

Introduction to Governance and Control

RHR08X7/RHR08X8/ICG8X00

TO BE ANSWERED ON A SEPARATE ANSWER SHEET															
YOU ARE REQUIRED TO:					MARKS										
(a)	Prepare a memorandum to the Audit Committee of Sage in which you describe any non-compliance and potential non-compliance by Jolly Juice with the King Code of Governance for South Africa, the King Report on Governance for South Africa, and the <i>Companies Act</i> , Act 71 of 2008.				(30)										
(b)	Fully identify and discuss the significant risks currently facing Jolly Juice Limited, as evident from the scenario. Your answer must be presented in a table format as follows: <table><tr><th>Description of risk</th><th>Type of risk (with reason)</th><th>Likelihood of occurrence (with reason)</th><th>Magnitude of impact (with reason)</th><th>Factors to mitigate risk (if any)</th></tr><tr><td>2 marks per risk</td><td>2 marks per type</td><td>2 marks per likelihood</td><td>2 marks per magnitude</td><td>2 marks per factor to mitigate</td></tr></table>				Description of risk	Type of risk (with reason)	Likelihood of occurrence (with reason)	Magnitude of impact (with reason)	Factors to mitigate risk (if any)	2 marks per risk	2 marks per type	2 marks per likelihood	2 marks per magnitude	2 marks per factor to mitigate	(30)
Description of risk	Type of risk (with reason)	Likelihood of occurrence (with reason)	Magnitude of impact (with reason)	Factors to mitigate risk (if any)											
2 marks per risk	2 marks per type	2 marks per likelihood	2 marks per magnitude	2 marks per factor to mitigate											
(c)	Identify and fully discuss any control weaknesses in the revenue and receipts cycle of Astro Vending Solutions (Pty) Limited and, for each weakness identified, provide recommendations for improvement. For the improvements given, state the management assertion that will be achieved by implementation of the control over the weakness. Your controls must include computer (application controls) Your answer must be presented in tabular form.				(35)										
Communication skills – clarity of expression and layout					(2)										
Communication skills – precision and interpretation					(3)										
TOTAL MARKS					(100)										