

CHAPTER-7

AVERAGE DUE DATE AND ACCOUNT CURRENT

AVERAGE DUE DATE

Q. 1. Hari owes Ram ₹ 2000 on 1st April, 2010. From 1st April, 2010 to 30th June, 2010 the following further transactions took place between Hari and Ram :

April 1 Hari buys goods from Ram for ₹ 5,000.

May 16 Hari receives cash loan of ₹ 10,000 from Ram.

June 9 Hari buys goods from Ram for ₹ 3,000.

Hari pays the whole amount together with interest @ 15% per annum to Ram on 30th June, 2010. Calculate the interest payable on 30th June, 2010 by the Average due date method.

Q. 2. Calculate Average Due date from the following information :

Date of the bill	Term	Amount
		₹
August 10, 2009	3 months	6,000
October 23, 2009	60 days	5,000
December 4, 2009	2 months	4,000
January 14, 2010	60 days	2,000
March 8, 2010	2 months	3,000

Q. 3. A and B two partners of a firm, have drawn the following amounts from the firm in the year ending 31st March.

Date	A	Date	B
	₹		₹
1.7	500	12.6	1,000
30.9	800	11.8	500
1.11	1,000	9.2	400
28.2	400	7.3	900

Interest at 6% p.a. is charged on all drawings. Calculate interest chargeable.

Q. 4. 'A' lent ₹ 25,000 to 'B' on 1st January, 2010. The amount is repayable in 5 yearly instalments commencing from 1st January, 2011. Calculate the Average due date and Interest @ 10% per annum.

Q. 5. Two traders A and B buy goods from one another, each allowing the other one month's credit. At the end of 3 months the account rendered are as follows :

Goods sold by A to B	₹	Goods sold by B to A	₹
April 17	100	April 25	150
May 20	200	May 20	100
June 15	250		

Q. 6. ₹ 10,000 lent by Dass Bros. to Kumar & Sons on 1st January, 2010 is repayable in 5 equal instalments commencing on 1st January, 2011. Find the average due date and calculate interest at 5% per annum, which Das Bros. will recover from Kumar & Sons.

Q. 7. A partner has withdrawn the following amounts, in anticipation of profits, during the half year ended 30th June, 2010.

January	15	500
February	20	800
March	17	1,600
April	25	900
May	12	2,400
June	30	600

According to the partnership agreement interest @ 10% p.a. is to be charged on all drawings. Ascertain, by the average due date method, the amount of interest to be paid by the partner for the half year.

ACCOUNT CURRENT

Q. 8. From the following information prepare a statement shown by B in Account current with A. Books of A :

2011

Jan. 15	sold good to B ₹ 20,000 ;
Feb. 1	sold goods of B ₹ 10,000
Feb. 15	cash received from B ₹ 18,000 ;
March 1	sold goods to B ₹ 25,000
March 10	cash received from B ₹ 7,000
March 28	cash received from B ₹ 7,000

Calculate the amount of interest to be payable by one party to the other @ 15% p.a.

Q. 9. From the following transactions to be payable by one party of Mr. Hariharan, prepare an Account Current to be sent by him to Mr. Maniramappa for the quarter ending 31st March charging and or allowing interest @ 12% p.a.

2010

Jan. 1	Balance in Muniramappa's Account (credit) ₹ 20,000 ;
Jan. 12	sold goods to Maniramappa ₹ 25,000
Jan. 31	sold goods to Muniramappa ₹ 25,000
Feb. 15	cash received ₹ 35,000
Feb. 20	cash received 5,000
March 1	goods returned by Muniramappa ₹ 5,000
March 20	cash received ₹ 10,000

Prepare an Account Current by means of product and by means of period of balance. What is the amount of interest?