**Recording the sales returns day book**

The totals of the sales returns day book are entered into theledger accounts (known as the general ledger) using double entry bookkeeping. The receivables ledger is also updated to reflect the reduction in the amounts owed by each of the customers that have received a sales credit note.

SALES CREDIT NOTES

SALES RETURNS DAY BOOK (SRDB)

Individual credit notes Totals from SRDB

RECEIVABLES LEDGER GENERAL LEDGER - RECEIVABLES LEDGER CONTROL ACCOUNT

(RLCA)

|  |  |
| --- | --- |
| **NOT part of the double entry system** | **PART of the double entry system** |
| CREDIT Customer account with **TOTAL** credit note value ONLY | DEBIT Sales returns NET amount  DEBIT VAT control account VAT amount |
|  | CREDIT  Receivables ledger control account (RLCA) TOTAL amount |
|  |  |

Note that these entries are a reversal of the entries made for the original sales invoices in the  
sales day book.