Berman Company sold equipment on June 30, 2005 for $40,000. The equipment

 had cost $105,000 and had $60,000 of accumulated depreciation as of January 1,

 2005. Depreciation for the first 6 months of 2005 was $6,000.

 Prepare the journal entry to record the sale of the equipment.

 Account Title Debit Credit

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56. Neal and Company originally purchased a dump truck for $36,000. The truck had

 a 10-year useful life, and the accumulated depreciation was $30,000 when they

 sold the truck for $4,000.

 Prepare the journal entry to record the sale of the truck.

 Account Title Debit Credit

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57. Presented below are two independent transactions.

 1. Global Company exchanged old trucks (cost $64,000 less $22,000

 accumulated depreciation) plus cash of $17,000 for new trucks. The old

 trucks had a fair market value of $38,000.

 2. Rijo Inc. trades its used machine (cost $12,000 less $4,000 accumulated

 depreciation) for a new machine. In addition to exchanging the old

 machine (which had a fair market value of $9,000) Rijo also paid cash of

 $2,000.

**Instructions**

(a) Prepare the entry to record the exchange of similar assets by Global Company.

(b) Prepare the entry to record the exchange of similar assets by Rijo Inc.

-11-

(a) Account Title Dr. Cr.

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(b) Account Title Dr. Cr.

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