**Southside Tire Supply Company**

The Southside Tire Supply Company began 2015 with the following account balances

Cash $32,000 Accounts Payable $8,000

Accounts Receivable 18,000 Common Stock 40,000

Allowance for Doubtful Accounts (1,000) Retained Earnings 13,000

Inventory 12,000

Total Assets $61,000 Total Liabilities & Equity $61,000

The following events occurred during 2015.

1. Purchased $54,000 of inventory on account.

2. Sold merchandise with a cost of $26,000 for $41,500 on account.

3. Collected $39,000 on accounts receivable.

4. Paid $37,000 cash on accounts payable for inventory purchases.

5. After repeated attempts to collect a $750 receivable failed, the company decided to write-off the account.

6. Paid $8,000 cash for operating expenses.

7. Sold merchandise with a cost of $14,000 for $23,500 on account.

8. Received $200 cash from a customer whose account balance had been previously written off.

9. Collected $29,000 on accounts receivable.

10. Southside estimated that 4% of accounts receivable will be uncollectible.