Solutions

2.1

- Dr Cash 1,500 / Cr Revenue 1,500.
- Dr Wages 700 / Cr Cash 700.
- Dr Inventory 300 / Cr Payables 300.
- Balances: cash 32,800; revenue 4,500; wages 700 Dr.
- Inventory 3,100; payables 4,300.

2.2

- Swapping two digits changes a number by a multiple of 9, so a difference divisible by 9 points at a transposition.
- $1{,}800 = 9 \times 200$.
- (a): $3{,}100 - 1{,}300 = 1{,}800$ – the fit.

2.3

- Both columns grow by 52,000.
- The trial balance still ties exactly.
- Profit is understated by 52,000.
- Only reconciliation against the payroll record catches it.

3.1

- With the purchase's two lines missing but the £1,200 usage still posted, the columns read Dr 39,200 against Cr 38,000 – a difference of 1,200.
- The louder tell-tale: inventory carries a CREDIT balance of 1,200, which an asset account cannot.
- Correction: Dr Inventory 4,000 / Cr Payables 4,000 – inventory ends 2,800 Dr, payables 4,000 Cr.
- Corrected totals: Dr 42,000 = Cr 42,000 ✓.

3.2

- The trial balance tests one property only: total debits equal total credits.
- Double-posting preserves that property while corrupting an expense and both ledger totals.
- Balanced rules out one-sided errors; classification and amount errors need reconciliation against evidence.