



ASSESSOR GUIDE

FNSACC311

# Process financial transactions and extract interim reports

## Assessment 2 of 3

### Project



## Assessment Instructions

### Task overview

This assessment task is divided into two (2) tasks.

- **Task 1 Project – Prepare and process petty cash transactions and reconcile bank account**  
Students must check and verify the accuracy of petty cash receipts before processing the transactions through an impress petty cash system. Students are then required to check the completeness of cash transactions by reconciling the bank statement to the cash at bank general ledger account.
- **Task 2 Project – Prepare and process accounts payable and accounts receivable invoices.**  
Students must validate a range of tax invoices against the source documents according to organisational policies and procedures. They must then prepare the journal entries and file invoices and supporting documentation.

Read each question carefully before typing your response in the space provided.

## Additional resources and supporting documents

To complete this assessment, you will need:

- Access to your learning materials
- Access to a computer and the internet
- Access to Microsoft Word
- Isla & Co's Accounting Policy & Procedures Manual
- Isla & Co's March 2021 Account Balances
- Isla & Co's April 2021 Petty Cash Receipts
- Isla & Co March 2021 Bank Statement
- Excel Workbook 1
- Isla & Co Invoices & Credit Note
- Isla & Co Supplier Invoices & Credit Notes
- Isla & Co Purchase Orders

## 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.



Please consider the environment before printing this assessment.

## Assessment 2

### Assessment 2 Task 1

#### Prepare and process petty cash transactions and reconcile bank account

#### Student Instructions

You are required to assume the role of Dawson Weeks, Undergraduate Accountant at Ace Finance.

For this assessment task, you must check and verify the accuracy of petty cash receipts before processing the transactions through an impress petty cash system. You must then check the completeness of cash transactions by reconciling the bank statement to the cash at bank general ledger account.

#### Resources and Equipment Required

- Access to learning materials on the learning portal
- Access to a computer, the internet and email
- Access to Microsoft Word
- Access to Microsoft Excel
- Isla & Co's Accounting Procedure Manual – [FNSACC311\\_01\\_SAQ\\_Isla & Co Accounting Policy & Procedures Manual](#)
- Excel Workbook 1 - [FNSACC311\\_02\\_Project\\_Excel Workbook 1](#)
- Account Balances 31 March 2021 - [FNSACC311\\_02\\_Project\\_Account Balances 31 March 2021](#)
- April 2021 Petty Cash Receipts - [FNSACC311\\_02\\_Project\\_Petty Cash Receipts April 2021](#)
- March 2021 Bank Statement - [FNSACC311\\_02\\_Project\\_Bank Statement](#)

To complete this assessment task, you must read the following email and then complete the tasks that follow.



To: Dawson Weeks (dawson.weeks@acefinance.com.au)

From: Andrew Glass (Andrew.glass@acefinance.com.au)

Date/time: Monday 17Jan 20XX 12:45 p.m.

Subject: Isla & Co – New client

File Attached: [Isla & Co's Accounting Procedure Manual](#)  
[Excel Workbook 1](#)  
[Account Balances 31 March 2021](#)  
[April 2021 Petty Cash Receipts](#)  
[March 2021 Bank Statement](#)

Good afternoon Dawson,

My name is Andrew Glass, and I am the small business manager here at Ace Finance and will be your direct report. Firstly, congratulations on being accepted into our Undergraduate Accountant Cadetship Program. I am sure you will find the position challenges you will help shape your career as an accountant.

Ace Finance has a diverse corporate and private client base, and we are continually expanding our practice to suit the changing requirements of our clients and provide them with a growing range of services to manage their affairs.

The first project I would like you to assist with is a new client we have recently onboarded, Isla & Co. Isla & Co is a wholesale clothing store owned and operated by Joelle Diamond. Joelle currently has one warehouse located in Geebung, Queensland, which has a small retail outlet attached. The retail store is only opened three (3) days a week, Friday, Saturday and Sunday. Over the next 12 months, she plans to open three more warehouses in Sydney, Melbourne and Adelaide and retail outlets in Sydney and Melbourne.

The business has grown rapidly and keeping accurate and complete financial records has become quite onerous for Joelle as she uses a manual paper-based bookkeeping system. We have discussed moving her accounts to MYOB; however, we have decided to continue with the current paper-based system until the end of this financial year.

Joelle has engaged Ace Finance to manage Isla & Co's bookkeeping and produce monthly interim management reports to monitor her business's performance. Specifically, a monthly bank reconciliation statement, adjusted trial balance, profit & loss statement and balance sheet.

During my last meeting with Joelle, we discussed Isla & Co's current accounting systems and processes which I have documented in Isla & Co's Accounting Policy & Procedure Manual. All the warehouse and retail outlets will adopt these policies and procedures moving forward.

Joelle has provided us with the following information, which I have attached to this email.

- Isla & Co account balances as at 31/03/2021
- April 2021 petty cash receipts
- March 2021 Bank Statement

I have three tasks I would like your assistance with:

1. Check the arithmetical accuracy of the 31 March 2021 account balances by producing a trial balance.
2. Examine the petty cash receipts that Joelle has sent through for completeness and accuracy. Once you have established their accuracy, process the transactions as per the procedure outlined in Isla & Co's Petty Cash Policy.
3. Reconcile the March 2021 Bank Statement.

I have also attached FNSACC311\_02\_Project\_Excel Workbook 1, which contains templates for you to complete the tasks and a copy of Isla & Co's Cash Payments Journal and Cash Receipts Journal and Accounting Policy & Procedure Manual in consideration of my request.

Once you have finished this task, please email me a copy of Workbook 1 to review.

Thank you for your assistance.

Kind Regards,

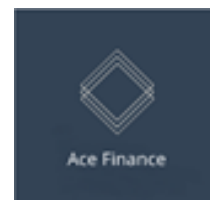
Andrew Glass

Small Business Manager – Ace Finance

100 Growth Street, Sydney, NSW 2000

Phone: 1800 111 222

[www.acefinance.com.au](http://www.acefinance.com.au)



## Assessment 2 Task 1 Student Instructions

### For this task, you must:

- Produce a trial balance as at 31 March 2021
- Balance the petty cash book for April 2021
- Produce a bank reconciliation statement for March 2021.

To successfully complete this task, you must undertake the following steps:

1. Carefully read the email from Andrew Glass and then download the following documents as outlined in the email.
  - Isla & Co Accounting Procedures Manual - [FNSACC311\\_01\\_SAQ\\_Isla & Co Accounting Policy & Procedures Manual](#)
  - Isla & Co Account Balances as at 31/03/2021 - [FNSACC311\\_02\\_Project\\_Account Balances](#)
  - Excel Workbook 1 - [FNSACC311\\_02\\_Project\\_1\\_Excel Workbook 1](#)
  - Petty Cash Receipts - [FNSACC311\\_02\\_Project\\_Petty Cash Receipts](#)
  - March 2021 Bank Statement - [FNSACC311\\_02\\_Project\\_Bank Statement March 2021](#)

These documents will provide you with the financial data, transactions, templates and information on Isla & Co's accounting procedures that you will need to verify the supporting documentation, prepare and process the petty cash and journal transactions and post the transactions to the general ledger.

### 2. Create a chart of accounts for Isla & Co

- a. Use the **A2-T1CA tab** in the Excel Workbook 1 and Isla & Co's account balances as at 31/03/2021 to create a chart of accounts for Isla & Co. The chart of accounts must contain account numbers, and the sequencing of the account numbers must follow the order they appear in the financial statements.

### Prepare a trial balance report

- b. Once you have created the chart of accounts, use the **A2-T1TB tab** in Excel Workbook 1 to prepare a trial balance report for 31 March 2021. Check the accuracy of the trial balance by applying the trial balance debit and credit rules.

### 3. Process April Petty Cash transactions.

- a. Isla & Co's operates an impress petty cash system. On 25/03/2021, Joelle cashed a cheque (01112) for \$400.00 to establish the petty cash fund. Refer to Isla & Co's Petty Cash Policy and examine the April 2021 petty cash receipts to establish their accuracy, completeness, and the correct authorisation procedure has been followed.

Use the mail template below and complete the email to Andrew by outlining three checks you have undertaken to confirm the accuracy of the petty cash claims. (*Response length between 30 - 40 words*)

- b. Create a general ledger account for miscellaneous expenses in your chart of accounts (Tab A2-T1CA). Use the A2-T1PCV tab in the Excel Workbook 1 to complete a petty cash voucher for each petty cash transaction. Allocate all the petty cash expenses to the miscellaneous expenses' general ledger account.
- c. Joelle did a physical count of the cash in the petty cash tin on 28/04/2021 and wrote a reimbursement cheque for \$282.25 (cheque no 01115). Use Tab A2-T1CB tab Isla & Co Petty Cash Book, in the Excel Workbook 1 to:
  - record the establishment of the petty cash fund
  - enter the April petty cash transactions.
  - balance and close off the petty cash book for April.
- d. Use the A2-T1PCCPJ tab in the Excel Workbook 1 1 to record the reimbursement to the petty cash fund.

### Task 3a Email Template

To:	Andrew Glass (Andrew.glass@acefinance.com.au)
From:	Dawson Weeks (dawson.weeks@acefinance.com.au)
Subject:	April Petty Cash Transactions – Isla & Co
Hi Andrew	
I hope your day is going well.	
I have processed Isla & Co's petty cash receipts by completing a voucher for each of the April 2021 petty cash transactions and entering the transactions in the petty cash book.	

I have undertaken the following checks to confirm the accuracy of the claims:

1. Click or tap here to enter text.
2. Click or tap here to enter text.
3. Click or tap here to enter text.

Kind Regards  
Dawson Weeks

Undergraduate Accountant – Ace Finance  
100 Growth Street, Sydney, NSW 2000  
Phone: 1800 111 222  
[www.acefinance.com.au](http://www.acefinance.com.au)



#### 4. Reconcile March 2021 Bank Statement

To complete this task, you will need to access the following tabs in the Excel Workbook 1

- A2-T1CPJ- Cash Payments Journal - Isla & Co Pty Ltd - March 2021
- A2-T1CRJ - Cash Receipts Journal - Isla & Co Pty Ltd - March 2021
- A2-T1GL - Isla & Co Pty Ltd General Ledger (Extract)
- A2-T1BRS - Isla & Co Pty Ltd Bank Reconciliation Statement 31 March 2021

Familiarise yourself with the Bank Reconciliation Procedure in Isla & Co's Accounting Policy & Procedures Manual.

Joelle has advised you:

- all the March 2021 transactions processed by the Bookkeeper have been entered into the cash payments and cash receipts journal
  - there were two unrepresented cheques at the end of February
    - cheque no 01006 for \$1085.00 issued 26/02/2021
    - cheque no 01008 for \$73.00 issued 28/02/2021
  - The bank deposit dated 28/02/2021 for \$895.00 did not appear on the February bank statement.
- a. Download the March 2021 bank statement. [FNSACC311\\_02\\_Project\\_Bank Statement March 2021](#)
  - b. Compare the deposits and withdrawals with the transactions on the bank statement
  - c. Adjust the cash account in the general ledger



- d. Using the A2-T1BRS tab in Excel Workbook 1, produce a bank reconciliation statement for the period ending 31/03/2021.

## Attachments

### Assessment 2 Task 1 Assessor Guide

#### Purpose of the Task

*This task is designed to ensure students can demonstrate the ability to check and verify supporting documentation, prepare and process petty cash documents, prepare and process payable and received invoices, prepare journals and update financial data systems by posting to the general ledger.*

#### Guidance to Assessors About this Task

*The student is assuming the role of Dawson Weeks, an Undergraduate Accountant undertaking a cadetship program with Ace Finance. The student is provided with the following documents, which they are required to refer to assist them in completing the task.*

Document	Purpose
Isla & Co Accounting Procedures Manual - FNSACC311_01_SAQ_Isla & Co Accounting Procedures Manual	<i>This document aims to provide students with the accounting policies and procedures of Isla &amp; Co.</i>
Isla & Co Trial Balance as at 31/03/2021 - FNSACC311_02_Project_Trial Balance	<i>This document aims to provide the student with a list of general ledger accounts they will need to process the financial transactions for Isla &amp; Co.</i>
Excel Workbook 1 - FNSACC311_02_Project_Excel Workbook 1	<i>This document aims to provide the student with a set of templates to use to create a Manual Bookkeeping System. The templates include a chart of accounts, trial balance, general journal, sales journal, sales returns journal, purchases journal, purchases returns journal, cash receipts journal, cash payments journal, petty cash system, profit &amp; loss statement and balance sheet. Workbook 1 also contains Isla &amp; Co's March Cash Payments Journal and Cash Receipts Journal, which must be used to reconcile the bank statement.</i>
Petty Cash Receipts - FNSACC311_02_Project_Petty Cash Receipts	<i>This document contains six (6) petty cash receipts. The student must examine these receipts to establish their accuracy, which includes verifying they are genuine receipts, completeness, which includes the amount of GST is identifiable in the total amount charged. Also, the required personnel has authorised them as per Isla &amp; Co's Petty Cash Policy. Once the accuracy of the receipts has been established, the student must use the receipts to create the petty cash vouchers.</i>

<p>March 2021 Bank Statement FNSACC311_02_Project_Bank Statement March 2021</p>	<p><i>The March bank statement contains a list of all transactions that have been processed through Isla &amp; Co's trading account for March 2021. The student must use the bank statement to produce a bank reconciliation statement.</i></p>

*The assessment commences with an email from Andrew Glass, Small Business Manager Ace Finance, to the student Dawson Weeks Undergraduate Accountant, about assisting with some bookkeeping tasks for a new client, Isla & Co.*

Good afternoon Dawson,

My name is Andrew Glass, and I am the small business manager here at Ace Finance and will be your direct report. Firstly, congratulations on being accepted into our Undergraduate Accountant Cadetship Program. I am sure you will find the position challenges you will help shape your career as an accountant.

Ace Finance has a diverse corporate and private client base, and we are continually expanding our practice to suit the changing requirements of our clients and provide them with a growing range of services to manage their affairs.

The first project I would like you to assist with is a new client we have recently onboarded, Isla & Co. Isla & Co is a wholesale clothing store owned and operated by Joelle Diamond. Joelle currently has one warehouse located in Geebung, Queensland, which has a small retail outlet attached. The retail store is only opened three (3) days a week, Friday, Saturday and Sunday. Over the next 12 months, she plans to open three (3) more warehouses in Sydney, Melbourne and Adelaide and retail outlets in Sydney and Melbourne.

The business has grown rapidly and keeping accurate and complete financial records has become quite onerous for Joelle as she uses a manual paper-based bookkeeping system. We have discussed moving her accounts to MYOB; however, we have decided to continue with the current paper-based system until the end of this financial year.

Joelle has engaged Ace Finance to manage Isla & Co's bookkeeping and produce monthly interim management reports to monitor her business's performance. Specifically, a monthly bank reconciliation statement, adjusted trial balance, profit & loss statement and balance sheet.

During my last meeting with Joelle, we discussed Isla & Co's current accounting systems and processes which I have documented in Isla & Co's Accounting Policy & Procedure Manual. All the warehouse and retail outlets will adopt these policies and procedures moving forward.

Joelle has provided us with the following information, which I have attached to this email.

- Isla & Co account balances as at 31/03/2021
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I have three tasks I would like your assistance with:

1. Check the arithmetical accuracy of the 31 March 2021 account balances by producing a trial balance.

2. Examine the petty cash receipts that Joelle has sent through for completeness and accuracy. Once you have established their accuracy, process the transactions as per the procedure outlined in Isla & Co's Petty Cash Policy.
3. Reconcile the March 2021 Bank Statement.

I have also attached FNSACC311\_02\_Project\_Excel Workbook 1, which contains templates for you to complete the tasks and a copy of Isla & Co's Cash Payments Journal and Cash Receipts Journal and Accounting Policy & Procedure Manual in consideration of my request.

Once you have finished this task, please email me a copy of Workbook 1 to review.

Thank you for your assistance.

Kind Regards,

Andrew Glass

The student must apply reading skills to analyse, match and interpret information, paying attention to details to identify errors when checking and verifying the petty cash receipts and reconciling the bank account.

The student must apply writing skills when completing the email to Andrew and recording information accurately using correct spelling, grammar and terminology.

The student must perform mathematical calculations to correctly identify the GST amount contained in the petty cash invoices and when reconciling the bank statement to the transactions in the Cash Payments Journal and Cash Receipts Journal.

The student must demonstrate they can navigate the world of work by applying industry and legislative requirements and the organisational protocols, policies and procedures listed in Isla & Co's Accounting Policy & Procedures Manual.

The student must also demonstrate their ability to access information and complete work tasks by entering data in an excel based Manual Bookkeeping System.

To successfully complete this task, students must undertake the following steps:

1. The student must carefully read the email from Andrew Glass and then download the following documents:
  - Isla & Co Accounting Procedures Manual - FNSACC311\_01\_SAQ\_Isla & Co Accounting Policy & Procedures Manual
  - Isla & Co Account Balances as at 31/03/2021 - FNSACC311\_02\_Project\_Account Balances
  - Excel Workbook 1 - FNSACC311\_02\_Project\_Excel Workbook 1
  - April 2021 Petty Cash receipts - FNSACC311\_02\_Project\_Petty Cash Receipts April 2021
  - March 2021 Bank Statement - FNSACC311\_02\_Project\_Bank Statement March 2021

These documents will provide the student with the financial data, transactions, templates and Isla & Co's accounting policies and procedures to generate a trial balance, process the April petty cash transactions, and reconcile the March 2021 bank statement.

Students must refer to these documents when completing the tasks below.

**2. Create a chart of accounts for Isla & Co**

- a. In the Excel Workbook 1, A2-T1CA tab, the student must create a chart of accounts for Isla & Co. using the information provided in the attached document, Isla & Co Account Balances as at 31/03/2021. The chart of accounts must contain account numbers, and the sequencing of the account numbers must follow the order they appear in the financial statements. (Assets, Liabilities, Owners Equity, Revenue and Expenses)

Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T1CA as this Workbook 1 provides a benchmark answer.

Prepare a trial balance report

- b. In the Excel Workbook 1, A2-T1TB tab, the student must create a trial balance report as of 31 March 2021. The trial balance must demonstrate that the student understands the normal or expected balances for each general ledger account. For example:
  - Assets – Debit Balance
  - Liabilities – Credit Balance
  - Equity – Credit Balance
  - Revenue – Credit Balance
  - Expense– Debit Balance

Evidence of this includes the debit and credit amounts listed in the trial balance totalling \$612,213.04.

Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T1TB as this Workbook 1 provides a benchmark answer.

**3. Process April Petty Cash transactions.**

- a. Isla & Co's operate an impress petty cash system. On 25/03/2021, Joelle cashed a cheque (01112) for \$400.00 to establish the petty cash fund. The student must examine the six (6) April 2021 petty cash receipts to establish their accuracy completeness, and the correct authorisation procedure has been followed as per Isla & Co's Petty Cash Policy.

The petty cash policy contains the following information:

*Petty cash may be used for the urgent direct acquisition of goods and services up to the maximum value of \$120.00 per transaction. Reimbursement for items of a higher value should be made through accounts payable*

### **Complete Petty Cash Vouchers**

*A petty cash voucher must be completed for all petty cash claims. The petty cash voucher must include:*

- *The date of the claim*
- *The name of the person who incurred the expense*
- *The expenditure amounts*
- *Signature of the person authorising the payment of the claim,*
- *Tax invoice or receipt to support the expenditure. Petty cash claims without the appropriate receipts will be declined.*

### *Petty Cash Approval*

*Only the Bookkeeper or Joelle can authorise petty cash reimbursements. Only Joelle can authorise reimbursement for expenditure incurred by the Bookkeeper.*

The student must then complete the partially drafted email to Andrew using the email template provided, outlining (3) three checks they have undertaken to confirm the accuracy of the petty cash claims. *(Response length between 30 - 40 words)*

### **Task 3a Email Template**

To:	Andrew Glass (Andrew.glass@acefinance.com.au)
From:	Dawson Weeks (dawson.weeks@acefinance.com.au)
Subject:	April Petty Cash Transactions – Isla & Co
<p>Hi Andrew</p> <p>I hope your day is going well.</p> <p>I have processed Isla &amp; Co's petty cash receipts by completing a voucher for each of the April 2021 petty cash transactions and entering the transactions in the petty cash book.</p> <p>I have undertaken the following checks to confirm the accuracy of the claims:</p> <ol style="list-style-type: none"><li>1. Click or tap here to enter text.</li><li>2. Click or tap here to enter text.</li><li>3. Click or tap here to enter text.</li></ol> <p><b>A satisfactory response could include one of the following:</b></p> <ul style="list-style-type: none"><li>• <i>A petty cash voucher has been completed for all petty cash claims.</i></li><li>• <i>The date of the claim is for a purchase made in April</i></li><li>• <i>The name of the person who incurred the expense is included on the receipt</i></li><li>• <i>The expenditure amount is below the \$120.00 maximum petty cash expenditure amount</i></li></ul>	

- *The receipt includes the signature of the person authorising the payment of the claim,*
- *Tax invoices or receipts support the petty cash expenditure.*

Kind Regards  
Dawson Weeks

Undergraduate Accountant – Ace Finance  
100 Growth Street, Sydney, NSW 2000  
Phone: 1800 111 222  
[www.acefinance.com.au](http://www.acefinance.com.au)



- b. The student must create a general ledger account for miscellaneous expenses in their chart of accounts (Tab A2-T1CA). This account will be used when the student posts the petty cash expenses from the cash payments journal to the general ledger.

The student is then asked to use the A2-T1PCV tab in the Excel Workbook 1 to complete a petty cash voucher for the six (6) petty cash receipts. When creating the voucher:

- The date must be consistent with the date on the petty cash receipt
- The total amount of the receipt and the amount of GST included in the receipted amount must be recorded. Not all items include GST. The Australia Post receipt only includes GST on the envelopes, and the Woolworths receipt is for GST Free supplies.
- All petty cash transactions must be allocated to GL Account - miscellaneous expenses
- The name of the person who incurred the expense is recorded on each of the receipts
- Joelle Diamond has authorised all the expense claims, and this has been noted on the invoices.

*Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T1PCV as this Workbook 1 provides a benchmark answer.*

- c. Joelle did a physical count of the cash in the petty cash tin on 28/04/2021 and wrote a reimbursement cheque for \$282.25 (cheque no 01115). The student must use Tab A2-T1PCB in the Excel Workbook 1 (Isla & Co's Petty Cash Book) to record:
- the establishment of the petty fund on 25/03/2021, cheque no 01112 for the amount of \$400.00
  - the April petty cash transactions.
  - Balance and close off the petty cash book for April.

Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-TPCB as this Workbook 1 provides a benchmark answer.

- d. The student must use the A2-T1PCCPJ tab in Excel Workbook 1 to record the petty cash reimbursement cheque payment in the cash payments journal. The journal entry must be recorded as one (1) transaction dated 28/04/2021 and include:
- \$282.25 allocated to Cash at Bank
  - \$260.07 allocated to Miscellaneous Expenses
  - \$22.18 allocated to GST.

Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T1PCCPJ as this Workbook 1 provides a benchmark answer.

#### 4. Reconcile March 2021 Bank Statement

To complete this task, the student will need to access the following tabs in the Excel Workbook 1

- A2-T1CPJ - Cash Payments Journal - Isla & Co Pty Ltd - March 2021
- A2-T1CRJ - Cash Receipts Journal - Isla & Co Pty Ltd - March 2021
- A2-T1GL - Isla & Co Pty Ltd General Ledger (Extract)
- A2-T1BRS - Isla & Co Pty Ltd Bank Reconciliation Statement 31 March 2021.

They will also need to familiarise themselves with the bank reconciliation procedure in Isla & Co's Accounting Policy & Procedures Manual.

Joelle has provided the following information:

- all the March 2021 transactions processed by the Bookkeeper have been entered into the cash payments and cash receipts journal

This information has been provided to the student so they can complete the bank reconciliation. The bank reconciliation procedure *'Before the reconciliation process, the Bookkeeper, must ensure that all transactions up to the end of your bank statement date have been recorded in the accounting system.'*

- there were two unrepresented cheques at the end of February
  - cheque no 01006 for \$1085.00 issued 26/02/2021
  - cheque no 01008 for \$73.00 issued 28/02/2021

This information is provided to the student so they can check whether the cheques listed on the February bank reconciliation statement as outstanding have gone through the bank in March.

- Cheque 01006 was presented at the bank on 02/03/2021 and appeared on the March bank statement
- Cheque 01008 was presented at the bank on 18/03/2021 and appeared on the March bank statement.

The bank deposit dated 28/02/2021 for \$895.00 did not appear on the February bank statement.

This information is provided to the student so they can check whether the deposits listed on the previous February bank reconciliation statement as outstanding have gone through the bank in March.

- The deposit for \$895.00 appears on the March bank statement on 01/03/2021

- a. Students must download the March 2021 bank statement FNSACC311\_02\_Project\_Bank Statement, which is provided as an attachment in the email from Andrew Glass.
- b. Once they have downloaded the statement, they must compare the transaction on the bank statement with the transaction in Isla & Co's cash payments journal Tab A2-T1CPJ and the cash receipts journal A2-T1CRJ.

The student must undertake the following checks:

- Check whether any payments (cheques) listed on the February bank reconciliation statement as outstanding have gone through the bank in March.
  - Check whether any deposits listed on the February bank reconciliation statement as outstanding have gone through the bank in March.
  - Check whether any cheques or EFT payments listed in the March cash payments journal are still outstanding at the end of March.
  - Check whether any deposits listed in the March cash receipts journal are still outstanding at the end of March.
- c. The student must add the following transaction to the cash payments journal (A2-T1CPJ Tab). These transactions appear on the bank statement but not in the cash payments journal.

Date	Details	Ref	Cash at Bank	GST	Sundry	GL Account
01/03/2021	Telstra Monthly Mobile Cost	Direct EFT	\$125.00	\$11.36	\$113.64	Telephone
31/03/2021	Account Fee	Direct EFT	\$29.95		\$29.95	Bank Fees
31/03/2021	EFTPOS Fees	Direct EFT	\$134.26	\$12.21	\$122.05	Bank Fees
31/03/2021	AGL	Direct EFT	\$85.00	\$7.73	\$77.27	Utilities

*Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T1CPJ as this Workbook 1 provides a benchmark answer.*

The student must add the following transaction to the cash receipts journal (A2-T1CRJ Tab). These transactions appear on the bank statement but not in the cash receipts journal.



Date	Details	Ref	Cash at Bank	GST	Interest
05/03/2021	Bank Interest	Direct	\$5.95		\$5.95

*Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T1CRJ as this Workbook 1 provides a benchmark answer.*

Once the student has made the adjustments to the cash payments journal and cash receipts journal, they must total the cash at bank columns, post the totals to the general ledger (Tab A2-T1GL) and close the cash at bank ledger account for March.

The Cash at Bank account in the General Ledger must have a balance carried down of \$49,381.74 at 31 March 2021. This is the balance as per cash at bank account figure the student must include in the Bank Reconciliation Statement.

*Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T1GL as this Workbook 1 provides a benchmark answer.*

- d. The student must use Tab A2-T1BRS in the Excel Workbook 1 to produce a bank reconciliation statement for the period ending 31/03/2021. The bank reconciliation statement must include:
- the bank statement balance at 31/03/2021
  - the deposits listed in the March cash receipts journal that are still outstanding at the end of March (identified in Task 4b)
  - the cheques or EFT payments listed in the March cash payments journal that are unrepresented at the end of March (identified in Task 4b)
  - the balance of the cash at bank general ledger account.

*Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T1BRS as this Workbook 1 provides a benchmark answer.*

## Assessment 2 Task 2

### Prepare and process accounts payable and accounts receivable invoices.

For this assessment task, you must validate a range of tax invoices against the source documents before entering the transactions in the sales, sales returns, purchases, and purchases return journals. You must close the accounts at month-end and post the balances to the general ledger accounts.

This assessment must be completed before commencing Assessment 3 as

## Resources and Equipment Required

- Access to learning materials on the learning portal
- Access to a computer, the internet and email
- Access to Microsoft Word
- Access to Microsoft Excel
- Isla & Co's Accounting Procedure Manual – [FNSACC311\\_01\\_SAQ\\_Isla & Co Accounting Policy & Procedures Manual](#)
- Excel Workbook 1 - [FNSACC311\\_02\\_Project\\_Excel Workbook 1](#)
- Isla & Co Invoices and Credit Note - [FNSACC311\\_02\\_Project\\_Isla & Co Invoices & Credit Notes](#)
- Isla & Co Supplier Invoices and Credit Note - [FNSACC311\\_02\\_Project\\_Supplier Invoices & Credit Notes](#)
- Isla & Co Purchase Orders - [FNSACC311\\_02\\_Project\\_Purchase Orders](#)

To complete this assessment task, you must read the following email and then complete the tasks that follow.



To: Dawson Weeks (dawson.weeks@acefinance.com.au)

From: Andrew Glass (Andrew.glass@acefinance.com.au)

Date/time: Monday 24 Jan 20XX 11:10 a.m.

Subject: Isla & Co Invoices

File Attached: [Isla & Co Invoices and Credit Note - FNSACC311\\_02\\_Project\\_Isla & Co Invoices & Credit Notes](#)

[Isla & Co Supplier Invoices and Credit Note - FNSACC311\\_02\\_Project\\_Supplier Invoices & Credit Notes](#)

[Isla & Co Purchase Orders - FNSACC311\\_02\\_Project\\_Purchase Orders](#)

Good morning Dawson,

I hope your week is going well.

Thank you for sending through the email regarding the checks you carried out to confirm the accuracy of Isla & Co's petty cash claims. Moving forward, I have suggested to Joelle that she completes the petty cash vouchers and send these through with the petty cash receipts.

Thank you for also completing the March 2021 bank reconciliation. I have reviewed the bank reconciliation statement and the cash at bank general ledger account and confirm the balances are correct. Well done!

I had a follow-up meeting with Joelle yesterday. She has asked if we can finalise her sales and purchases for April. Isla & Co is registered for GST, and all items they sell have GST included in the selling price.

Could you please review Isla & Co's sales journal, a purchases journal, sales returns and allowances journal and purchases and allowances journal to check the accuracy of the data that has been entered? These special journals are included in the Excel Workbook 1 used in Task 1.

Several invoices and credit notes for April have not been processed. These include:

- Isla & Co Tax Invoice No INV2106 Rorke Rentals Pty Ltd
- Isla & Co Tax Invoice No INV2107 JT Real Estate Pty Ltd
- Isla & Co Credit Note No CN1115 Southside Preschool
- Tax Invoice RBR210428-01 Rags by Rick
- Tax invoice TCC001220 The Clothing Co
- Credit Note RBRCN123 Rags by Rick

Copies of these are attached with supporting documentation for you to download. For the end of the financial year auditing purposes, create a folder on your computer for Isla & Co and save a copy of each of these documents. Once we have finalised Isla & Co April accounts, we will move the folder into a shared drive that both Ace Finance and Isla & Co can access.

Check the invoices against the source documents for accuracy and note any errors. Once you have completed this, schedule a meeting with Joelle to introduce yourself, discuss any errors you have identified and gain her authorisation before we close the April accounts and post the balances to the general ledger accounts.

Please refer to Isla & Co's Accounting Procedure for processing payables and receivables invoices.

Please email me a copy of Workbook 1 to review after speaking with Joelle.

Thank you for your assistance.

Kind Regards,

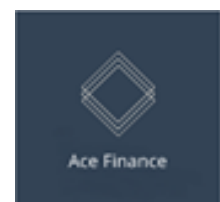
Andrew Glass

Small Business Manager – Ace Finance

100 Growth Street, Sydney, NSW 2000

Phone: 1800 111 222

[www.acefinance.com.au](http://www.acefinance.com.au)



**ATTACHMENTS**

**Assessment 2 Task 2 Student Instructions**

To successfully complete this task, you must undertake the following steps:

1. Carefully read the email from Andrew Glass. To complete this assessment task, you must access the following tabs in Excel Workbook 1.
  - Sales Journal – Tab A2-T2SJ
  - Sales Returns and Allowances Journal – Tab A2-T2SRAJ
  - Purchases Journal – Tab A2-T2PJ
  - Purchases Returns and Allowances Journal – Tab A2-T2PRAJ

These templates have been prepopulated with sales and purchases transactions for Isla & Co for April 2021. During this task, you will be asked to journalise additional transactions in these special journals

2. Sales Journal
  - a. Review the transactions journalised in the Sales Journal Tab A2-T2SJ to ensure the accuracy and completeness of the recording process. Update where necessary.

*Assessor Instructions*

*Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T2SJ as this Workbook 1 provides a benchmark answer.*

- b. Download copies of:
  - Isla & Co Tax Invoice No INV2106 (Rorke Rentals Pty Ltd)
  - Isla & Co Tax Invoice No INV2107 (JT Real Estate Pty Ltd)

Review the invoices and check they align with the invoicing considerations in Isla & Co’s Invoicing Policy. In the table below, identify any inconsistencies you identify and suggest a rectification. These inconsistencies and rectifications will be discussed with Joelle during a role play task (Assessment 3 Task 1).

**Task 2.2b Table**

Invoice Number	Inconsistencies identified <i>(Response length approximately 10 words per inconsistency identified)</i>	Suggested rectification <i>Response length between 10 - 20 words per rectification)</i>
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No INV2106	Below is an example of a satisfactory response.  Isla & Co's ABN is not included on the invoice.	Below is an example of a satisfactory response.  Amend to include Isla & Co's ABN– 11 111 111 138
No INV2107	Below is an example of a satisfactory response.  Does not identify the GST amount included in the invoice.	Below is an example of a satisfactory response  Identify the sale is fully taxable by including the words 'Total price includes GST.' or include the total GST amount.

- c. Journalise INV 2106 and INV2107

*Assessor Instructions*

*Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T2SJ as this Workbook 1 provides a benchmark answer.*

- d. Create a folder on your desktop for Isla & Co and save a copy of each document for auditing purposes.

*Note to Assessor*

*The student must provide a screenshot of the folder they have created at the end of Task 2.*

3. Sales Returns and Allowances Journal

- a. Review the transactions journalised in the Sales Returns and Allowances Journal Tab A2-T2SRAJ to ensure the accuracy and completeness of the recording process. Update where necessary.

*Assessor Instructions*

*Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T2SRAJ as this Workbook 1 provides a benchmark answer.*

- b. Download a copy of:

- Isla & Co Credit Note No CN1115 (SouthSide Preschool)

Review the credit note and check it aligns with the credit note considerations in Isla & Co's Invoicing Policy. In the table below, identify any inconsistencies you identify and suggest a

rectification. These inconsistencies and rectifications will be discussed with Joelle during a role play task (Assessment 3 Task 1).

### Task 2.3b Table

Credit Note Number	Inconsistencies identified (Response length approximately 30 words per inconsistency identified)	Suggested rectification (Response length approximately 30 words per suggested rectification)
CN1115	<p>Below is an example of a satisfactory response.</p> <p>The reason the goods were returned and the name of the person approving the return of the goods is not included on the credit note.</p>	<p>Below is an example of a satisfactory response.</p> <p>Reissue the credit note to include the reason the goods were returned and the name of the person approving the return of goods.</p>

#### c. Journalise CN1115

##### *Assessor Instructions*

*Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T2SRAJ as this Workbook 1 provides a benchmark answer.*

#### d. Save a copy of this document in the Isla & Co folder for auditing purposes.

##### *Note to Assessor*

*The student must provide a screenshot of the folder they have created at the end of Task 2.*

### 4. Purchases Journal

#### a. Review the transactions journalised in the Purchases Journal Tab A2-T2PJ to ensure the accuracy and completeness of the recording process. Update where necessary.

##### *Assessor Instructions*

*Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T2PJ as this Workbook 1 provides a benchmark answer.*

#### b. Download copies of:

- Tax Invoice No RBR210428-01 (Rags by Rick Pty Ltd)
- Tax Invoice No TCC001220 (The Clothing Co Pty Ltd)

- Isla & Co Purchase Order PO-0110
- Isla & Co Purchase Order PO-0111

Check the invoices against the source documents. In the table below, identify any errors you identify and suggest a rectification. These rectifications will be discussed with Joelle during the role play.

### Task 2.4b Table

Invoice Number	Errors identified <i>Response length between 20 - 30 words per error identified)</i>	Suggested rectification <i>Response length between 10 - 30 words per rectification)</i>
RBR210428-01	<p>Below is an example of a satisfactory response.</p> <p>The student must compare Invoice No RBR210428-01 with Purchase Order No 0110 and identify:</p> <ul style="list-style-type: none"> <li>• The Floral dresses have been invoiced at \$55.00. The purchase order cost was \$50.00.</li> <li>• 5 XLarge dresses were not delivered.</li> </ul>	<p>Below is an example of a satisfactory response.</p> <p>The student must compare Invoice No TCC001220 with Purchase Order No 0111 and identify there was a note on the purchase order 'No courier fee to be paid advised by Peter Smith' A courier fee was charged when goods were invoiced.</p>
TCC001220	<p>Below is an example of a satisfactory response.</p> <p>Noted on the purchase order 'No courier fee to be paid advised by Peter Smith' Courier Fee was charged when goods were invoiced.</p>	<p>Below is an example of a satisfactory response.</p> <p>Request an adjustment note for \$33.00 for the courier fee.</p>

- Journalise Tax Invoice No RBR210428-01 and Tax Invoice No TCC001220.
- Save a copy of this document in the Isla & Co folder for auditing purposes.

*Note to Assessor*

*The student must provide a screenshot of the folder they have created at the end of Task 2.*

### 5. Purchases Returns and Allowances Journal

- Review the transactions journalised in the Purchases Returns and Allowances Journal Tab A2-T2PRAJ to ensure the accuracy and completeness of the recording process. Update where necessary.

*Assessor Instructions*

*Please refer to FNSACC311\_02\_Project\_Excel Workbook 1\_Assessor Guide Tab A2-T2PRAJ as this Workbook 1 provides a benchmark answer.*

- b. Download a copy of:
  - Supplier Credit Note RBRCN123 (Rags by Rick) journalises the transaction.
- c. Save a copy of this document in the Isla & Co folder for auditing purposes.

*Note to Assessor*

*The student must provide a screenshot of the folder they have created at the end of Task 2.*

- 6. In the table below, provide a screenshot of the file you have created for Isla & Co invoices, Credit notes and supporting documentation.

**Answer**

The student must provide a screenshot of a folder they have created on their computer for Isla & Co for end of financial year auditing purposes.

Below is an example of a satisfactory response. The folder must contain files.



**Assessment checklist:**

Students must have completed all Tasks within this assessment before submitting. This includes:



Task No	Excel Workbook TAB	Document to be completed	Tick
Assessment 2 Task 1.2a	A2-T1CA	Chart of Accounts	
Assessment 2 Task 1.2b	A2-T1TB	Trial Balance	
Assessment 2 Task 1.3a		Email Template	
Assessment 2 Task 1.3b	A2-T1PCV	Petty Cash Vouchers	
Assessment 2 Task 1.3c	A2-T1PCB	Petty Cash Book	
Assessment 2 Task 1.3d	A2-T1PCCPJ	Petty Cash Cash Payments Journal	
Assessment 2 Task 1.4b	A2-T1CPJ	Cash Payments Journal	
Assessment 2 Task 1.4b	A2-T1CRJ	Cash Receipts Journal	
Assessment 2 Task 1.4c	A2-T1GL	General Ledger	
Assessment 2 Task 1.4d	A2-T1BRS	Bank Reconciliation Statement	
Assessment 2 Task 2.2a	A2-T2SJ	Sales Journal	
Assessment 2 Task 2.2b		Task 2.2b Table	
Assessment 2 Task 2.2c	A2-T2SJ	Sales Journal	
Assessment 2 Task 2.3a	A2-T2SRAJ	Sales Returns and Adjustment Journal	
Assessment 2 Task 2.3b		Task 2.3b Table	
Assessment 2 Task 2.3c	A2-T2SRAJ	Sales Returns and Adjustment Journal	
Assessment 2 Task 2.4a	A2-T2PJ	Purchases Journal	
Assessment 2 Task 2.4b		Task 2.4b Table	
Assessment 2 Task 2.4c	A2-T2PJ	Purchases Journal	
Assessment 2 Task 2.5a	A2-T2PRAJ	Purchases Returns and Adjustment Journal	
Assessment 2 Task 2.5b	A2-T2PRAJ	Purchases Returns and Adjustment Journal	
Assessment 2 Task 2.6		Screen Shot	

**Congratulations, you have reached the end of Assessment [2]!** ✓

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