

Solution:

(1)

The initial allowance was \$305 million, and the final allowance was \$372 million, which means the allowances have increased by \$67 million.

However, Oracle added \$180 million to the account, meaning that around \$113 million is not added or is written off.

Thus, \$113 million is written off.

(2)

Transaction	Assets =	Liabilities +	Owner's Equity
Addition	-\$180 million (allowance)		-\$180 million (bad debt expense)
Write off	+\$133 million (allowance) -\$133 million (receivables)		

(3)

Bad Debt Expense To Allowance	180	180
Allowance To Accounts Receivable	133	133
Note: all amounts are in millions of \$		