



WORKSHEET 18

School: Ba Sangam College
Subject: Accounting

Year: 1201

Name _____

Strand -6	System for Implementing the accounting process
Sub Strand -6.1	Accounting for credit transactions
Content Learning Outcome 6.1.1	Examine the basic internal control procedures over credit transactions.

Part A

Accounting for Credit Transactions

(5 marks)

Asinate operates a fancy clothing business. The following information relates for the month of April 2017.

Resource 1 Ledger Account Balances at 1st April 2017

Accounts Receivable	\$2 000 Dr
Accounts Payable	\$6 000 Cr

Resource	Totals for Source Documents	
2	Total of Tax Invoices Issued	\$10 200
3	Total of Tax Invoice Received	\$9 300
4	Total of Credit Note Issued	\$150
5	Total of Credit Note Received	\$200

Resource 6 Cash Receipts Journal (Extract)

Discount allowed	Bank	Acc Receivables	Sales	Commission
\$100	\$16 400	\$9 500	\$6 400	\$600

Resource 7 Cash Payments Journal (Extract)

Discount received	Bank	Acc Payables	Wages	Others
\$150	\$9 950	\$7 400	\$1 800	\$900

Resource 8 General Journal

Date	Particulars	Debit (\$)	Credit (\$)
April 7	Salele	60	
	Freight		60
	(To record freight charged to Salele)		
April 12	Bad debts	95	
	Waq		95
	(To record bad debts on Waqa's account)		
April 20	Aminiasi (Creditors ledger)	460	
	Aminiasi (Debtors ledger)		460
	(To record the transfer from debtors to creditors ledger)		
April 24	Shivnay	85	
	Interest		85
	(To record interest charged to Shivnay)		

Required

From the information given, prepare the Accounts Receivable Control Account to determine the balance for the accounts receivable at the end of April 2017.

Accounts Receivables Control Account

(a)

Accounts Receivable Control Account

Date	Particulars	\$	Date	Particulars	\$
1 April	Balance	2000	30 April	Sales Return	150
	Sales	10200		Cash / Bank	9400
	Freight	60		Discount Allowed	100
	Interest	85		Bad Debts	95
				Transfer to Creditors ledger / Contra Acc.	460
				Balance C/d	2140
		12345			12345
	Balance b/f	2140			

Cash & dis. \$9500

(5 marks)

THE END