**Problem 5-2**

**Journal entries**

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **Account title** | **Debit** | **Credit** |
| Mar 4 | Purchases | 1,300 |  |
|  | Accounts Payable – Bala Co. |  | 1,300 |
|  |  |  |  |
| Mar 6 | Freight – in | 70 |  |
|  | Cash |  | 70 |
|  |  |  |  |
| Mar 9 | Accounts Payable – Bala Co. | 100 |  |
|  | Purchase returns and allowances |  | 100 |
|  |  |  |  |
| Mar 10 | Accounts Receivable | 670 |  |
|  | Sales Revenue |  | 670 |
|  |  |  |  |
| Mar 12 | Purchases | 450 |  |
|  | Accounts Payable – Axis Sport |  | 450 |
|  |  |  |  |
| Mar 14 | Accounts Payable-Bala Co. | 1,200 |  |
|  | Purchase Discount (2% 1,200) |  | 24 |
|  | Cash |  | 1,176 |
|  |  |  |  |
| Mar 17 | Accounts Payable – Axis Sport | 50 |  |
|  | Purchase returns and allowances |  | 50 |
|  |  |  |  |
| Mar 20 | Accounts Receivable | 600 |  |
|  | Sales Revenue |  | 600 |
|  |  |  |  |
| Mar 21 | Accounts Payable-Axis Sport | 400 |  |
|  | Purchase Discount (1% 400) |  | 4 |
|  | Cash |  | 396 |
|  |  |  |  |
| Mar 27 | Sales Return and Allowances | 55 |  |
|  | Accounts Receivable |  | 55 |
|  |  |  |  |
| Mar 30 | Cash | 630 |  |
|  | Accounts Receivable |  | 630 |
|  |  |  |  |