

## 2. Debtors Control Account

(60)

### (a) Adjusted Debtors Ledger Control Account

(22)

Debtors Ledger Control a/c					
Date	Details	€	Date	Details	€
	Balance b/d	28,700 (1)		Balance b/d	400 (1)
	Discount Disallowed (i)	*170 (4)		Interest (ii)	*10 (4)
	Bad Debt Recoverable (vi)	*100 (4)		Sales Returns (iv)	*50 (4)
	Balance c/d	400 (1)		Sales Overstated (v)	*180 (3)
				Balance c/d	28,730
		29,370			29,370
	Balance b/d	28,730		Balance b/d	400

\* Allow 2m for correct words if figure incorrect.

### (b) Adjusted Schedule of Debtors showing the original balance

(30)

Adjusted Schedule of Debtors		€	€
Balance as per list of Debtors (€28,450 – €4,623)			23,827 (4)
<u>Add</u>			
Discount Disallowed (i)	*143 (4)		
Interest on Account (ii)	*110 (4)		
Sales - Cash and Credit (iii)	*2,700 (4)		
Invoice (v)	*1,570 (4)		
Bad Debt Recoverable (vi)	*100 (4)		4,623
			28,450
<u>Less</u>			
Credit Note (iv)			*(120)(4)
Net balance as per adjusted Control Account			<u>**28,330 (2)</u>

\* Allow 2m for correct words if figure incorrect.

\*\* Accept full marks for student's own figure, but must be –400.

### (c) (i) Explain how the 'Opening Balance €400' could arise.

(8)

Any 2: (2 × 2)

- a full payment of a debt (1) followed by a credit note/returns/reduction (1) //
- a full payment of a debt (1) followed by a discount (1) //
- an overpayment (1) of a debt (1)

\*\* Accept other appropriate material.

\*\* Figures in brackets show breakdown of marks if answer incomplete.

### (ii) Give **two** reasons why the balance in the Debtors Control Account may not agree with the balance in the Schedule of Debtors.

Any 2: (2 × 2)

- error(s) either in the control account or in the schedule (1) but not in the other (1) //
- failure to complete the double entry / errors (1) in the ledgers (1) //
- incorrect totalling of subsidiary books (1) sent to control account (1) // etc.

\*\* Accept other appropriate answers.

\*\* Figures in brackets show breakdown of marks if answer incomplete.