**Ex 8-3**

Journalize the following transactions in the accounts of Pro Medial Co, a medical equipment company that uses the direct write-off method of accounting for uncollectible receivables:

Jan. 30 Sold merchandise on account to Dr. Cindy Mott, $85,000. The cost of the merchandise sold was $50,000.

June 3. Received $48,000 from Dr. Cindy Mott and wrote off the remainder owed on the sale of Jan. 30 as uncollectible.

Nov. 27. Reinstated the account of Dr. Cindy Mott that had been written off on June 3 and received $37,000 cash in full payment.

**Ex 8-4**

Journalize the following transactions in the accounts of Lamp Light Company, a restaurant supply company that uses the allowance method of accounting for uncollectible receivables:

Mar. 19. Sold merchandise on account to Midnight Delights Co, $37,500. The cost of the merchandise sold was $23,000.

Aug. 31. Received $22,000 from Midnight Delights Co and wrote off the remainder owed on the sale of March 19 uncollectible.

Dec. 22. Reinstated the account of Midnight Delights Co that had been written off on August 31 and received $15,500 cash in full payment.

**Ex 8-6**

At the end of the current year, the accounts receivable account has a debit balance of $6,125,000 and net sales for the year total $66,800,000. Determine the amount of the adjusting entry to provide for doubtful accounts under each of the following assumptions:

1. The allowance account before adjustment has a debit balance of $18,000. Bad debt expense is estimated at ¾ of 1% of net sales.
2. The allowance account before adjustment has a debit balance of $18,000. An aging of the accounts In the customer ledger indicates estimated doubtful accounts of $475,000.
3. The allowance account before adjustment has a credit balance of $10,000. Bad debt expense is estimated at ½ of 1% of net sales.
4. The allowance account before adjustment has a credit balance of $10,000. An aging of the accounts in the customer ledger indicates estimated doubtful accounts of $360,000.