Ex. 9–13

a.	Jan.	24	Bad Debt Expense	3,000	
			Accounts Receivable—J. Huntley		3,000
	Feb.	17	Cash	1,500	
			Bad Debt Expense	2,500	
			Accounts Receivable—Karlene Solomon		4,000
	May	29	Accounts Receivable—J. Huntley	3,000	
			Bad Debt Expense		3,000
		29	Cash	3,000	
			Accounts Receivable—J. Huntley		3,000
	Nov.	30	Bad Debt Expense	6,100	
			Accounts Receivable—Don O'Leary		2,000
			Accounts Receivable—Kim Snider		1,500
			Accounts Receivable—Jennifer Kerlin		900
			Accounts Receivable—Tracy Lane		1,250
			Accounts Receivable—Lynn Fuqua		450
	Dec.	31	No entry		
b.	Jan.	24	Allowance for Doubtful Accounts	3,000	
			Accounts Receivable—J. Huntley		3,000
	Feb.	17	Cash	1,500	
			Allowance for Doubtful Accounts	2,500	
			Accounts Receivable—Karlene Solomon		4,000
	May	29	Accounts Receivable—J. Huntley	3,000	
			Allowance for Doubtful Accounts		3,000
		29	Cash	3,000	
			Accounts Receivable—J. Huntley		3,000
	Nov.	30	Allowance for Doubtful Accounts	6,100	
			Accounts Receivable—Don O'Leary		2,000
			Accounts Receivable—Kim Snider		1,500
			Accounts Receivable—Jennifer Kerlin		900
			Accounts Receivable—Tracy Lane		1,250
			Accounts Receivable—Lynn Fuqua		450
	Dec.	31	Bad Debt Expense	14,625	
			Allowance for Doubtful Accounts		14,625
			Uncollectible accounts estimate. ($975,000 × 1½% = $14,625)		

Ex. 9–13 Concluded

c. Bad debt expense under:

Allowance method	$14,625
Direct write-off method ($3,000 + $2,500 – $3,000 + $6,100)	8,600
Difference ($14,625 – $8,600)	$ 6,025

Lights of the West Company's income would be $6,025 higher under the direct write-off method than under the allowance method.

Ex. 9–14

a.	Mar.	13	Bad Debt Expense	4,200	
			Accounts Receivable—B. Hall		4,200
	Apr.	19	Cash	3,000	
			Bad Debt Expense	4,500	
			Accounts Receivable—M. Rainey		7,500
	July	9	Accounts Receivable—B. Hall	4,200	
			Bad Debt Expense		4,200
		9	Cash	4,200	
			Accounts Receivable—B. Hall		4,200
	Nov.	23	Bad Debt Expense	7,005	
			Accounts Receivable—Rai Quinn		1,200
			Accounts Receivable—P. Newman		750
			Accounts Receivable—Ned Berry		2,900
			Accounts Receivable—Mary Adams		1,675
			Accounts Receivable—Nicole Chapin		480
	Dec.	31	No entry		