**Chapter 4 :
Correcting entries
قيود التصحيح**

 **On May 10. Mercato Co. journalized and posted a NT$500 cash collection on account from a**

**customer as a debit to Cash NT$500 and a credit to Service Revenue NT$500.**

**Correct entry القيد الصحيح ( كان لازم يتسجل) Wrong entry القيد الخطأ الذي تم تسجيله
Dr cash 500 Dr cash 500
 Cr acc rec 500 Cr service rev 500**

**Correcting entry قيد التصحيح
direct method :
Dr service rev 500
 Cr acc rec 500**

**Reversing entry ( indirect method)
Dr service rev 500
 Cr cash 500**

**Dr cash 500
 Cr acc rec 500**

**On May 18, Mercato purchased on account equipment costing NT$4,500. The transaction**

**was journalized and posted as a debit to Equipment NT$450 and a credit to Accounts Payable**

**NT$450. The error was discovered on June 3,**

**Correct entry القيد الصحيح ( كان لازم يتسجل) Wrong entry القيد الخطأ الذي تم تسجيله
Dr equipment 4,500 Dr equipment 450
 Cr acc pay 4,500 Cr acc pay 450**

**Correcting entry
direct method :
Dr equipment ( 4,500 – 450) 4,050
 Cr acc pay 4,050**

**Indirect method:**

 **Dra cc pay 450
 Cr equipment 450

 Dr equipment 4,500
 Cr acc pay 4,500**