



MASTERING CORRECTION OF ACCOUNTING ERRORS LESSON 2 HOMEWORK EXERCISES AND PROBLEMS

Section 3—FINDING AND CORRECTING ERRORS USING THE UNADJUSTED TRIAL BALANCE

1. In the trial balance below, total debits do not equal total credits. Find and correct the likely error(s) to bring the totals into balance.

	Debit	Credit
Cash	410	
Accounts Receivable	740	
Supplies on Hand	1,850	
Prepaid Insurance	6,500	
Equipment	154,000	
Accounts Payable		23,000
Long-term Notes Payable		30,000
W. Worthington, Capital		46,260
Constuction Revenues		112,000
Wage Expense	29,400	
Interest Expense	900	
Rent Expense	10,800	
Totals	<u>204,600</u>	<u>211,260</u>

2. In the trial balance below, total debits do not equal total credits. Find and correct the likely error(s) that bring the totals into balance.

	Debit	Credit
Cash	22,500	
Accounts Receivable	30,000	
Allowance for Doubtful Accounts	2,000	
Supplies on Hand	1,850	
Prepaid Insurance	6,500	
Equipment	144,000	
Accum. Depreciation – Equipment	48,500	
Accounts Payable		3,000
Long-term Notes Payable		50,000
J. Smith, Capital		57,300
Consulting Revenues		102,000
Wage Expense	39,400	
Interest Expense	900	
Rent Expense	10,800	
Repairs Expense	100	
Utilities Expense	6,750	
Totals	<u>313,300</u>	<u>212,300</u>

3. In the trial balance below, total debits do not equal total credits. Find and correct the likely error(s) that bring the totals into balance.

	Debit	Credit
Cash	27,500	
Accounts Receivable	40,000	
Allowance for Doubtful Accounts		2,000
Supplies on Hand	1,850	
Prepaid Insurance	6,500	
Equipment	104,000	
Accum. Depreciation – Equipment		82,500
Accounts Payable		13,000
Long-term Notes Payable		40,000
S. Jones, Capital		47,300
Consulting Revenues		122,000
Wage Expense	38,400	
Interest Expense	6,900	
Rent Expense	15,400	
Repairs Expense	5,500	
Utilities Expense	6,750	
Totals	<u>252,800</u>	<u>306,800</u>

4. In the trial balance below, total debits do not equal total credits. Find and correct the likely error(s) to bring the totals into balance.

	Debit	Credit
Cash	24,732	
Accounts Receivable	75,109	
Land		647,604
Accounts Payable		54,811
Note Payable		176,400
JT Howzer, Capital		587,332
Revenues		649,998
Wage Expense		423,788
Rent Expense	110,000	
Interest Expense	7,308	
Totals	<u>217,149</u>	<u>2,539,933</u>

5. In the trial balance below, total debits do not equal total credits. Find and correct the likely error(s) to bring the totals into balance.

	Debit	Credit
Cash	158,000	
Office Supplies		25,000
Equipment	180,000	
Accum. Depreciation— Equipment		44,000
Accounts Payable		47,700
Wages Payable		13,000
W. Shannon, Capital		20,970
W. Shannon, Withdrawals	25,000	
Entertainment Revenue		338,000
Rent Expense	26,800	
Gas and Oil Expense	3,000	
Wage Expense	219,700	
Advertising Expense	12,500	
Legal Expense	11,400	
Totals	<u>636,400</u>	<u>488,670</u>