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| | \$000 |
| Sales ledger balance at 1 May 2003 | 5 627 |
| Purchases ledger balance at 1 May 2003 | 4 388 |
| Sales for the year | 100 384 |
| Purchases for the year | 64 987 |
| Sales returns | 1 997 |
| Purchases returns | 864 |
| Payments received from debtors (all banked) | 92 760 |
| Payments made to creditors | 63 520 |
| Debtor's dishonoured cheque | 109 |
| Discount allowed | 4 082 |
| Discount received | 3 241 |
| Bad debts written off | 1 884 |
| Debit balances transferred to purchases ledger control account | 208 |

REQUIRED

- [10]

- (i) A sales invoice for \$2001 had been completely omitted from the books.
- (ii) A page of the sales day book with entries totalling \$7820 had been omitted from total sales but the individual entries had been posted to the debtors' accounts.
- (iii) A debit balance of \$4020 had been omitted from the list of debtors.
- (iv) A sales ledger account had been understated by \$220.
- (v) A purchases ledger account had been overstated by \$350.
- (vi) Discount allowed had been overstated by \$620.
- (vii) Discount received had been understated by \$450.
- (viii) An entry for \$1620 in the sales day book had been omitted from the debtor's account.
- (ix) A contra entry had been made in the purchases ledger for a debit balance of \$1412 in the sales ledger, but no entry had been made in the control accounts.
- (x) A receipt of \$1210 was debited to bank but not posted to the debtor's account.
- (xi) A credit note for \$720, sent to a debtor, had been entered in the sales day book and posted as a sale to both accounts.
- (xii) A debtor owing \$1820 was declared bankrupt during May 2003. The debt was written off in the control account but no entry had been made in the debtor's account.

(b) (i) Prepare an amended sales ledger control account, extracting the relevant information from the list of errors given above.

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- (ii) Prepare a Statement altering the total of the sales ledger balance to agree with the new sales ledger control account balance.

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- (c) Give **three** reasons for keeping control accounts.

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