

**Solution 1** (15 min.)

Jan 3	Accounts Receivable—Brown's .....	4,500	
	Sales Revenue .....		4,500
	Cost of Goods Sold.....	2,900	
	Merchandise Inventory.....		2,900
Jan 10	Sales Returns and allowances.....	1,500	
	Accounts Receivable—Brown's .....		1,500
	Merchandise Inventory.....	967	
	Cost of Goods Sold.....		967
Jan 13	Cash ( $\$4,500 - \$1,500 \times 0.98$ ) .....	2,940	
	Sales Discounts ( $\$3,000 \times 0.02$ ) .....	60	
	Accounts Receivable—Brown's .....		3,000
Jan 20	Accounts Receivable—Williamson.....	10,000	
	Sales Revenue .....		10,000
	Cost of Goods Sold.....	6,400	
	Merchandise Inventory.....		6,400
Jan 21	Sales Returns and Allowances .....	750	
	Accounts Receivable—Williamson.....		750
Feb 21	Accounts Receivable—Williamson.....	139	
	Interest Revenue .....		139
	( $\$10,000 - \$750 \times 18\% \times 1 \div 12$ )		
Mar 3	Cash ( $\$10,000 - \$750 + \$139$ ) .....	9389	
	Accounts Receivable—Williamson.....		9389

**Solution 3** (5 min.)

Aug 31	Credit Card Receivable .....	6,500	
	Sales .....		6,500
Sep 30	Credit Card Receivable .....	102	
	Interest Revenue ( $\$6,500 \times 19\% \times 30/365$ ).....		102