

AVERAGE DUE DATE / ACCOUNT CURRENT / SELF BALANCING

Ans.1.

Amount Due from X				Amount due to X			
Date	Amount	No. of Days	Product	Date	Amount	No. of Days	Product
1.1.2000	10,000	0	0	29.2.2000	2,000	59	1,18,000
29.2.2000	4,000	59	2,36,000	12.8.2000	2,000	224	4,48,000
28.12.2000	2,000	362	7,24,000				
	16,000		9,60,000		4,000		5,66,000

Let the Base date be 1.1.2000.

$$\text{Equated Days} = \frac{9,60,000 - 5,66,000}{16,000 - 4,000} = \frac{3,94,000}{12,000} = 32.83 = 33 \text{ days.}$$

$$\begin{aligned} \text{Add} &= 1.1.2000 + 33 \text{ days} \\ &= 3.2.2000. \end{aligned}$$

Interest will be calculated from 3.2.2000 to 4.10.2000 i.e. 244 days.

$$= 12,000 \times \frac{18}{100} \times \frac{244}{366} = 1,440$$

Total Amount to be paid = Rs. 13,440.

Ans.2.

Dr.

Y in Account Current With X

Cr.

Date	Particulars	Amt.	Days	Product	Date	Particulars	Amt.	Days	Product
1.1.2000	To Balance b/d	602	182	1,09,564	16.2.2000	By Purchases	1,296	90	1,16,640
17.1.2000	To Sales A/c	884	165	1,45,860	24.3.2000	By Purchases	712	60	42,720
18.2.2000	To Pur. Ret. A/c	112	90	10,080	22.6.2000	By Purchases	456	(32)	(14,592)
22.4.2000	To B/P A/c	300	(25)	(7,500)	30.6.2000	By Bal. C/d	542		1,59,954
29.4.2000	To Cash A/c	500	62	31,000					
17.5.2000	To Sales A/c	542	29	15,718					
30.6.2000	To Interest	66	-	-					
	Total	3,006		3,04,722		Total	3,006		1,44,768

Working Note: Calculation of Days.

Date	J	F	M	A	M	J	Total	Date	J	F	M	A	M	J	Total
1/1 to 30/6	31	29	31	30	31	30	182	1/4 to 30/6	-	-	-	29	31	30	90
17/1 to 30/6	14	29	31	30	31	30	165	1/5 to 30/6	-	-	-	-	30	30	60
1/4 to 30/6	-	-	-	29	31	30	90	30/6 to 1/8	-	-	-	-	-	-	(32)
30/6 to 25/7	-	-	-	-	-	-	(25)								
29/4 to 30/6	-	-	-	1	31	30	62								
1/6 to 30/6	-	-	-	-	-	29	29								

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Ans.3. Case (a)

I	1.1.2000 - 1.1.2001	1 Year
II	1.1.2000 - 1.1.2002	2 Years
III	1.1.2000 - 1.1.2003	3 Years
IV	1.1.2000 - 1.1.2004	4 Years
V	1.1.2000 - 1.1.2005	5 Years

15 Years

$$\begin{aligned} \text{ADD} &= 1.1.2000 + \frac{15\text{Years}}{5\text{Instalments}} \\ &= 1.1.2000 + 3\text{ Years} \\ &= 1.1.2003. \end{aligned}$$

$$\text{Interest} = 50,000 \times \frac{18}{100} \times 3\text{years} = 27,000$$

Case (b)

I	1.1.2000 - 1.1.2001	12 Months
II	1.1.2000 - 1.1.2001	18 Months
III	1.1.2000 - 1.1.2002	24 Months
IV	1.1.2000 - 1.7.2002	30 Months
V	1.1.2000 - 1.1.2003	36 Months

120 Months

$$\begin{aligned} \text{ADD} &= 1.1.2000 + \frac{120\text{months}}{5\text{Instalments}} \\ &= 1.1.2000 + 24\text{ months} \\ &= 1.1.2002 \end{aligned}$$

$$\text{Interest} = 50,000 \times \frac{18}{100} \times \frac{24\text{months}}{12\text{months}} = 18,000$$

Case (c)

I	1.1.2000 - 30.6.2002	30 Months
II	1.1.2000 - 30.6.2004	54 Months
III	1.1.2000 - 30.6.2006	78 Months

162 Months

$$\begin{aligned} \text{ADD} &= 1.1.2000 + \frac{162\text{months}}{3\text{Instalments}} \\ &= 1.1.2000 + 54\text{ months} \\ &= 30.6.2004 \end{aligned}$$

$$\text{Interest} = 50,000 \times \frac{18}{100} \times \frac{54\text{months}}{12\text{months}} = 40,5000$$

Case (d)

I	1.1.2000 - 1.1.2001	12 Months
II	1.1.2000 - 1.7.2001	18 Months
III	1.1.2000 - 1.7.2002	30 Months
IV	1.1.2000 - 1.1.2003	36 Months
V	1.1.2000 - 1.1.2004	48 Months

144 Months

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$$\begin{aligned} \text{ADD} &= 1.1.2000 + \frac{144 \text{ months}}{5 \text{ Instalments}} \\ &= 1.1.2000 + 28.8 \text{ months} = 24.5.2002 \\ \text{Interest} &= 50,000 \times \frac{18}{100} \times \frac{28.8 \text{ months}}{12 \text{ months}} = 21,600 \end{aligned}$$

Ans.4.

In the books of Mr. Tushar General Ledger

Dr.		Total Debtors A/c		Cr.	
Particulars	Amount	Particulars	Amount		
To Balance b/d	50,000	By Balance b/d	10,000		
To Sales	49,000	By Cash	3,400		
To Bank	6,000	By Discount	2,650		
To Bills Receivable	200	By Bank	50,000		
To Creditors	400	By Bill Receivable	3,000		
To Interest	80	By Bad Debts	400		
		By Creditors	600		
		By Creditors	900		
To Balance c/d	2,500	By Balance b/d	37,230		
	1,08,180				1,08,180

Dr.		Sales Ledger Adjustment A/c		Cr.	
Particulars	Amount	Particulars	Amount		
To Balance b/d	10,000	By Balance b/d	50,000		
To General Ledger A/c		By General Ledger A/c			
Sales	49,000	Cash received	3,400		
Cheque dishonoured	6,000	Discount	2,650		
Bills Receivable cancelled	200	Cheque received	50,000		
Endorsed bill dishonoured	400	Bills Receivable	3,000		
Interest	80	Transfer	600		
		Transfer	900		
To Balance c/d	2,500	By Balance b/d	37,230		
	1,08,180				1,08,180

Ans.5.

In General Ledger

Dr.		Debtors Ledger Adjustment A/c		Cr.	
Particulars	Amount	Particulars	Amount		
To Balance b/d	1,30,000	By Balance b/d	10,000		
To General Ledger A/c		By General Ledger A/c			
Sales (96,500 × 9/10)	8,68,500	Return Inwards	5,000		
Interest & Cartage Expenses	500	Cash received	40,000		
Bills Receivable dishonoured	4,000	Cheque received	8,10,000		
Endorsed bill dishonoured	1,000	Acceptance received	30,200		
Cheque dishonoured	10,000	Discount allowed	5,000		
		Rebates & Allowances	1,500		
		Bad debts w/off	1,000		
		Transfer	500		
To Balance c/d	200	By Balance c/d	1,11,000		
Total	10,14,200				10,14,200

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Dr.		Creditors Ledger Adjustment A/c		Cr.	
Particulars	Amount	Particulars	Amount	Particulars	Amount
To Balance b/d	5,000	By Balance b/d	65,000		
To General Ledger A/c		By General Ledger A/c			
Return Outwards	2,500	Purchases	4,34,250		
Cash Paid	20,000	Interest & Cartage	250		
Cheques Issued	4,00,000	Endorsed bill	1,000		
Acceptances given	13,100	Bills Pay Withdrawn	100		
Discount received	2,500				
Rebate & Allowances	750				
Bills endorsed	2,000				
Transfer	500				
To Balance c/d	54,650	By Balance c/d	400		
	5,01,000				5,01,000

