

# AP9-3A

Presented below is an aging schedule for Zillmann Company.

Customer	Total	Not Yet Due	Number of Days Past Due			
			1-30	31-60	61-90	Over 90
Arndt	\$22,600		\$10,100	\$12,500		
Blair	44,300	\$44,300				
Chase	58,640	16,300	6,640		\$35,700	
Drea	34,800					\$34,800
Others	138,800	97,100	18,200	15,400		8,100
	<u>\$299,140</u>	<u>\$157,700</u>	<u>\$34,940</u>	<u>\$27,900</u>	<u>\$35,700</u>	<u>\$42,900</u>
Estimated percentage uncollectible		3%	7%	13%	27%	62%
Total estimated bad debts	<u>\$47,041</u>	<u>\$4,731</u>	<u>\$2,446</u>	<u>\$3,627</u>	<u>\$9,639</u>	<u>\$26,598</u>

At December 31, 2008, the unadjusted balance in Allowance for Doubtful Accounts is a credit of \$13,920. Journalize the adjusting entry for bad debts at December 31, 2008.

Date	Description/Account	Debit	Credit
Dec. 31			

Post the adjusting entry for bad debts at December 31, 2008. Journalize and post to the allowance account the following events and transactions in the year 2009. *(If answer is zero, please enter 0, do not leave any fields blank.)*

- On March 31, a \$1,260 customer balance originating in 2008 is judged uncollectible.
- On May 31, a check for \$1,260 is received from the customer whose account was written off as uncollectible on March 31.

Date	Description	Debit	Credit
3/31/09			
5/31/09			
5/31/09			
	Accounts receivable		

## Bad Debts Expense

Date	Explanation	Ref.	Debit	Credit	Balance
2008					
Dec. 31	Adjusting				

## Allowance for Doubtful Accounts

Date	Explanation	Ref.	Debit	Credit	Balance
2008					
Dec. 31	Balance				
	31	Adjusting			
2009					
Mar. 31					
May 31					

Journalize the adjusting entry for bad debts on December 31, 2009, assuming that the unadjusted balance in Allowance for Doubtful Accounts is a debit of \$880 and the aging schedule indicates that total estimated bad debts will be \$31,900.

Date	Description	Debit	Credit
12/31/09			