SOUTH-WESTERN
CENGAGE Learning

Prob. 6–5A

Dec.	3	Merchandise Inventory	29,400	
		Accounts Payable—Hillsboro Co.		29,400
		[$38,000 – ($38,000 × 25%)] = $28,500; $28,500 + $900 = $29,400.		
	5	Merchandise Inventory	18,750	
		Accounts Payable—Deepwater Co.		18,750
	6	Accounts Receivable—Zion Co.	17,550	
		Sales		17,550
		[$27,000 – ($27,000 × 35%)] = $17,550.		
	6	Cost of Merchandise Sold	14,000	
		Merchandise Inventory		14,000
	7	Accounts Payable—Deepwater Co.	3,000	
		Merchandise Inventory		3,000
	13	Accounts Payable—Hillsboro Co.	29,400	
		Cash		28,830
		Merchandise Inventory		570
	15	Accounts Payable—Deepwater Co.	15,750	
		Cash		15,435
		Merchandise Inventory		315
	16	Cash	17,199	
		Sales Discounts	351	
		Accounts Receivable—Zion Co.		17,550
	19	Cash	58,000	
		Sales		58,000
	19	Cost of Merchandise Sold	34,800	
		Merchandise Inventory		34,800
	22	Accounts Receivable—Smith River Co.	15,400	
		Sales		15,400
	22	Cost of Merchandise Sold	9,000	
		Merchandise Inventory		9,000
	23	Cash	33,600	
		Sales		33,600

Prob. 6–5A Concluded

Dec.	23	Cost of Merchandise Sold	20,000	
		Merchandise Inventory		20,000
	28	Sales Returns and Allowances	2,400	
		Accounts Receivable—Smith River Co.		2,400
	28	Merchandise Inventory	1,400	
		Cost of Merchandise Sold		1,400
	31	Credit Card Expense	1,750	
		Cash		1,750