

Prepare the journal entries to record these 2014 transactions for Discount Fuel Oil, Inc. (DFO), a home heating oil retailer. Assume use of the perpetual inventory system for both companies.

April 1 DFO purchased 10,000 gallons of oil from Texaco at \$2.00/gallon, terms 1/15, n. 45.  
 April 5 DFO sold 500 gallons of oil at \$2.80/gallon to T. Knox, terms 1/10, n.30. The oil sold had a cost of \$1.80 per gallon  
 April 7 DFO sold 1,000 gallons of oil at \$2.60/gallon to J. Stone, terms 1/10, n. 30. The oil sold had a cost of \$1.80 per gallon.  
 April 13 DFO paid Texaco for the April 1 purchase.  
 April 14 DFO received payment from T. Knox for the April 5 purchase.  
 April 17 DFO purchased 5,000 gallons of oil from Hess at \$1.90/gallon, terms 1/10, n.30.  
 April 23 DFO received payment from J. Stone for the April 7 purchase.  
 April 30 DFO paid Hess for the April 17 purchase.

Journal Entries

Date	Description	Debit	Credit
4/1	Inventory	20000	
	Accounts Payable		20000
	Purchased gallons of oil		
4/5	Accounts Receivable	1400	
	Sales Revenue		1400
	Sold Gallons of oil		
	Cost Of Goods Sold	900	
	Inventory		900
	Sold Gallons of oil per pound		
4/7	Accounts Receivable	2600	
	Sales Revenue		2600
	Sold Gallons of oil		
	Cost Of Goods Sold	1800	
	Inventory		1800
	Sold per gallon		
13-Apr-24	Accounts Payable	20000	
	Sales Discount		200
	Cash		19800
	Paid With sales discount		
4/14	Cash	1386	
	Accounts Receivable		1400
	Sales Discount		14
	Received with discount		
4/17	Inventory	5000	
	Accounts Payable		5000
	Purchased gallons of oil		
4/23	Cash	2600	
	Accounts Receivable		2600
	Received payment no discount		
4/30	Accounts Payable	5000	
	Cash		5000
Journal Entries	Paid with no discount		

Date	Description	Debit	Credit
1-Apr	Inventory	20,000	
	Accounts payable		20,000
	purchase of 10,00 gal oil at \$2/gal		
5-Apr-24	Accounts receivable	1,400	
	Sales revenue		1,400
	sale of 500 gal oil at \$2.80/g		
5-Apr-24	Cost of goods sold	900	
	Inventory		900
	cost of 500 gal at \$1.80/g		
7-Apr-24	Accounts receivable	2600	
	Sales revenue		2600
	sale of 1,000 gal at \$2.60/gal		
7-Apr-24	Cost of goods sold	1,800	
	Inventory		1,800
	cost of 1,000 gal at \$1.80/g		
13-Apr-24	Accounts payable	20,000	
	Cash		19,800
	Purchase discount		200
	payment to Texaco with discount taken		
14-Apr-24	Cash	1,386	
	Accounts receivable		1,400
	Sales discount		14
	cash received from T. Knox with discount		
17-Apr-24	Inventory	9,500	
	Accounts payable		9,500
	purchase 5,000 gal oil at \$1.90/g		
23-Apr-24	Cash	2,600	
	Accounts receivable		2,600
	cash received from J. Stone (no discount)		
30-Apr-24	Accounts payable	9,500	
	Cash		9,500
	payment to Hess (no discount)		

Prepare the journal entries to record these 2014 transactions for Sweet Treats Bakery (STB), a restaurant dessert supplier. Assume use of the perpetual inventory system for both companies.

- June 1: STB purchased 1,000 pounds of flour from Baker's Supply at \$0.60/pound, terms 2/10, n.30.
- June 5: STB sold 200 pounds of flour at \$1.50/pound to C. Johnson, terms 2/10, n.30. The flour sold had a cost of \$0.50 per pound.
- June 7: STB sold 300 pounds of flour at \$1.40/pound to D. Lee, terms 2/10, n.30. The flour sold had a cost of \$0.50 per pound.
- June 13: STB paid Baker's Supply for the June 1 purchase.
- June 14: STB received payment from C. Johnson for the June 5 purchase.
- June 17: STB purchased 500 pounds of sugar from Sweeteners Co. at \$0.70/pound, terms 2/10, n.30.
- June 23: STB received payment from D. Lee for the June 7 purchase.
- June 30: STB paid Sweeteners Co. for the June 17 purchase.

Journal Entries

Date	Description	Debit	Credit
1-Jun-24	Inventory		\$600
	Accounts Payable		\$600
	purchase of 1,000 pounds of flour at \$0.60/pound		
5-Jun	Accounts Receivable	\$300	
	Sales Revenue		\$300
	sale of 200 pounds at \$1.50/pound		
	Cost of Goods Sold	\$100	
	Inventory		\$100
	(no record cost of 200 pounds sold at \$0.50/pound)		
7-Jun	Accounts Receivable	\$420	
	Sales Revenue		\$420
	sale of 300 pounds at \$1.40/pound		
	Cost of Goods Sold	\$150	
	Inventory		\$150
	cost of 300 pounds sold at \$0.50/pound		
13-Jun	Accounts Payable	\$600	
	Cash		\$588
	Purchase Discounts		\$12
	payment to Baker's Supply with discount		
14-Jun	Cash	\$294	
	Accounts Receivable		\$300
	Sales Discounts		\$6
	cash received from C. Johnson with discount		
17-Jun	Inventory	\$350	
	Accounts Payable		\$350
	purchase of 500 pounds of sugar at \$0.70/pound		
23-Jun	Cash	\$300	
	Accounts Receivable		\$300
	cash received from D. Lee (no discount)		
30-Jun	Accounts Payable	\$350	
	Cash		\$350
	payment to Sweeteners Co. (no discount)		

Prepare the journal entries to record these 2014 transactions for Fashion Hub, Inc. (FHI), a wholesale retailer clothier. Assume use of the perpetual inventory system for both companies.

- July 1: FHI purchased 1,000 shirts from Apparel Supplies at \$10.00/shirt, terms 2/15, n.30.
- July 5: FHI sold 200 shirts at \$15.00/shirt to J. Green, terms 2/20, n.30. The cost of the shirts sold was \$8.00 each.
- July 7: FHI sold 150 shirts at \$14.00/shirt to M. Brown, terms 2/10, n.30. The cost of the shirts sold was \$8.00 each.
- July 13: FHI paid Apparel Supplies for the July 1 purchase.
- July 14: FHI received payment from J. Green for the July 5 purchase.
- July 17: FHI purchased 500 pairs of pants from Trendy Fabrics at \$20.00/pair, terms 2/12, n.30.
- July 28: FHI received payment from M. Brown for the July 7 purchase.
- July 30: FHI paid Trendy Fabrics for the July 17 purchase.

### Journal Entries

Date	Description	Debit	Credit
1-Jul	Inventory	\$10,000	
	Accounts Payable		\$10,000
	purchase of 1,000 shirts at \$10.00/shirt		
5-Jul	Accounts Receivable	\$3,000	
	Sales Revenue		\$3,000
	sale of 200 shirts at \$15.00/shirt		
5-Jul-24	Cost of Goods Sold	\$1,600	
	Inventory		\$1,600
	cost of 200 shirts sold at \$8.00/shirt		
7-Jul	Accounts Receivable	\$2,100	
	Sales Revenue		\$2,100
	sale of 150 shirts at \$14.00/shirt		
7-Jul-24	Cost of Goods Sold	\$1,200	
	Inventory		\$1,200
	cost of 150 shirts sold at \$8.00/shirt		
13-Jul	Accounts Payable	\$10,000	
	Cash		\$9,800
	Purchase Discounts		\$200
	payment to Apparel Supplies with discount		
14-Jul	Cash	\$2,940	
	Accounts Receivable		\$3,000
	Sales Discounts		\$60
	cash received from J. Green with discount		
17-Jul	Inventory	\$10,000	
	Accounts Payable		\$10,000
	purchase of 500 pairs of pants at \$20.00/pair		
23-Jul	Cash	\$3,000	
	Accounts Receivable		\$3,000
	cash received from M. Brown (no discount)		
30-Jul	Accounts Payable	\$10,000	
	Cash		\$10,000
			\$200
	payment to Trendy Fabrics (no discount)		

