

Specialised Accounts.

B. Com Part II

Chapter :- Banking Company.

Numerical Exercise. (20) S.K. Singh

By

Dr. S.N. Pathak
Dept of Commerce
R.N.C. Hajipur.

Question.

on 31 March 2016 the loan account in the book of a Bank showed a debit balance of 400 000 including a debts of 40 900 due from a merchant whose financial position is doubtful. The interest accrued on the loan up to 31 March 2016 was 10 000 including Rs 20 000 on doubtful debts. The merchant whose condition was doubtful because insolvent and amount recovered @ 25 paise a rupee from his estate on 1 April 2016.

Prepare necessary Accounts in the book of Bank.

Aus.

Loan Ledger.

Merchant's Loan Account

Date	Particulars	Amount	Date	Particulars	Amount
2018 31 March	To Balance	40900	2017 31 March	By Balance c/d	42900
31 March	To Int suspense	2000			42900
		<u>42900</u>			
1 April	To B/B	42900	31 April	By cash	10725
			2018	" Bad debts	30675
				" Int cost suspense	1500
		<u>42900</u>			<u>42900</u>

Int cost suspense acc

Date	Particulars	Amount	Date	Particulars	Amount
31 March 2018	To Balance c/d	2000	31 March 2018	By Merchant loan a/c	2000
		<u>2000</u>			<u>2000</u>
31 March 2018	To Customer Merchant -	1500	1 April 2018	By B/B	2000
	" Int cost	500			<u>2000</u>
		<u>2000</u>			