

**Solution:***SUMMARY ENTRIES FOR JOURNAL (in millions of \$)**Name: Newport Boat Co.*

<i>Date</i>	<i>Particulars</i>	<i>Debit</i>	<i>Credit</i>
<i>31 Dec, 2013</i>	Purchases	140	
	To Accounts Payable		140
	(Being purchases of items)		
	Accounts Payable	6	
	To Purchase Returns & Allowance		6
	(Being return of purchase)		
	Freight Expenses	14	
	To Cash		14
	(Being freight expenses for the items)		
	Accounts Payable	1	
	To Cash Discounts		1
	(Being cash discounts on purchases)		
	Cost of Goods Sold	158	
	Purchase Returns & Allowance	6	
	Cash Discounts	1	
	To Purchases		140
	To Inventory		25
	(Being summary of goods sold)		
	Inventory	35	
	To Cost of Goods Sold		35
	(Being final summary of goods sold for ledger posting)		

Note: Since the chapter dealt with only purchases and inventory management, we made the summarizing entries for only purchases.