Video link: [Correction of errors (loom.com)](https://www.loom.com/share/48b0a8f7b2a243d986dcecca883944f8)

**Correction of errors**

Record the following transaction in the general journal and the general ledger. This business "Downtown Traders" uses the perpetual inventory system and is registered for GST.



1. On 15 May 2021, an error has been detected. An electricity expense from April of $400 + $40 GST was incorrectly recorded as a rent expense.

**GENERAL JOURNAL**

|  |  |  |  |
| --- | --- | --- | --- |
| Date | Details | Debit | Credit |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

Rent

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2021 May 1 | Balance b/d | 400 |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

Electricity

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
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GST Credit

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 2021 May 1 | Balance b/d | 40 |  |  |  |
|  |  |  |  |  |  |