

Estimate the required balance of the Allowance for Doubtful Accounts at Dec 31, using the aging of accounts receivable method.

- a. Calculate the targeted **Dec 31** balance for **Allowance for Doubtful Accounts**. (8 pts)

	Total	Number of Days Outstanding				
		0-30	31-60	61-90	91-120	Over 120
Accounts receivable						
% Uncollectible						
Estimated Bad Debts						

- b. Prepare the adjusting entry to record bad debts expense at **Dec 31** assuming: (10 pts)

UNADJUSTED Allowance for Doubtful Accounts at **JAN 1**

Accounts Written Off From **Jan 1 - Dec 31**

	Debit	Credit

SHOW WORK (Hint: A T-Acct may be helpful)

- d. Calculate the Net Realizable Value for Accounts Receivable at 12/31/xx. (4 pts).
