

- 1 Rahul is a trader. He prepares his financial statements to 31 December each year. Rahul made the following transactions in January 2026.

- January 3 Cash received from cash sales, \$621
- 6 Bank payment, \$290, to Anil, a credit supplier, in full settlement of an invoice for \$300
- 7 Cash purchases, \$188
- 11 Purchased goods on credit, \$175, from Daisy
- 14 Sold goods on credit, \$218, to Vihaan
- 17 Deposited cash in hand, \$300, into the bank account
- 24 Electronic transfer, \$108, to Ravi, after deducting cash discount of 10%
- 26 Sold goods on credit, \$186, to Darren
- 29 Vihaan transferred \$240 into the bank account.
- 30 Paid motor expenses, \$183, by cheque

REQUIRED

- (a) Prepare Rahul's cash book.

Balance the cash book, and bring down the balances at 1 February 2026.



Rahul maintains his bookkeeping records himself. He is considering keeping a sales ledger control account.

REQUIRED

(d) State:

(i) **one** reason why Rahul may benefit from keeping a sales ledger control account

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..... [1]

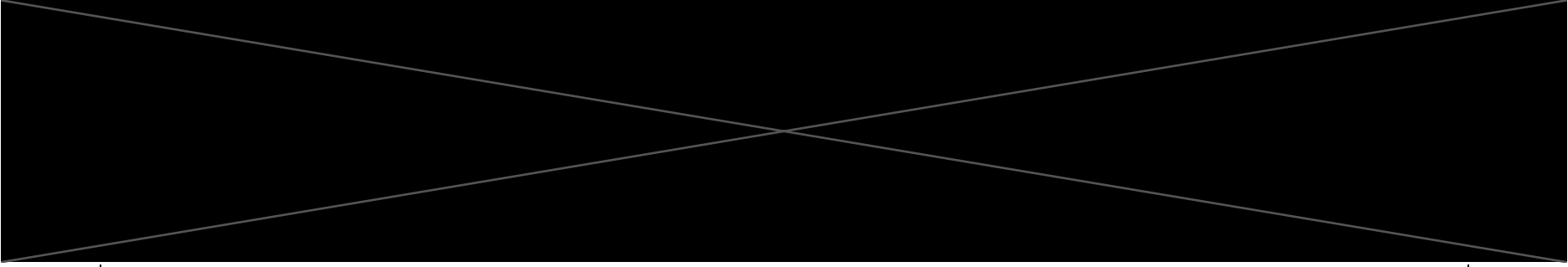
(ii) **one** reason why Rahul may **not** benefit from keeping a sales ledger control account.

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(e) Explain how the principle of duality would apply if Rahul kept a sales ledger control account.

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..... [2]

[Total: 20]

Question	Answer	Marks
		
1(d)(i)	Assist in location of errors (1) Provide a summary of sales ledger transactions (1) Provide proof of the arithmetical accuracy of the sales ledger (1) May help to reduce fraud (1) Assist in production of draft financial statements (1) Provide the total of the trade receivables quickly (1) Max (1)	1
1(d)(ii)	There were only two credit sales in January (1) Most of sales in January were for cash (1) Accept other valid points Max (1)	1
1(e)	The principle of duality requires every transaction to be recorded twice – once on the debit side and once on the credit side (1) Either – A control account is not part of the double entry system (1) Or – The duality principle does not apply to a control account (1) Max (2)	2