

Ex. 2–20

1. The debit column total is added incorrectly. The sum is \$291,750, rather than \$458,250.
2. The trial balance should be dated “March 31, 2010,” not “For the month ending March 31, 2010.”
3. The Accounts Receivable balance should be in the debit column.
4. The Accounts Payable balance should be in the credit column.
5. The Estelle Chatman, Drawing, balance should be in the debit column.
6. The Advertising Expense balance should be in the debit column.

A corrected trial balance would be as follows:

BURGOO CO.
Unadjusted Trial Balance
March 31, 2010

	<u>Debit Balances</u>	<u>Credit Balances</u>
Cash	22,500	
Accounts Receivable	49,200	
Prepaid Insurance	10,800	
Equipment.....	150,000	
Accounts Payable		5,550
Salaries Payable.....		3,750
Estelle Chatman, Capital		129,600
Estelle Chatman, Drawing	18,000	
Service Revenue.....		236,100
Salary Expense.....	98,430	
Advertising Expense.....	21,600	
Miscellaneous Expense.....	4,470	
	<u>375,000</u>	<u>375,000</u>

Ex. 2–21

a.	Prepaid Rent.....	3,600	
	Cash.....		3,600
b.	Juanita Jacobsen, Drawing	20,000	
	Wages Expense		20,000