3 Malik prepared a sales ledger control account for July 2023. However, the balance of the control account did not agree with the total of customers' account balances in the sales ledger.

He provided the following information.

	$
At 1 July 2023	
Sales ledger control account balance	76 250
the month of July 2023	
Contra purchases ledger	420
Sales journal	69 634
Cash book: customer cheques dishonoured	22
Cash book: discounts allowed	892
Journal: irrecoverable debts	410
Cash book: receipts from credit customers	74 118
Sales returns journal	2 090

The following errors were discovered which accounted for the difference.

1 The balance of a sales ledger customer's account had been undercast by $300.

2 The total of the sales returns journal had been overcast by $580.

3 A journal entry to write off a customer account balance of $95 as irrecoverable had been correctly entered in the general ledger but had been posted to the debit side of the customer's account.

4 A cheque received from a customer, $320, had been correctly entered in the cash book but had been posted to the debit side of the customer's account as $230.

5 A further dishonoured cheque from a customer, $215, had not been entered in the cash book but had been correctly entered in the customer's account.

The list of customer account balances extracted from the sales ledger totalled $69 211.

(a) Prepare the sales ledger control account for the month of July 2023, taking into account the errors discovered. Dates are **not** required.

Sales ledger control account

Details	$	Details	$

[9]

(b) Prepare a schedule of the corrected sales ledger account balances.

	Increase $	Decrease $	Total $
Per original list			69 211
Corrected balances			

[4]

(c) State **two** limitations of preparing a control account.

1 ....

....

2 ....

....

[2]