(1)

The journal entries for Prentice Hall would be as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **Particulars** | **Debit** | **Credit** |
| 12 Aug | Accounts Receivable  To Sales | 90,000 | 90,000 |
| 10 Sep | Cash  Discount allowed  To Accounts Receivable | 88,200  1,800 | 90,000 |
| 18 Dec | Sales Return  To Cash | 5,400 | 5,400 |

Note: 17 July is not recorded in journal because it is not a monetary transaction; it is merely a statement of order placement and performs no significant monetary changes.

(2)

The revenue section would be prepared as follows:

|  |  |
| --- | --- |
| Particulars | Amount |
| Sales of Books | 90,000 |
| Less: 2% trade discount applied | 1,800 |
| Gross Revenue Earned | 88,200 |
| Less: Sales of Books Returned | 5,400 |
| Net Revenue Earned | 82,800 |