

48.1 A drill to practise accounting for bad and doubtful debts

REQUIRED: for each set of data below, prepare a debtors account and a P&L Account extract concerning (where necessary): discounts allowed, bad debts written off, and/or bad debts recovered.

A

	£
opening debtors	12 000
sales on credit	72 500
cash received from debtors	70 000
bad debts written off	3 500

Debtors			
<i>b/f</i>	12 000	<i>cash received</i>	70 000
<i>sales</i>	72 500	<i>written off</i>	3 500
		<i>c/f</i>	11 000
	<u>84 500</u>		<u>84 500</u>
<i>b/f</i>	11 000		

P&L	
<i>bad debt written off</i>	3 500

B

	£
opening debtors	19 500
sales on credit	210 500
cash received from debtors	207 000
bad debts written off	4 000

Debtors			
<i>b/f</i>	19 500	<i>cash received</i>	207 000
<i>sales</i>	210 500	<i>written off</i>	4 000
		<i>c/f</i>	19 000
	<u>230 000</u>		<u>230 000</u>
<i>b/f</i>	19 000		

P&L	
<i>bad debt written off</i>	4 000

C

	£
opening debtors	5 600
sales on credit	68 400
cash received from existing debtors	67 000
cash received from debtors previously written off	750

Debtors				P&L	
<i>b/f</i>	5 600	<i>received from existing debtors</i>	67 000		
<i>sales</i>	68 400				
<i>bad debt reinstated</i>	750	<i>received from debtors previously written off</i>	750		<i>bad debt reinstated</i> 750
		<i>c/f</i>	7 000		
	<u>74 750</u>		<u>74 750</u>		
<i>b/f</i>	7 000				

D

	£
opening debtors	57 500
sales on credit	500 000
cash received from existing debtors	510 000
cash received from debtors previously written off	2 500

Debtors				P&L	
<i>b/f</i>	57 500	<i>received from existing debtors</i>	510 000		
<i>sales</i>	500 000				
<i>bad debt reinstated</i>	2 500	<i>received from debtors previously written off</i>	2 500		<i>bad debt reinstated</i> 2 500
		<i>c/f</i>	47 500		
	<u>560 000</u>		<u>560 000</u>		
<i>b/f</i>	47 500				

E

	£
opening debtors	57 500
sales on credit	678 000
discounts allowed	10 500
cash received from existing debtors	675 000
cash received from debtors previously written off	4 500
bad debts written off	5 500

<i>Debtors</i>			
<i>b/f</i>	57 500	<i>discounts allowed</i>	10 500
<i>sales</i>	678 000	<i>received from existing debtors</i>	675 000
<i>bad debt reinstated</i>	4 500	<i>received from debtors previously written off</i>	4 500
		<i>bad debts written off</i>	5 500
		<i>c/f</i>	45 000
	<u>740 000</u>		<u>740 500</u>
<i>b/f</i>	45 000		

<i>P&L</i>			
<i>discounts allowed</i>	10 500	<i>bad debt reinstated</i>	4 500
<i>bad debts written off</i>	5 500		

F

	£
opening debtors	27 400
sales on credit	172 600
discounts allowed	3 200
cash received from existing debtors	169 300
cash received from debtors previously written off	4 500
bad debts written off	2 700

Debtors			
<i>b/f</i>	27 400	discounts allowed	3 200
<i>sales</i>	172 600	<i>received from existing debtors</i>	169 300
bad debt reinstated	4 500	<i>received from debtors previously written off</i>	4 500
		written off	2 700
		<i>c/f</i>	24 800
	<u>204 500</u>		<u>204 500</u>
<i>b/f</i>	24 800		

P&L			
discounts allowed	3 200	bad debt reinstated	4 500
bad debts written off	2 700		