Prob. 13–5A

Jan.	10	No entry required. The stockholders ledger would be revised to record the increased number of shares held by each stockholder.		
Mar.	1	Cash Dividends	216,000*	
		Cash Dividends Payable		216,000
		*(80,000 × $1.20) + (500,000 × $0.24)		
Apr.	30	Cash Dividends Payable	216,000	
		Cash		216,000
July	9	Treasury Stock (75,000 × $26)	1,950,000	
		Cash		1,950,000
Aug.	29	Cash (40,000 × $32)	1,280,000	
		Treasury Stock (40,000 × $26)		1,040,000
		Paid-In Capital from Sale of Treasury Stock (40,000 × $6)		240,000
Sept.	1	Cash Dividends	165,750*	
		Cash Dividends Payable		165,750
		*(80,000 × $1.20) + [(500,000 – 35,000) × $0.15]		
	1	Stock Dividends (4,650 × $30)	139,500**	
		Stock Dividends Distributable (4,650 × $25)		116,250
		Paid-In Capital in Excess of Par—Common Stock (4,650 × $5)		23,250
		**(500,000 – 35,000) × 1% × $30		
Oct.	31	Cash Dividends Payable	165,750	
		Cash		165,750
	31	Stock Dividends Distributable	116,250	
		Common Stock		116,250