

Tic Toc Clock Shop reported the following merchandising-related transactions during June. Tic Tock Clock Shop records all purchases "gross" and credit terms are precisely followed on both purchases and sales.

Prepare journal entries to record each transaction.

- 3-Jun Purchased \$4,000 of clocks on account from Swiss Time, F.O.B. destination, terms 1/10, n/30.
- 5-Jun Sold a \$1,500 clock to Janci Holgren on account, terms 2/10, n/eom. The customer picked up the clock from the shop.
- 9-Jun Paid the amount due for the purchase of June 3.
- 11-Jun Purchased \$8,000 of clocks on account from Melbourne Clockworks, F.O.B. shipping point, terms 2/10, n/30. Freight charges of \$460 were prepaid by Melbourne and added to the invoice. No discount is permitted on the freight charges.
- 19-Jun Sold a \$3,500 clock on account, terms 2/10, n/eom. Tic Toc sold the clock F.O.B. destination, and paid the freight charges of \$330.
- 23-Jun The customer of June 19 called to report that the clock was received damaged. An agreement was reached to reduce the invoice by 20%.
- 27-Jun Paid Melbourne Clockworks for the purchase of June 11.
- 27-Jun Janci Holgren paid for the purchase of June 5.
- 28-Jun The customer of June 19 paid the balance due.