

SAM – GENERAL LEDGER ACCOUNTS

**ACCOUNT NO. 2014,
DISCOUNT ON SECURITIES**
(Revised 5/1987)

10425

Normal Balance: Credit

Purpose: This account shows the unamortized discount on securities purchased at less than par value. Discount is amortized during the expected holding period of the securities using the "interest method" which yields an equal periodic rate of interest.

Subsidiaries: Investments Ledger

Normal Entries:

<u>Entry No.</u>	<u>Debits</u>	<u>Entry No.</u>	<u>Credits</u>
34.	Investments securities mature or are sold.	33.	Investment securities are purchased.
35.	Interest is received on investment securities		
A-5	Interest is accrued on investments		