



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.

COMPARING THE DEBTORS LIST WITH THE DEBTORS CONTROL ACCOUNT.

- When a business sells a good or a service to a customer, the sale will be recorded in the sales ledger.
- The business can sell the good or services and offers credit terms to the customer.
- In this case the business will record the sale in the debtors journal as a debit, and credit the account of the customer.
- The transaction of each of the debtors accounts are posted to the debtors control account.

ACTIVITIES

- Activity 21.4