

- 3 Eden runs a small business and has provided the following information for the year ended 31 December 2019.

	\$
Trade receivables at 1 January 2019	45 000
Contra sales ledger to purchases ledger	780
Discounts allowed	1 025
Discounts received	695
Interest charged on a customer's overdue account	65
Irrecoverable debt	945
Receipts from trade receivables	128 600
Returns inwards	2 500
Returns outwards	1 800
Total sales	190 000

20% of total sales are cash sales; the remainder are credit sales.

REQUIRED

- (a) Explain **three** advantages to a business of preparing control accounts.

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(b) Prepare the sales ledger control account for the year ended 31 December 2019.

Sales ledger control account

	\$		\$