

8.3.3. Control Accounts

The student is introduced to

- The functions of control accounts.

On completion the student should

- Understand the need for control and the importance of information relating to debtors and creditors being available quickly and easily, particularly as a business expands
- Be clear about where information for control accounts comes from
- Be able to make entries in debtors, and creditors, control accounts from given information
- Be able to find credit sales and credit purchases through control accounts
- Understand how debtor and creditor control accounts may have both opening and closing debit and credit balances and how these arise
- Understand contra entries - how they arise and how to enter relevant information into the accounts
- Be able to reconcile total debtors or creditors with control account balances (HL).