

Solution:

The entries are incorrect classified in some cases. We can write the correct trial balance in the following way:

TRIAL BALANCE (in thousands of \$)

Name of Account	Debit	Credit
Cash	22	
Equipment	33	
Accumulated Depreciation, Equipment		15
Accounts Payable		42
Accounts Receivable	14	
Pre-paid Insurance	1	
Pre-paid Rent	3	
Inventory	129	
Paid in Capital		17
Retained Earnings		10
Cost of Goods Sold	500	
Wages Expense	100	
Misc. Expense	80	
Advertisement Expense	30	
Sales		788
Notes Payable		40
Total	912	912