

I-02.06

The following trial balance for Williams Corporation does not balance. You have conducted an extensive review to help Laura Williams find the nature of the problem. Below the trial balance is information about six errors you have discovered. Use the additional information to prepare a corrected trial balance.

WILLIAMS CORPORATION		
Trial Balance		
December 31, 20X1		
	Debits	Credits
Cash	\$ 123,432	\$ -
Accounts Receivable	76,409	-
Land	-	688,004
Accounts Payable	-	32,611
Loan Payable	-	76,400
Capital Stock	-	340,000
Retained Earnings	-	456,332
Revenues	-	879,998
Wages Expense	-	575,988
Rent Expense	112,654	-
Interest Expense	4,654	-
Dividends	9,000	-
	<u>\$ 326,149</u>	<u>\$ 3,049,333</u>

- Error # 1 All accounts have normal balances, but two amounts are in wrong columns!
- Error # 2 Services provided on account for \$1,500 was debited to Accounts Payable and credited to Revenues.
- Error # 3 Supplies Expense of \$104,300 was completely omitted from the trial balance.
- Error # 4 The amount recorded for Revenues was transposed. It should have been \$789,998.
- Error # 5 A \$5,000 shareholder investment was debited to Cash and credited to Dividends.
- Error # 6 An interest payment of \$1,000 was debited to Loan Payable for \$100 and credited