This entry by Samaritan Hospital Is for a specific write off method because it directly relates the bad debt expenses to the accounts receivables.

But it is given that the hospital uses allowance method. Thus, this entry must be incorrect. The correct entry is:

|  |  |  |
| --- | --- | --- |
| Allowance for Debts  To Accounts Receivable | 16,205 | 16,205 |