

Trial Balance

As at 31st December 2023

| Account Title | Debit (â‚¹) | Credit (â‚¹) |
|---------------------|----------------|----------------|
| Cash | 50,000 | |
| Accounts Receivable | 20,000 | |
| Inventory | 15,000 | |
| Furniture | 30,000 | |
| Accounts Payable | | 22,000 |
| Loan Payable | | 25,000 |
| Capital | | 60,000 |
| Sales | | 70,000 |
| Purchases | 40,000 | |
| Rent Expense | 8,000 | |
| Salaries Expense | 14,000 | |
| Total | 177,000 | 177,000 |

- A Two-Column Trial Balance lists all ledger account balances as either debit or credit.
- Its main purpose is to verify that total debits equal total credits after posting from the ledger.
- It helps in detecting arithmetic errors, though not all types of errors.
- Trial Balance is typically prepared at the end of an accounting period before financial statements.
- Only those accounts with non-zero balances are generally listed.