



Accounting Leaving Certificate Higher Level

Past Exam Questions on:

Debtors Control Account.

## **Q2 2011**

### **2. Debtors Control Account**

The Debtors Ledger Control Account of S. O'Leary showed the following balances: €32,500 dr and €600 cr on 31/12/2010. These figures did not agree with the Schedule (List) of Debtors Balances extracted on the same date. An examination of the books revealed the following:

- (i) Discount disallowed to a customer of €60 had been recorded as discount allowed in the general ledger and credited as €16 in the customer's account.
- (ii) Interest amounting to €140, had been entered correctly in the interest account, but credited as €40 in the customer's account. Following a complaint by the customer this was reduced by €20. This reduction had not been entered in the books.
- (iii) Cash sales €1,200 and credit sales €710 had both been entered by O'Leary on the credit side of a customer's account.
- (iv) A credit note was sent to a customer for €45 after a restocking charge of €20 was applied. The only entry made was €35 in the returns book. After a complaint was made by the customer, the restocking charge was cancelled.
- (v) An invoice sent by O'Leary to a customer for €1,450 had been entered in the appropriate day book as €1,540. When posting from this book to the ledger no entry had been made in the customer's account.
- (vi) €140 was received from a debtor for a debt previously written off. This represents 70% of the original bad debt. The debtor has undertaken to pay the remainder of the debt and now wishes to trade again with O'Leary. No entries were made in the accounts.

#### **Required:**

- (a) Prepare the Adjusted Debtors Ledger Control Account. (22)
- (b) Prepare the Adjusted Schedule (List) of Debtors showing the original balance. (30)
- (c) (i) Which books of first entry are used in the production of Debtors Control Accounts?  
(ii) Explain the importance of Control Accounts. (8)

**(60 marks)**

---



## Q2 – 2007

### **2 Debtors Control Account**

The Debtors Ledger Control Account of J. Forrester showed the following balances - €30,000 dr and €530 cr on 31/12/2006. These figures did not agree with the Schedule (List) of Debtors' Balances extracted on the same date. An examination of the books revealed the following:

- (i) Discount disallowed to a customer €46 had been treated as discount allowed in the discount account.
- (ii) Interest amounting to €90, charged to a customer's overdue account, had been posted to the interest account as €110. Following a complaint by the customer this was reduced to €40. This reduction had not been entered in the books.
- (iii) Cash sales €1,600 and credit sales €820 had both been entered by Forrester on the credit of the customer's account.
- (iv) A credit note was sent to a customer for €520. The only entry made in the books was €52 debited to the customer's account.
- (v) An invoice sent by Forrester to a customer for €1,560 had been entered in the appropriate day book as €1,650. When posting from this book to the ledger no entry had been made in the customer's account.
- (vi) Forrester had accepted sales returns €300 from a customer and entered this correctly in the books. The accounts clerk sent out a credit note showing a restocking charge of 10% of sales price but made the necessary adjustment only in the customer's account. Later this charge was reduced to 4% but this reduction was not reflected in the accounts.

#### **You are required to:**

Prepare the Adjusted Debtors Ledger Control Account. (22)

Prepare the Adjusted Schedule of Debtors showing the original balance. (30)

Explain: (i) ~~Content~~  
(ii) How 'Opening Balance €530' above could arise. (8)

**(60 marks)**

## Q3 – 2003

### **3 Debtors Control Account**

The Debtors Ledger Control Account of T. O'Dowd showed the following balances - €33,444dr and €633cr on

31/12/2002. These figures did not agree with the Schedule (List) of Debtors Balances extracted on the same date. An examination of the books revealed the following.

- (i) A cheque for €850, received from a customer in full settlement of a debt of €880, had been entered correctly in the books. However, this cheque was dishonoured but no entry had been made in the books relating to the cancelled cheque.
- (ii) Cash sales €1,800 and credit sales €800 had both been entered by O'Dowd on the credit of a customer's account.

- (iii) O'Dowd had sent an invoice to a customer for €1,680. This had been entered in the appropriate day book as €1,860. However when posting from this book to the ledger no entry had been made in the customer account.
- (iv) A credit note was sent to a customer for €566. The only entry made in the books was €56 debited to the customer's account.
- (v) O'Dowd had charged a customer interest amounting to €82 on an overdue account. The only entry in the books for this interest had been €28 credited to the customer's account. After a protest this interest was reduced to €20 but this reduction had not been reflected in the accounts.
- (vi) O'Dowd had accepted sales returns €400 from a customer and entered this correctly in the books. However, a credit note was sent out by the secretary showing a restocking charge of 10% of sales price. The secretary made the necessary adjustment only in the customer's account. Later this charge was reduced to 6% but this reduction was not reflected in the accounts.

**You are required to show the following:**

- (a) Adjusted Debtors' Ledger Control Account.
- (b) Adjusted Schedule of Debtors' showing the original balance.

(35)

(25)(60 marks)