

# **MAY/JUNE 2018 EXAM MEMO REFERENCES**

## **QUESTION 1**

### **1.1. Compliance to the King IV Report**

6 marks

Reference: King IV Report (2016: 50-59)

### **1.2. Six instances where a director may be held liable for losses to the company**

9 marks

Reference: Companies Act of 2008, Section 77  
Jackson & Stent (2016: 3/46 – 3/47)

### **1.3. Responsible committee or individual for each activity as listed**

10½ marks

Reference: King IV Report (2016: 56 - 70)

### **1.4. Five risks which a company might face relating to its workforce**

7½ marks

Reference: Jackson & Stent (2016:13/2 – 13/6)

### **1.5. Application of General Controls and components of internal control**

17 marks

Reference: Jackson & Stent (2016: 8/7, 8/26, 8/4-8/6)

## **QUESTION 2**

### **2.1. SIX limitations of internal controls**

9 marks

Reference: Jackson & Stent (2016: 5/4 – 5/5)

### **2.2. EIGHT internal controls for granting credit terms and limits of new customers**

12 marks

Reference: Jackson & Stent (2016: 10/35 – 10/37)

### **2.3. Internal controls to address weaknesses in the acquisitions and payments cycle**

12 marks

Reference: Jackson & Stent (2016: 11/24 – 11/28, 8/19)

### **2.4. Planning and preparation procedures for conducting a year-end inventory count**

14 marks

Reference: Jackson & Stent (2016: 12/12)

### **2.5. Major risks for the investments cycle**

3 marks

Reference: Jackson & Stent (2016: 14/2)