6-3A –Inventory Purchases, Sales, Returns and More!

The following transactions occurred for Romney Inc.:

February 1	Purchased inventory on account: $3,400. Terms: 2/10, n/30.
February 2	Paid freight on inventory of $200. (Paid cash).
February 5	Returned $400 of inventory from the February 1 purchase.
February 9	Paid for the inventory purchase of February 1.
February 11	Sold inventory for $3,500 on account. The inventory cost $1,600. Terms 2/10, n/30.
February 14	Purchased inventory on account: $2,500. Terms: 1/15, n/30.
February 19	Sold inventory for $1,500 on account. The cost of inventory was $600. Terms 2/10, n/30.
February 21	Paid for inventory purchase from February 14.
February 24	Customer from February 11 transaction paid the amount owing.
February 25	Customer from the February 19 transaction returns $100 of inventory (cost: $40). The inventory was in good condition and put back on the shelf for resale.
February 28	Customer from the February 19 sale pays the amount owing.

Romney Inc. uses a perpetual inventory system.

Required:
Prepare journal entries based on the transactions above.