**RECEIVABLES CONTROL ACCOUNT RECONCILIATION**

Hercules Ltd. sells bathroom fittings on credit to most of its customers. In order to control its debt collection system, the company maintains a trade receivables ledger control account. In preparing the accounts for the year to 31 July 2023 the accountant discovers that the total of all the personal accounts in the trade receivables’ ledger amounts to total £ 12,802 whereas the control account balance discloses a balance of £ 12,550.

Upon investigation the following errors were discovered:

* Sales for the week ending 27 March 2023 amounting to £ 850 had been omitted from the control account
* An account balance of £ 300 had not been included in the list of balances.
* Cash received of £ 750 had been entered in a personal account as £ 570.
* Discounts allowed totaling £ 100 had not been entered in the control account.
* A personal account balance had been undercast by £ 200
* A contra item of £ 400 with the trade payables ledger had not been entered in the control account.
* A bad debt of £ 500 had not been entered in the control account
* Cash received of £ 250 had been debited the personal account
* Discounts received of £ 50 had been debited to a customer’s ledger account
* Returns inwards valued at £ 200 had not been included in the control account
* Cash received of £ 80 had been credited to a personal account as £ 8
* A cheque for £ 300 received from a customer had been dishonored by the bank, but no adjustment had been made in the control account.

**Required:**

1. **Prepare a corrected trade receivables control account, bringing down the amended balance at 31 July 2023**
2. **Prepare a statement showing the adjustments that are necessary to the list of personal account balances so that it reconciles with the amended control account**