

Adjusted Debtors Control Account

	INCREASE		DECREASE		
	B/d A	32,500	B/d L	600	2
I	Remove Discount Allowed	60	<i>Error Discount Allowed</i>	60	4
	Discount Disallowed	60			
II			Unrecorded Interest Reduction	20	4
IV	Remove Error Returns	35	<i>Error Sales Returns</i>	35	
			Sales Returns after restocking	45	
			Cancelled Restocking	20	4
V	<i>Error Sales</i>	1,540	Remove Error Sales	1,540	3
	Correct Sales	1,450			
VI	30% BD now Recoverable	60			4
1	C/d L	600	C/d A – Calculated to be	32,540	

I A Debtors Account

Remove Error	16	<i>Error Discount Disallowed</i>	16
Discount Disallowed	60		

Effect: Plus 76

II A Debtors Account

Remove Error	40	<i>Error Interest</i>	40
Full Interest	140	Interest Reduction	20

Effect: Plus 180 Minus 20 = Plus 160

III A Debtors Account

Remove Error Cash Sales	1,200	<i>Error CASH sales</i>	1,200
Remove Error Credit Sales	710	<i>Error CREDIT sales</i>	710
Credit Sales	710		

Effect: Plus 2,620

IV A Debtors Account

		Original Sale Return	45
		Cancelled Restocking Charge	20

Effect: Minus 65

V	A Debtors Account	
Sales	1,450	
Effect:	Plus 1,450	

VI	A Debtors Account	
30% BD Now Recoverable, (140 = 70%)	60	
Effect:	PLUS 60	

Debtors Control Accounts. C/d A = 32,540 minus c/d L = 600 is equal to 31,940.

Use this **31,940** as the final figure in the list of Debtors and work back up to the top

Schedule of Debtors Accounts Balances

Balance as per list of Debtors

				27,639	3	End
Plus	I	Discount Disallowed Errors	76		5	
	II	Interest Errors	160		5	
	III	Cash & Credit Sales Errors	2,620		4	
	V	Sales	1,450		4	
	VI	Bad Debt Recoverable	60	+ 4,366	4	
Minus	IV	Sales Returns	60	- 65	4	
				31,940	1	Start

Net Balance as per adjusted Control Account

C Theory located on marking scheme page. 8
 egs.ie/accountancy/11/h/2ms.pdf