

Solution:

By using the transactions, we can try to guess what could be the possible transactions.

The table is as follows:

What could each transaction mean?		
S.No.	Accounts Affected	Interpretation
(a)	+\$50,000 (cash) +\$50,000 (paid in capital)	Investment of \$50,000 on the shop
(b)	+\$80,000 (inventory) +\$80,000 (accounts payable)	Acquisition of inventory worth \$80,000 on open account
(c) & (d)	+\$110,000 (accounts receivable) -\$68,000 (inventory) +\$110,000 (sales revenue) +\$68,000 (cost of goods sold)	Sales of inventory worth \$68,000 on open account for \$110,000
(e)	-\$18,000 (cash) -\$18,000 (accounts payable)	Settlement of accounts payable with \$18,000 cash

The journal entries are done on the next page...

With this table, the journal entries are easy to write and create:

JOURNAL ENTRIES (in \$)			
Date	Particulars	Debit	Credit
(a)	Cash To Paid in Capital	50,000	50,000
(b)	Inventory To Accounts Payable	80,000	80,000
(c)	Accounts Receivables To Sales Revenue	110,000	110,000
(d)	Cost of Goods Sold To Inventory	68,000	68,000
(e)	Accounts Payable To Cash	18,000	18,000

The descriptions are omitted here but can easily be seen from the previous table's interpretation.