

Account Current

Repal in A/c current with SG

↓
A/c.

↓
Basis

Individual
(old) Interest
Method

Bal of
Product (new)
Method.

Forward
↓
End of the
period
= base date

Epogue
↓
op date
= base
date

$$\text{Int} = \text{Bal of product} \times \frac{\text{rate}}{365}$$

In forward method, put int on opp. side
of balance

In Epoque method, put int on same side
of balance

Individual T M -

$$\text{op bal} \quad 1500 \times 20\% \times \frac{90}{365}$$

$$\text{Sale} \quad 1200 \times 20\% \times \frac{80}{365}$$



& so on

$$\text{B/R} \quad 1500 \times 20\% \times \frac{27}{365}$$



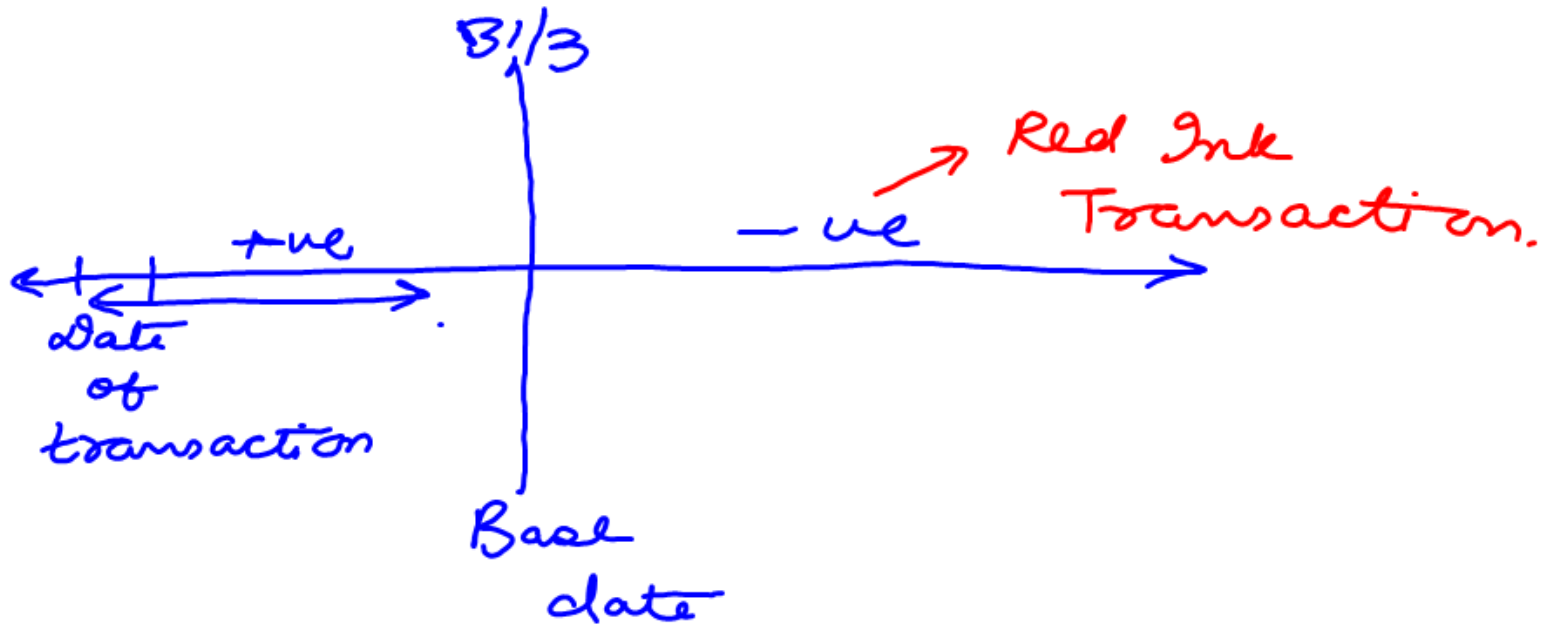
we calculate Intt with every transaction
 This is very cumbersome, so it is not used practically

Q9

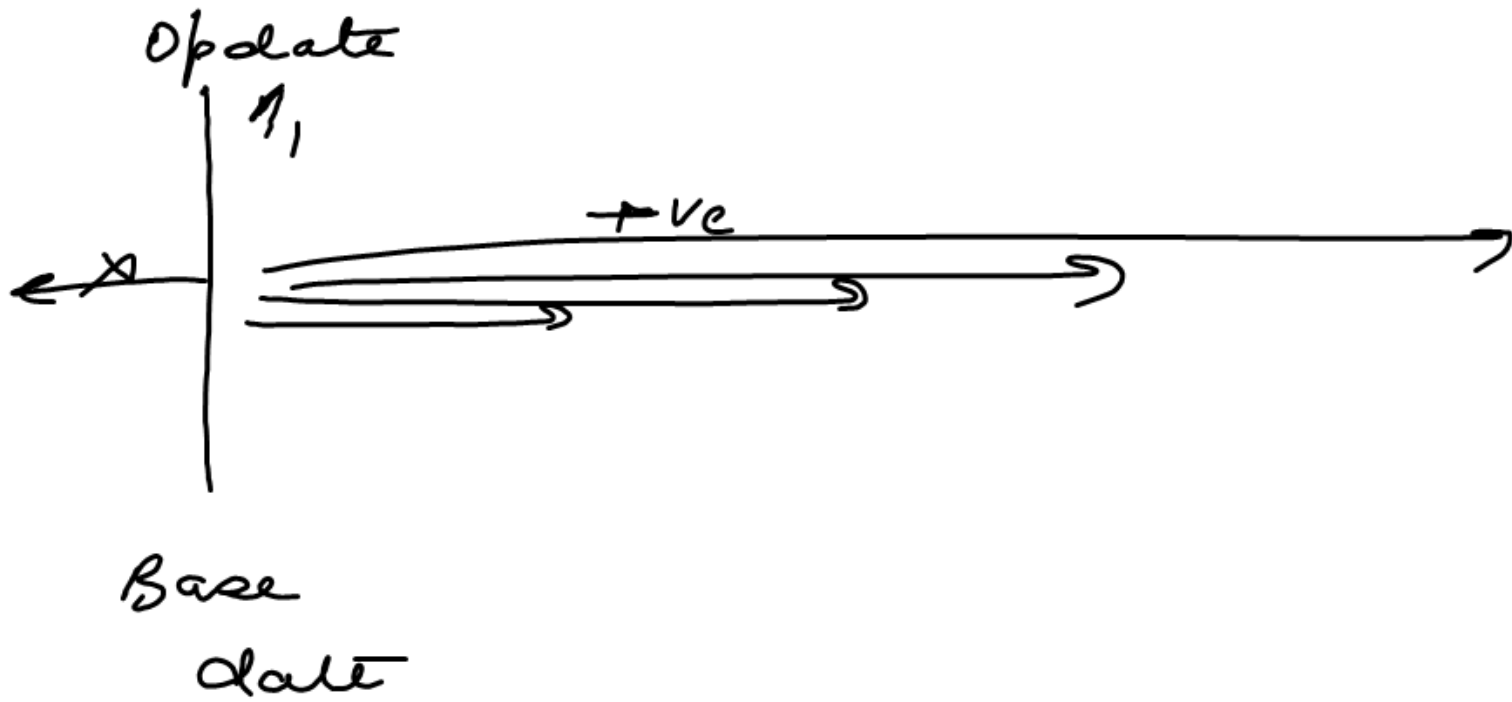
Menu in A/c current with Raju (Forward method)

Date	Due date	Particular	Amount	days	Product	Date	Due date	Particular	Amount	Days	Product
1/1	1/1	bal b/d	1500	90	135000	1/2	4/3	B/R	1500	27	40500
10/1	10/1	Cr Sale	1200	80	96000	8/2	15/2	Sales return	180	44	7920
21/2	15/2	Cr sale	1800	44	79200	15/3	15/3	Cash	400	16	6400
28/2	15/4	Cr Sale	1000	(15)	(15000)	20/3	23/4	B/R	500	(23)	(11500)
4/3	4/3	Bank	1520	27	41040	31/3	31/3	bal c/d	5440	0	0
31/3	15/5	Cr Sale	1000	(45)	(45000)			Bal of Product			247920
31/3		bal Intt	5440 136			31/3		bal c/d	5576		

Forward Method



$$\begin{aligned} \text{Int} &= 247920 \times \frac{20\%}{365} \times \frac{1}{365} \\ &= 136 \end{aligned}$$



J	F	M	A	M	J	J	A	S	O	N	D	Total.
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J	F	M	A	M	J	J	A	S	O	N	D	Total.
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