

**Solution:**

To find the gross revenue and the net revenue from the sales, we need to consider the allowances. Gross revenue will be there before the allowances are deducted and net revenue will be there after the allowances are deducted.

Now, note that Mr. Frezatti has paid \$36,000 already in assets (\$15,000 car + \$21,000 cash). Moreover, he got \$1,000 allowance from the dealer.

Thus, the schedule of gross and net revenue is as follows:

<b>Particulars</b>	<b>Amount (in \$)</b>
Trade of old 5-year Audi	15,000
Cash down payment for remainder	21,000
<b>Gross Revenue</b>	<b>36,000</b>
Less: Allowance for scratches	(1,000)
<b>Net Revenue</b>	<b>35,000</b>

This is the schedule for this transaction.