Conroy Corporation has borrowed money under two different loans. Conroy's accounting department presented the following calculations to support the interest accrual calculations. Review the calculations and suggest any necessary revisions. What are the financial statement implications associated with the revisions?

The first loan was a one-year loan for $100,000, created on November 1 of the current year. It bears interest at 8%, with interest based on the "rule of 78s."

Calculations: $100,000 X 8% X 2/12 = $1,333.33

The second loan is due on demand and was for $250,000. The loan was originated on November 1 of the current year, and it bears interest at 9%, using a 360-day year assumption.

Calculations: $250,000 X 9% X 2/12 = $3,750.00