

column posted separately. As stated before, this column is for entries for which no column is provided, and as these entries usually affect various accounts it is quite obvious that there is no account to which the totals could be posted.

There are two accounts for "the Student." One is for the original investment, which is called the **Capital Account**, and another for withdrawals of money or goods received by the student from the business. This is done in order to keep the original investment intact.

Although the individual items in the accounts payable and accounts receivable columns have been posted to their respective ledger accounts, you will notice the totals have also been posted to an accounts payable and accounts receivable account in the general ledger. These general ledger accounts are called "controlling accounts." The advantages of having these controlling accounts are numerous. One is that it is possible to tell the total amount owing to or by without going through the accounts receivable and accounts payable ledgers and adding the balances. Another is that if any error were made by posting wrong amounts they would be detected at the end of the month, as the total of the accounts payable and accounts receivable would not agree with the balances of their respective general ledger accounts. In the example shown the controlling account of the accounts receivable shows that there is \$491.32 owing to you, and if you refer to the accounts receivable ledger you will see that this is made up of the following accounts: S. E. Warren \$96.13, K. Smith \$67.19, A. Sterne \$114.00, and A. Bell \$214.00. This tells you that the correct amounts have been posted to the accounts receivable ledger accounts, and bookkeepers usually consider their work correct after finding that the balances agree, although an error could be made and the books still balance. For instance if on April 12 A. Sterne had been charged with \$67.19 instead of K. Smith, the total of all the balances would be the same as it is now and it would appear that no mistake had been made. In order to ascertain if any errors of this kind are made it is necessary to check each posting into the ledger. This is a commendable plan to adopt, especially if these postings are checked daily, as it detects errors before any inconvenience or trouble arises. The same explanations apply to the accounts payable.

After balancing the accounts receivable and accounts payable ledgers with their respective controlling accounts it is necessary to balance the general ledger. You will see that for every debit entry in the synoptic we have made a corresponding