

Q.3  
(a)

24

Creditors Control Account

31/12/2021	Balance	590[2]	31/12/2021	Balance	46,960[2]
	(iv) Credit note	120[4]		(i) Restocking	45[3]
	Balance	47,275[2]		(ii) interest charged	40[3]
				(iii) Discount Disallowed	80[3]
				(vi) Invoice error	270[3]
				Balance c/f	590[2]
		<u>47,985</u>			<u>47,985</u>
	Balance	590		Balance c/f	47,275

28

(b)

Balance as per list of creditors			45,836[2]
Add	(ii) Interest charged	59[4]	
	(iii) Discount disallowed	80[4]	
	(v) Cash purchased	450[4]	
	(vi) Invoice error	<u>960[4]</u>	1,549
			47,385
Subtract	(i) Restocking	360[4]	
	(iv) Credit note	<u>340[4]</u>	(700)
Net balances per adjusted creditors control account			<u>46,685[2]</u>

8

- (c) (i) The debit balance means that Moloney is owed money by at least one of the creditors
- (ii) It can arise due to Moloney returning goods having already cleared the amount due to the supplier.  
It can arise as a result of a correction of a previous overcharge after Moloney had paid the balance due on the account.  
It can arise where Moloney overpaid the supplier.