

SAM—STANDARD ENTRIES

ENTRY NO. 35 – [INTEREST RECEIVED ON INVESTMENTS]

10535

(Revised 10/2015)

This entry is made to record the interest earnings, amortization of premium, and accumulation of discount on investment securities.

Information:

Interest is received on investment securities and premium and discount on investments are amortized or accumulated. The State Controller's Office will show the amounts of premium being amortized or discount being accumulated and the amount of interest received. The "interest method" for amortization of premium and discount is used to yield an equal periodic rate of interest. (This entry is recorded as of the date on the Controller's Receipt.)

Source Document:

Controller's Receipt journal entry

Journal Entry for General Ledger Accounts:

Debit:

1140 Cash in State Treasury a/

2014 Discount on Securities b/

Credit:

1313 Accounts Receivable Revenue c/

1320 Accrued Interest Receivable d/

2013 Premium on Securities e/

8000 Revenue f/

a/ amount of interest received and deposited in the appropriate fund in the State Treasury.

b/ amount of discount accumulation since the last accumulation of discount, either at the time of receipt of interest or accrual of interest as of June 30.

c/ amount of interest accrued at June 30 now liquidated.

d/ amount of accrued interest purchased collected at first interest date, exclusive of accrued interest purchased accounted through Account No. 1313 as a result of Entry No. A-5.

e/ amount of premium amortization since the last amortization of premium, either at the time of receipt of interest or accrual of interest as of June 30.

f/ amount of interest earned that was not accrued previously.