

Name _____

Activity 20 (Debtors)

The Debtors control account and debtors list supplied were taken from the ledgers of Mashoke Traders by an inexperienced accountant. On investigation, errors and omissions were found.

Required

- 1 Draw up a corrected Debtors control account for September 2010 after all errors, adjustments and omissions have been considered. Balance the account.
- 2 Prepare the corrected list of debtors at 30 September 2010.

General ledger of Mashoke Traders									
Dr.		Debtor's control				B7		Cr.	
2010 Sep	1	Balance	b/d	21 430	2010 Sep	30	Bank and discount allowed	CRJ	28 560
	30	Debtors Allowances	DAJ	960			Bank (R/D)	CPJ	300
		Sales	DJ	32 622			Journal credits	GJ	530
		Journal debits	GJ	840			Balance	c/d	26 852
				55 852					55 852
2010 Oct	1	Balance	b/d	26 462					

Note: The bookkeeper made posting errors to the Debtors control account.

Debtors list on 30 September 2010	Debit	Credit
D. Botha	7 202	
L. Uys	5 380	
G. Coetzee	5 890	
J. van der Linde	4 520	
B. de Villiers	1 980	
W. van Jaarsveldt		640
G. Haasbroek	800	
	25 572	640

Errors and omissions

- The list of debtors had the following totals on 1 September 2010:
Total of debtors with debit balances, R21 370
Total of debtors with credit balances, R720
- The receipt issued to B. De Villiers for R870 cash received, was recorded correctly in the Cash Receipts Journal, but was posted to his account as R780.
- The total of debtors' allowances column in the Debtors Allowances Journal was under cast by R20.
- An entry in respect of sales returns of R100 by G. Haasbroek was correctly entered in the Debtors' Allowances Journal, but posted to the wrong side of Debtor G. Haasbroek's account by mistake.
- The debit column of the debtors' list was under cast by R200.
- There was no entry made in the General Ledger for the transfer of the account of W. van Jaarsveldt with a credit balance of R640 from his account in the Creditor's Ledger.
- The amounts on the credit side of J. van der Linde's were under cast by R400.
- On 30 September R18 postage was paid on behalf of a debtor, G. Coetzee, from the petty cash. The entry was recorded in the Petty Cash Journal, but not posted to the ledger.
- When L. Uys paid R1 000 on his account he received a 10% discount, which was recorded in the Cash Receipts Journal. However, this discount was not posted to his account.

<i>Answer sheet</i>									
General ledger of Mashoke Traders									
Dr.		Debtors control						Cr.	

Debtors list on 30 September 2010	Debit	Credit
D. Botha		
L. Uys		
G. Coetzee		
J. van der Linde		
B. de Villiers		
W. van Jaarsveldt		
G. Haasbroek		