Let us build the journal entries as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| JOURNAL  Name: **Walla Walla Wines Co.** | | | |
| Date | Particulars | Debit | Credit |
| 9 June | Accounts Receivable  To Sales  (Being sales of wines to Westlake) | 40,000 | 40,000 |
| 11 June | Accounts Receivable  To Sales  (Being sales of wines to Marty’s) | 15,000 | 15,000 |
| 18 June | Cash  Cash Discount  To Accounts Receivable  (Being payment of dues by Westlake before time) | 39,200  800 | 40,000 |
| 26 June | Sales Return  To Accounts Receivable  (Being return of six cases by Marty’s) | 1,000 | 1,000 |
| 10 July | Cash  To Accounts Receivable  (Being payment of dues by Marty’s firm) | 39,000 | 39,000 |
| 12 July | Sales Return  To Cash  (Being return of wines by Westlake and cash refund) | 100 | 100 |

The journal has been prepared according to the gross journal method. The discounts are applied and the entries are done properly.