

14.4 Cash Discounts - Ordinary Dating (Pg 527)

$$\begin{cases} CD = NP \times CDR \\ CP = NP - CD \end{cases}$$

$$\textcircled{*} CP = NP \cdot \text{Comp of } CDR$$

2/10, net 30
 2% discount if P'd in 10 days
 Due Date.

Ex: June 5 2/10, Net 30 Total \$1026.00

a) June 15

b) July 5

c) $CD = NP \cdot CDR$

$$1026 \cdot .02 = \textcircled{20.52}$$

d) $CP = NP - CD$

$$1026 - 20.52 = \textcircled{1005.48}$$

$$\textcircled{*} e) CP = 1026 \cdot .98 = \textcircled{1005.48}$$

July 8 3/10, n/30 NP = 640

① July 18

② Aug 7

$$\textcircled{3} CD = 640 \cdot .03 = \textcircled{19.20}$$

$$\textcircled{4} CP = 640 - 19.20 = \textcircled{620.80}$$

$$\textcircled{5} 100 - 3\% = \textcircled{97\%}$$

$$\textcircled{6} CP = 640 \cdot .97 = \textcircled{620.80}$$

Date				Date P'd	NP		
April 9	②/10, n/30	April 19	May 9	April 12	740	$740 \cdot .02 = 14.80$	a) $740 - 14.80$

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						a) 740 - 14.80