. 31/03/2021 – Phone call not returned. Left another message on mobile phone
Pursue Debt Recovery [Steps Taken]	Formal letter of demand	xx/xx/20xx – Formal letter of demand sent to the customer via registered post.
Debt Recovery Plan [Plan moving forward]	<p>If no payment is received, the following procedure would be followed:</p> <ul style="list-style-type: none"> • Referred to Debt Collection agency • Debt is written off if uncollectable. 	
Action Training College [Previous Communication and	Invoice Number & Date	13/12/2020 – Invoice MM0947
	Statement sent	05/01/2021 – Statement sent to the customer

Follow Up activities log]	Friendly reminder	30/01/2021 – reminder sent to the customer
	Overdue reminder	07/02/2021 – no contact from the customer. Sent overdue reminder notice.
	Final notice	25/02/2021 – Spoke to Brad. Action Training College is experiencing a cash flow issue due to COVID-19. To try and preserve the business relationship negotiated a payment plan. Brad has agreed to pay \$5,000 of the amount outstanding by 14/04/2021. The balance will be paid with 30 days. Advised Brad I would check back in with him in early April to confirm payment will be made in April.
	Direct contact	01/04/2021 – Spoke to Brad, who confirmed they were on track to meet the payment promised in February.
Pursue Debt Recovery [Steps Taken]	Monitor	xx/xx/20xx - Promised payment received; therefore, repayment arrangement has been complied with. Students responses must demonstrate they have treated debtors with fairness and have not harassed them.
Debt Recovery Plan [Plan moving forward]	If final payment is not received following procedure would be followed: <ul style="list-style-type: none"> • Formal letter of demand sent • Referred to Debt Collection agency • Debt is written off if uncollectable. 	
ALK Pty Ltd [Previous Communication and Follow Up activities log]	Invoice Number & Date	11/11/2020 – Invoice MM0902
	Statement sent	03/12/2020 - Statement sent to the customer
	Friendly reminder	15/01/2021 – reminder sent to the customer
	Overdue reminder	30/01/2021 – no contact from the customer. Sent overdue reminder notice.
Pursue Debt Recovery [Steps Taken]	Write off debt	xx/xx/20xx - Debt is under \$10.00 The Finance Manager should apply to the Managing Director to write-off a receivable when the amount outstanding is less than \$10.00 [excluding GST], and it is not viable to chase the debt.
Debt Recovery Plan [Plan moving forward]		

Task 4c MARKING GUIDE

Students must demonstrate they have:		
Email Criteria	Yes	No
Cc'd Andrew in on the email	<input type="checkbox"/>	<input type="checkbox"/>
Listed each of the five [5] account receivable customers identified in the overdue account's customer payments record.	<input type="checkbox"/>	<input type="checkbox"/>
Provided a brief description of the action they have taken to recover the overdue payment amounts.	<input type="checkbox"/>	<input type="checkbox"/>
Suggested an action plan to recover the debt	<input type="checkbox"/>	<input type="checkbox"/>
Record the location on Mel's Makeups' data server to save the updated overdue accounts customer payments record. The answer will vary depending on the date the student completes the assessment. To be assessed as competent students answer must include the filing structure FIN-01-02- and the name of the document - overdue accounts customer payments record_April2021	<input type="checkbox"/>	<input type="checkbox"/>

A Benchmark response has been provided below.

Task 4c - State of Business Debt Email Template

To: melissa.murray@melsmakeup.com

CC: andrew@ace.finance

Subject: State of business debts – Mel's Makeup

Hi Melissa

Thank you for sending through the Debt Summary report. I have contacted each of the customers who are in breach of your trading terms. Below is a summary of the action I have taken for each debtor and proposed follow up steps.

D& K Jones

Overdue Invoice reminder email sent to the customer.

PROPOSED ACTION

If no payment is received, the following procedure should be followed:

- Final notice sent
- Direct contact with customer made
- Formal letter of demand sent
- Referred to a debt collection agency
- Debt is written off if uncollectable.

Fiona's Face Painting

PROPOSED ACTION

As per the Customer Debt Collection Policy, amounts under \$800.00 that remain outstanding for three months can be written off if the customer credit limit policy has been followed and determined that the receivable is uncollectible. You will need to approve this write off request.

Paint your Face

Formal letter of demand sent to the customer via registered post.

PROPOSED ACTION

If no payment is received, the following procedure would be followed:

- Referred to a debt collection agency
- Debt is written off if uncollectable.

Action Training College

Promised payment received; therefore, repayment arrangement has been complied with.

PROPOSED ACTION

Check-in with the customer a week before final payment is due to confirm they can meet the payment instalment.

If final payment is not received following procedure would be followed:

- Formal letter of demand sent
- Referred to the debt collection agency
- Debt is written off if uncollectable.

ALK Pty Ltd

PROPOSED ACTION

Debt is under \$10.00. As per the Customer Debt Collection Policy, amounts less than \$10.00 [excluding GST] are not viable to chase the debt. You will need to approve this write off.

I have updated the overdue accounts customer payments record and saved a copy on your server.

FIN-01-02-2021.07.29_ overdue accounts customer payments record_April2021

Best Regards

Name: Click or tap here to enter text.

Position Title: Click or tap here to enter text.



End of Assessment 2