

Sales Return Transactions

Directions:

Analyze the following scenarios and provide the journal entry which would be entered for the scenario.

1. On August 15, Image Records sells a speaker to a customer named Jim for \$100 on credit. Jim later returns the speaker to Image Records due to a serious defect in the design. The initial sale will be recorded in the general journal as follows:

<u>Date</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>

2. Upon return of the speaker on August 18, the following entry is made in the general journal:

<u>Date</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>

3. On June 2, Sears sells a couch to a customer named Mark for \$799 on credit. Mark later returns the couch to Sears due to a serious defect in the design of the couch. The initial sale will be recorded in the general journal as follows:

<u>Date</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>

4. Upon return of the couch on June 4, the following entry is made in the general journal:

<u>Date</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>

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5. On May 28, Macy's sells a purse to a customer named Sue for \$299 on credit. Sue later returns the purse to Macy's due to a serious defect in the design of the purse. The initial sale will be recorded in the general journal as follows:

<u>Date</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>

6. Upon return of the purse on May 30, the following entry is made in the general journal:

<u>Date</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>