

Universal Instruments is based in the U.S. and prepares its financial statements in dollars. The company uses a perpetual inventory system. On December 5, 20X5, Universal had two separate purchase transactions from suppliers in Europe.

The first transaction was for \$100,000. Terms of sale provide for settlement in dollars.
The account was paid in full on January 11, 20X6.

The second transaction was for 100,000€. Terms of sale provide for settlement in euros.
The account was paid in full on January 11, 20X6.

The exchange rate of dollars for euros fluctuated as follows:

December 5, 20X5:	\$1.47 per euro
December 31, 20X5:	\$1.46 per euro
January 11, 20X6:	\$1.49 per euro

Prepare journal entries showing the inventory purchase, year-end adjustment (if necessary), and final settlement for each of these two transactions.