(1)

The journal entry for write off would be as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Date | Particulars | Debit | Credit |
| 2 Jan 2012 | Allowance for Bad Debt  To Accounts Receivables | 30,000 | 30,000 |

This is for that day. Note that we have this account called allowance for bad debt which is used to check the bad debts.

Accounts Receivables -> $ 42,296,000 – 30,000 = $ 42,266,000

(2)

The journal entry for write off would be as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Date | Particulars | Debit | Credit |
| 2 Jan 2012 | Bad Debt Expenses  To Accounts Receivables | 30,000 | 30,000 |

This is for that day. Note that it assumes that all money will go to account receivables unless it is cleared that there is no intention to pay.

Accounts Receivables ->

$42, 296,000 + $1,138,000 - $30,000 = $44,404,000