Westchester Corporation gathered the following data from its accounting records for the year ended September 30, 2012:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Sep 30, 2011 |  | Sep 30,2012 |
| Cash |  | 50,505 |  | 65,888 |
| Inventory |  | 89,000 |  | 72,000 |
| Accounts Receivable |  | 23,500 |  | 71,100 |
| Prepaid expenses |  | 23,900 |  | 15,400 |
| Accounts Payable |  | 48,900 |  | 33,300 |
| Accrued Liabilities |  | 11,200 |  | 35,700 |

During the year, Westchester Corp acquired a building for $218,500. It also suffered a loss on sale of plant assets amounting to $7,300. On Jul 1 2012, Westchester Corp purchased a patent for $1 million and amortized the patent over 20 years. Bad debt expense for the year totaled $7,500. The net income for the year was $195,000 and depreciation expense was $49,000. Ignore tax effects in your calculations.

**Required: Prepare the operating activities section of the statement of cash flows for Westchester Corp for the year ended Sep 30, 2012.**

During 2012, Road Runner Corporation engaged in the following selected transactions:

|  |  |
| --- | --- |
| Jan 1 | Issued 15,000 shares of $1 par value share at $18 per share. |
| Jun 15 | Reacquired 1,000 ordinary share for $18 per share. |
| Sep 30 | The board of directors declares and distributes a 10% ordinary share dividend. The current selling price of an ordinary share is $21 per share. |
| Nov 10 | The company announces a 2 for 1 stock split effective immediately. |
| Dec 20 | The board of directors declares a cash dividend of $0.50 per share payable to all shareholders as of Jan 15, 2013. |

Required: Record journal entries for the above transactions. Ignore tax effects on the above.