



higher education  
& training

Department:  
Higher Education and Training  
REPUBLIC OF SOUTH AFRICA



# **SUBJECT: FINANCIAL MANAGEMENT**

**LEVEL: 3**

**MODULE 21: COMPILING A BASIC DEBTORS AND CREDITORS  
RECONCILIATION STATEMENT.**

# COMPILING A BASIC DEBTORS AND CREDITORS RECONCILIATION STATEMENT.

After completing this topic, you will be able to:

- Compile a list of balances outstanding debtors and creditors for the debtors and creditors ledger.
- Compare the debtors and creditors lists to the debtors control and creditors control accounts respectively in the general ledger.
- Identify and resolve discrepancies, or refer them to appropriate persons.

# MANAGING DEBTORS AND CREDITORS

- A debtor is a person who owes money to another person.
- The debtors of a business are customers that have received invoices for goods and services supplied to them.
- The customers must now pay the business.
- Most businesses have several debtors and creditors.
- The business owner needs to control over what customers owe the business, and also what the business owes suppliers.

# ACTIVITIES

- Activity 21.1