|  |  |  |  |
| --- | --- | --- | --- |
| Date | Particulars | Debit | Credit |
| 1 Jan  2011 | Accounts Receivables  Bad Debt  To Sales & Services  To Allowance for Debt  (Being opening balance from previous year) | 250,000  50,000 | 250,000  50,000 |
| 31 Dec  2012 | Accounts Receivables  To Sales & Services | 2,500,000 | 2,500,000 |
| 31 Dec  2012 | Bad Debt  To Allowance for Debt | 250,000 | 250,000 |
| 31 Dec 2012 | Allowance for Debt  To Accounts Receivables | 240,000 | 240,000 |

This is the balance sheet prepared for the task. This has been prepared using the allowance method.