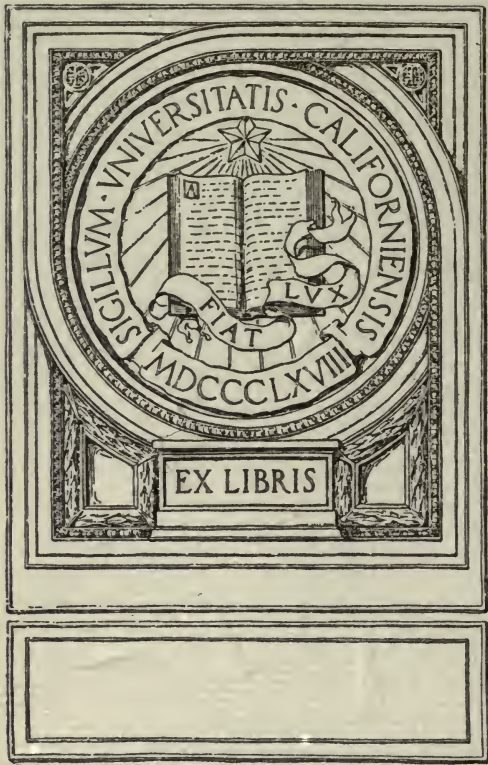


UC-NRLF



\$B 38 750

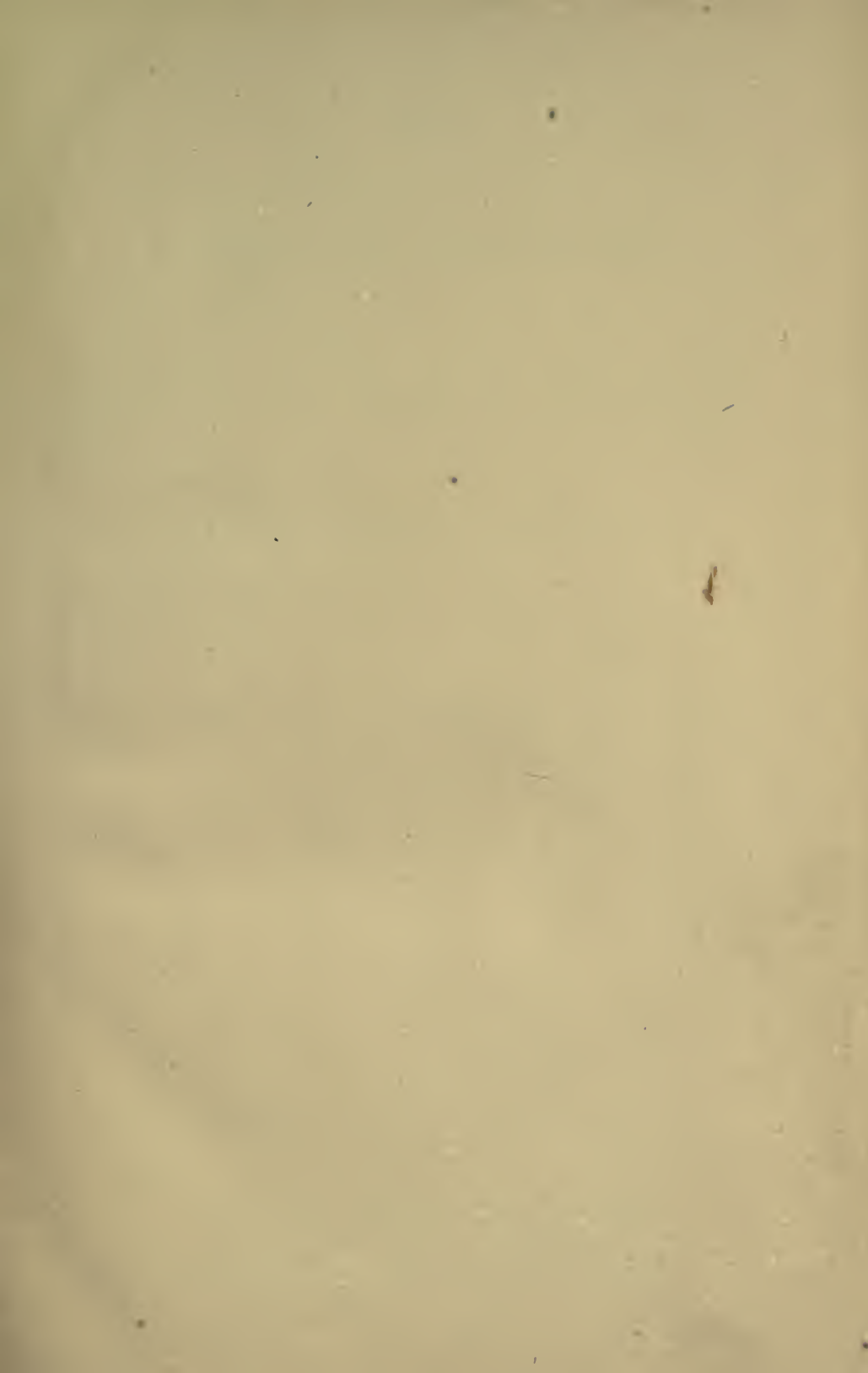
AMERICAN STANDARD
BOOKKEEPING
NINTH EDITION
E. S. CURTISS



EX LIBRIS



Digitized by the Internet Archive
in 2007 with funding from
Microsoft Corporation



THE
AMERICAN STANDARD
BOOKKEEPING

HIGH SCHOOL EDITION

BY

C. C. CURTISS, A.M.

AUTHOR OF "FREEHAND PENMANSHIP"



UNIV. OF
CALIFORNIA

NEW YORK ·· CINCINNATI ·· CHICAGO
AMERICAN BOOK COMPANY

HF 5635
.C9

COPYRIGHT, 1902, BY
C. C. CURTISS.

ENTERED AT STATIONERS' HALL, LONDON.

—
CURTISS'S BOOKKEEPING.

W. P. 1

Replacement.

THE NEW
METHOD

INTRODUCTORY

THIS text-book of bookkeeping has been shaped by many years' experience of the author as teacher and accountant. It embodies advanced pedagogic principles which have been thoroughly tested and worked out in the classroom.

In the first part of this work the different kinds of accounts are fully explained and exemplified. Thus made familiar with the meaning of entries in the various accounts, the pupil is prepared to do the work of the regular "sets" understandingly and without floundering.

The book is carefully graded, and the sets furnish ample material for practice. Six price lists are furnished throughout, to facilitate independent individual work.

Not only is a pupil greatly aided in his study by the observation of actual specimens of bookkeeping records, but he is much influenced by all the details of their form. In this book, therefore, script specimens of all kinds are supplied in profusion, and great care has been exercised in making them models of accuracy and neatness in every particular.

The work required of the pupil is designed not only to secure a broad and sound knowledge of the theory and art of bookkeeping, but also to encourage the formation of correct business habits. Nothing taught in the book will have to be unlearned later, when the pupil takes up real business life.

"Figures can not lie" is a business aphorism which has gone into language as a popular proverb. Like all proverbs it contains elements of both truth and falsehood. The experience of all men of business has taught them that figures not only can lie, but that too frequently they do deceive the most expert,—sometimes through error, sometimes through criminal intent. In the art of accounting, it is the man behind the figures who must be trusted not to lie,—either through accident or otherwise.

During forty years the author has had a wide and varied experience as a teacher of the science of Bookkeeping and Accounting, and during that long period a procession of tens of thousands of learners has passed under his eye. That pregnant experience has taught him that error has been more fruitful of loss and disaster than criminal intent.

Since our country has become the foremost nation of the business world, the importance of commercial training in our schools can not easily be exaggerated; although that which we learn from books and through the agency of schools is only a foundation for the finish and culture which active life only can give. It is not claimed that the guideboard can do more than point the way to the City of Success; but this book is presented to the public with confidence, born of experience, that its lessons are in every way reliable.

CONTENTS

	PAGE		PAGE
Definitions	7	Cash Book	78, 79
Accounts	8-48	Errors and how to Correct them	80, 81
Financial Accounts	10-25	Closing the Ledger	81-83
Cash Account Illustrated	10-13	Closed Ledger, Current Form	84, 85
Personal Accounts Illustrated	14-17	Memoranda First Set, continued	86
Bank Account Illustrated	18, 19	Vouchers and Results	87
Bills Receivable Account Illustrated	20-25	Closed Ledger, Full Form	88-93
Bills Payable Account Illustrated	22-25	Trial Balance	93
Business Accounts	26-43	Balance Sheets	94-96
Merchandise Accounts Illustrated	26-31		
Shipment Accounts Illustrated	32, 33	SECOND SET	97-108
Real Estate Accounts Illustrated	34-37	General Directions for Work	98
Interest Account Illustrated	38-40	Memoranda of Transactions	98-100
Expense Account Illustrated	41-43	Inventory and Results (Feb. 14)	100
Proprietary Accounts	44-48	Statements	101
Sole Proprietor Account Illustrated	44-45	Day Book Opened	102
Partnership Accounts Illustrated	46-48	Journal Opened	103
Complete Business Record	49-53	Check Book and Auxiliaries	104, 105
Journalizing	54, 55	Balance Sheet (Feb. 14)	106
Books of Record	56-58	Memoranda, continued	107
Application of Principles	59	Trial Balance and Results	108
		Journal-Daybook	109
FIRST SET	60-96		
General Directions for Work	61	THIRD SET	110-120
Memoranda and Vouchers	62, 63	Directions for Work	110
Practice Ledger	64	Memoranda of Transactions	111, 112
Statements, Business and Financial	65	Stock Record	113
Itemized Bills	66, 67	Journal-Daybook	114-117
Receipt Book	68	Inventory and Trial Balance	118
Inventory	69	Memoranda, continued	118, 119
Day Book, Separate	70, 71	Inventory and Results	120
Journal, Separate	72, 73	Commercial Paper	121-126
Ledger, Open	74, 75	Promissory Notes	121-123
Index	76, 77	Drafts and Acceptances	123, 124

	PAGE		PAGE
Maturity of Commercial Paper	125	Draft Book	153
Indorsements of Commercial Paper	125, 126		
Orders	127		
		SEVENTH SET	154-172
FOURTH SET	128-137	General Instructions	154, 155
Directions for Work	128	Memoranda of Transactions	155-163
Memoranda of Transactions	129, 130	Time Book and Auxiliaries	156, 157
Note Book	131	Weekly Pay Roll	158, 159
Journal-Daybook, Opened	132, 133	Journal-Daybook	164-167
Bill Book, Bills Receivable and Bills		Cash Journal	168, 169
Payable	134, 135	Trial Balance Book	170, 171
Memoranda, continued	134-136	Balance Sheet	172
Trial Balance and Results	136, 137		
		EIGHTH SET	173-192
		General Instructions	174
FIFTH SET	138-146	Memoranda of Transactions	175-182
Directions for Work	138, 139	Correspondence	176, 177
Memoranda of Transactions	139-143	Shipping Invoices	178, 179
Trial Balance Book	144, 145	Account Sales	180, 181
Results	146	Inventory and Results	182, 183
		Journal-Daybook	184-187
SIXTH SET	146-153	Cash Journal	188, 189
Directions for Work	147	Trial Balance	190
Memoranda of Transactions	147-151	Balance Sheet	192
Journal-Daybook	152		

SECTION ONE

THE PURPOSE AND METHOD OF KEEPING ACCOUNTS, WITH EXERCISES FOR PRACTICE IN ACCOUNTING



PRELIMINARY DEFINITIONS

Bookkeeping is the art of recording mercantile transactions in a regular and systematic manner so that one may know the true state of his business and property by an inspection of his books.

Business is any occupation by which a person seeks to obtain a livelihood or to acquire wealth.

Property is anything owned; or the exclusive right of possessing, enjoying, and disposing of a thing.

A Mercantile Transaction consists of an exchange of properties from one party to another.

Resources are the property, of all sorts, belonging to a merchant or man of business. Money, merchandise, amounts owing a merchant on account and on written promise to pay, and the like, are resources.

Liabilities are debts which one is under obligation to pay. Amounts owing others on account and on written promise to pay are liabilities.

Capital is the property employed in business.

A Debtor (Dr.) is a party who owes either money, goods, or services.

A Creditor (Cr.) is a party who trusts or gives credit in business, and hence one to whom money, goods, or services are due.

Cash, which originally meant a chest or box for holding money, is the general name for money or its equivalent.

Bills Payable are our notes or written obligations, held by others, to pay specified amounts when due.

Bills Receivable are others' notes or written obligations which we hold, for which we are to receive specified amounts when due.

Merchandise is the general name given to those wares, goods, or commodities which are bought and sold with a view to profit.

Real Estate is the name given to landed property, such as farms, houses and lots, stores, etc.

Interest is the compensation allowed for the use of money.

An **Account** is a statement of the debits and credits of mercantile or business transactions. It has two sides: the left-hand side is called the debit (Dr.) side, and the right-hand side is called the credit (Cr.) side. The difference between the sums of the items on the two sides is the result for which the account is kept.

The **Balance of an Account** is the difference between the footings of the two sides. An account has a debit balance when the Dr. side is the larger, and a credit balance when the Cr. side is the larger.

Form of Accounts

DR. SIDE			<i>Wm. E. Dodge</i>			CR. SIDE		
Date	Explanation	Amt.	Date	Explanation	Amt.			
1900 Aug. 23	Mdse.	175	1900 Sep. 15	Cash	100			
			" 15	Balance *	75			
		175 00			175 00			
Sep. 15	Balance	75						

The foregoing illustration shows that Mr. Dodge bought merchandise of me for \$175, on credit, Aug. 23, 1900; and that on Sep. 15, 1900, he paid me \$100, in cash: and it also shows that he still owes me a balance of \$75.

DR.		(Received)	<i>Cash</i>		(Paid)	CR.			
19— Jan. 2		On hand	976	50	19— Jan. 3		Expense	17	45
" 4		Mdse.	118	75	Jan. 4		Balance *	1077	80
			1095	25				1095	25
Jan. 4		Balance	1077	80					

This record shows that \$1095.25 has been received; that \$17.45 has been paid; and that there is a balance on hand of \$1077.80.

DR.		(Redeemed)	<i>Bills Payable</i>		(Issued)	CR.			
19— Feb. 10		Cash	175	50	19— Feb. 1		Henry Rivers	175	50
" 10		Balance *	350	75	" 5		James Field	350	75
			526	25				526	25
					Feb. 10		Balance	350	75

This record shows the issue of our written promises for \$526.25; that \$175.50 has been redeemed; and that there is outstanding \$350.75.

* Italic type in accounts indicates red ink.

DR.		(Received)	<i>Bills Receivable</i>		(Disposed of)	CR.			
19—	Mar. 1	Wm. Dale	287	90	19—	Mar. 13	Cash	187	90
	" 10	James Brooks	324	87		" 20	Cash	324	87
	" 15	Mdse.	157	46		" 31	Balance*	257	46
			770	23				770	23
Mar. 31		Balance	257	46					

This record shows that \$770.23 of others' written promises have been received; that \$512.77 have been disposed of; and that \$257.46 remain on hand.

DR.		(Cost)	<i>Merchandise</i>		(Proceeds)	CR.			
19—	Apr. 2	Cash	426	50	19—	Apr. 14	Cash (Sales)	325	30
	" 14	Henry Glen	225	33		" 20	Bills Rec. "	215	80
	" 30	Gain*	91	27		" 30	Balance, Inventory*	202	
			743	10				743	10
Apr. 30		Balance	202						

This record shows that merchandise cost \$651.83; that the proceeds, including the inventory (value of goods left on hand), were \$743.10; and that the gain was \$91.27.

DR.		(Cost)	<i>Real Estate</i>		(Proceeds)	CR.			
19—	May 1	Bills Payable	3450		19—	May 10	Bills Receivable	3250	
	" 15	Cash	2725			" 31	Balance, Inventory*	2800	
			6175	00		" 31	Loss*	125	
			2800					6175	00
May 31		Balance	2800						

This record shows that real estate cost \$6175; that the proceeds, including the inventory, were \$6050; and that the loss was \$125.

DR.		(Cost)	<i>Interest</i>		(Proceeds)	CR.			
19—	June 1	Cash	28	75	19—	June 11	Cash	32	50
	" 15	"	19	30		" 20	"	21	40
	" 30	Gain*	33	35		" 25	"	27	50
			81	40				81	40

This record shows that the use of others' money cost us \$48.05; that others' use of our money produced us \$81.40; and that the net gain was \$33.35.

* Italic type in accounts indicates red ink.

FINANCIAL ACCOUNTS

Financial Accounts are those which are kept for the purpose of showing the standing of the business by exhibiting its resources and its liabilities.

CASH ACCOUNT

Cash is the title applied to coin or specie, and may include United States notes, gold and silver certificates, treasury notes, bank notes, bank checks, sight drafts, postal orders, express orders, certificates of deposit, and business paper readily converted into money.

PURPOSE OF THE CASH ACCOUNT

A **Cash Account** is kept for the purpose of showing the amount of money received, the amount of money paid, and the amount of money which should be on hand.

METHOD OF KEEPING A CASH ACCOUNT

The amount of cash on hand at the time of opening the account and all receipts of cash are entered on the debit side of the Cash account. When cash is parted with, the amount paid is entered on the credit side of the Cash account. The footing of the Dr. side of the Cash account will show the total cash receipts, and the footing of the Cr. side will show the total cash disbursements. The excess of the Dr. footing over the Cr. footing will show the amount of cash which should be on hand.

If the difference between the footings of the Dr. and the Cr. sides of the Cash account does not agree with the amount of cash on hand, an error has been made either in some cash transaction or in the record of the transaction.

ILLUSTRATION OF KEEPING A CASH ACCOUNT

1. Transactions.—Jan. 1, 19___. I have on hand this day \$459.80 in cash.----Jan. 2. Received \$175 cash from Charles Davis on account.----Jan. 3. Paid \$56.40 in cash for groceries bought this day.----Jan. 4. Paid D. C. Bell \$195 cash in full of account.----Jan. 5. Received \$123.75 cash on account of H. C. Butler.----Jan. 6. Received \$234.70 cash for Mdse. sold this day.----Jan. 8. Received \$49.70 cash of T. J. Gray, to apply on account.----Jan. 9. Paid \$91.75 cash in full of S. B. Todd's account.----Jan. 10. Received \$57.60 cash to apply on J. D. Bond's account.----Jan. 11. Paid George Davis for rent \$50 cash.----Jan. 12. Received \$176.25 cash for Mdse. sold this day.

Required, *the amount of cash received, the amount of cash paid, and the balance of cash on hand.*

Instruction.—The pupil will study the ledger record of each of these transactions as recorded on the following page.

Form of Ledger Record

DR.		(Received)	<i>Cash</i>		(Paid)	CR.			
19—					19—				
Jan.	1	On hand	459	80	Jan.	3	Groceries	56	40
"	2	Charles Davis	175		"	4	D. C. Bell	195	
"	5	H. C. Butler	123	75	"	9	S. B. Todd	91	75
"	6	Mdse.	234	70	"	11	Rent	50	
"	8	T. J. Gray	49	70	"	12	Balance on hand *	883	65
"	10	J. D. Bond	57	60					
"	12	Mdse.	176	25					
			1276	80				1276	80
Jan.	15	Balance	883	65					

Total received, \$1276.80; total paid, \$393.15; balance on hand, \$883.65.

2. Transactions.—Jan. 15. I have on hand \$883.65.----Jan. 15. Received for Mdse. sold for cash, \$327.40.----Jan. 16. Paid cash for sundry items of expense, \$14.90.----Jan. 17. Received cash for sales of Mdse., \$216.84.----Jan. 18. Received of George Kipp cash in full of account, \$71.87.----Jan. 19. Paid cash for real estate, \$500.----Jan. 20. Sold Mdse. for cash, \$318.24.----Jan. 22. Received cash on account of Eli Hall, \$87.29.----Jan. 23. Paid cash for rent of house, \$45.----Jan. 24. Paid cash for personal taxes, \$75.----Jan. 25. Received cash of John Webb in full of account, \$54.90.

Required, total cash received, total cash paid, and balance of cash on hand.

Form of Ledger Record

DR.		(Received)	<i>Cash</i>		(Paid)	CR.			
19—					19—				
Jan.	15	Balance on hand	883	65	Jan.	16	Expense	14	90
"	15	Mdse.	327	40	"	19	Real Estate	500	
"	17	"	216	84	"	23	Rent	45	
"	18	George Kipp	71	87	"	24	Taxes	75	
"	20	Mdse.	318	24	"	25	Balance on hand *	1325	29
"	22	Eli Hall	87	29					
"	25	John Webb	54	90					
			1960	19				1960	19
Jan.	26	Balance	1325	29					

Total received, \$1960.19; total paid, \$634.90; balance on hand, \$1325.29.

* Italic type in accounts indicates red ink.


EXAMPLES FOR PRACTICE IN KEEPING A CASH ACCOUNT

Instruction.— After the student has studied the purpose of the Cash account, and the method of keeping it, as illustrated on pages 10 and 11, he should test his knowledge of the same by working the following examples, and submit his work to the teacher for inspection and instruction.

1. Transactions.— Jan. 1, 19—. I have on hand cash, \$475.80.----Jan. 2. Paid cash for sundry expenses, \$14.75.----Jan. 3. Received cash of Henry Burton on account, \$44.25.----Jan. 4. Received cash for Mdse. sold this day, \$147.94.----Jan. 4. Paid Bell & Mabey cash on account, \$137.45.----Jan. 5. Received cash for a pair of horses sold Weed Munro, \$375.----Jan. 5. Paid John L. Smith for 3 tons of hay, at \$7.50. \$?.----Jan. 5. Received cash of A. N. Palmer in full of account, \$97.48.----Jan. 6. Paid Kiehle & Co. cash on account, \$15.----Jan. 6. Received cash of Hyde & Manley in full of their note, \$50.----Jan. 6. Paid cash for expenses, \$7.50.

Required, *the receipts, the disbursements, and the balance on hand.*

Form of Note referred to under date of Jan. 6, 19—

	\$50 ⁰⁰ .	NEW YORK, N.Y., <i>October 6, 19—.</i>
	<i>Three months</i> ~~~~~ after date, for value received,	
	<i>we</i> promise to pay <i>Th. E. Student</i> ~~~~~ or order,	
	<i>Fifty and</i> ⁰⁰ / ₁₀₀ ~~~~~ Dollars.	
	At our office.	
Due <i>Jan. 6, 19—.</i>		<i>Hyde & Manley.</i>


2. Transactions.— Jan. 8, 19—. I have on hand cash, \$993.27.----Jan. 8. Received cash for Mdse. sold, \$194.75.----Jan. 9. Paid James Ryan cash on account, \$475.----Jan. 9. Received cash of H. M. Myers for his note due this day, \$100; and for interest on same, one year, at 7%, \$?; total, \$?.----Jan. 10. Paid J. H. Thompson cash for my note and interest due this day; principal, \$50; interest for 6 mos. at 6%, \$?; total, \$?.----Jan. 11. Received cash of I. C. Jones in full of account, \$174.50.----Jan. 11. Paid Harry Curtiss cash in full for services as clerk, \$47.94.----Jan. 12. Received of Irwin Shepard \$275.50 cash in full of his note due this day.----Jan. 12. Paid G. S. Albee \$145.75 cash, for my note.----Jan. 13. Received cash of C. L. Sawyer in full of his note and interest; principal, \$150; interest, one year, at 7%, \$?; total, \$?.

Required, *total receipts, total disbursements, and balance on hand.*

3. Transactions.— Jan. 15, 19—. I have on hand cash, \$1185.33.----Jan. 15. Received cash of David Rand in full of his note and interest; principal, \$175; interest, \$3.50; total, \$178.50.----Jan. 16. Paid for sundry expenses, cash, \$13.75.----Jan. 17. Sold Henry Avery, for cash, house and lot, \$1750.----Jan. 18. Paid A. Brown cash in full of my note and interest; face of note, \$500; interest at 7% for 3 mos., \$?; total, \$?.----Jan. 18. Lost, cash, \$2.----Jan. 19. Drew out for personal use, \$75 cash.----Jan. 20. Paid J. W. Johnson's sight draft on me, favor of Rodney G. Kimball, for \$153.50 in cash.----Jan. 22. Paid cash for Mdse. bought this day, \$375.----Jan. 24. Received cash of W. C. Smith, in full of his note and interest; face of note, \$95; interest at 7% for 2 mos., \$?; total, \$?.

Required, *total receipts, total disbursements, and balance on hand.*

Form of Sight Draft referred to under date of Jan. 20, 19—

	\$153 ⁵⁰ .	BOSTON, MASS., <i>January 20, 19—</i> .
	At sight ~~~~~ value received,	
	Pay to <i>Rodney S. Kimball</i> ~~~~~ or order,	
	<i>One Hundred Fifty-three and ⁵⁰/₁₀₀</i> ~~~~~ Dollars,	
	and charge to the account of	
To <i>Th. E. Student,</i> <i>Home City, N.Y.</i> }		<i>J. W. Johnson.</i>

4. Transactions.—Feb. 1, 19—. C. C. Curtiss (partner) invests in business, cash, \$1800.----Feb. 1. The Teacher (partner) invests in business, cash, \$1200.----Feb. 1. The firm pays George Hale cash for rent of store, \$125.----Feb. 2. Received cash for sales of Mdse., \$374.98.----Feb. 3. Paid cash for Charles Huntress's sight draft on C. C. Curtiss for \$175.----Feb. 5. Received cash in full of Jones & Co.'s note and interest; principal, \$125; interest, \$7.50; total, \$?.----Feb. 6. W. J. Christie redeemed his note, our favor, in cash; face of note, \$275; interest at 6%, 3 mos., \$4.13.----Feb. 7. Paid Wesley Neill's draft on Teacher for \$65, in Cash.----Feb. 8. Paid Adam Cole cash in full of our note and interest; principal, \$130; interest at 6% for two months and twenty-four days, \$?; total, \$?.----Feb. 9. Paid cash for Mdse. bought this day, \$750.

Required, total receipts, total disbursements, and balance on hand.

5. Transactions.—Feb. 12, 19—. Amount of cash on hand, \$2536.64.----Feb. 12. Received cash of Rufus Choate in full of his note and interest; face of note, \$450; interest for six months, at 7%, \$?.----Feb. 13. Paid C. S. Gilbert cash in full of our note, his favor; principal, \$375; interest, 60 days at 6%, \$?.----Feb. 14. C. C. Curtiss (partner) made an additional cash investment of \$1200.----Feb. 15. Teacher drew out \$25 cash for personal use.----Feb. 15. Received cash from sales of Mdse., \$237.50.----Feb. 15. Paid cash for clerk hire, \$125.----Feb. 16. Paid C. E. Cady's draft on Teacher for \$110, in cash.----Feb. 17. Received cash from sales of Mdse., \$321.40.----Feb. 17. Received cash of C. B. Gilbert in full of his note and interest; principal, \$197.50; interest for three months, at 7%, \$?; total, \$?.

Required, total receipts, total disbursements, and balance on hand.

6. Transactions.—Feb. 19, 19—. Cash on hand, \$4322.54.----Feb. 19. Bought of Homeville Bank, for cash, a draft on Union Bank, Chicago, for \$500, at $\frac{1}{2}$ % premium, and remitted the same to Marshall Field & Co., on account; premium, \$?; total, \$?.----Feb. 20, cash sales of Mdse., \$374.85.----Feb. 20. Paid cash for Byron Horton's sight draft on C. C. Curtiss (partner) for \$250.----Feb. 21. Received cash for C. L. Sawyer's note due this day; principal, \$220; interest for six months at 7%, \$?; total, \$?.----Feb. 23. Teacher (partner) made an additional cash investment of \$1000.----Feb. 23. Borrowed of Homeville Bank, on our note at 90 days, \$1000; and on this note we paid interest at 7% in advance, \$?.----Feb. 24. Received cash of W. F. Phelps, in full of all demands, \$149.75.----Feb. 26. Cash sales of Mdse., \$427.30.----Feb. 27. Bought for cash, Mdse., \$275.

Required, total receipts, total disbursements, and balance on hand.

PERSONAL ACCOUNTS

PURPOSE OF KEEPING PERSONAL ACCOUNTS

Personal Accounts are those financial accounts which are kept with persons, partnerships, or corporations for the purpose of showing, at any time, whether such persons, partnerships, or corporations are indebted to us, or we to them, and how much in either case.

Our dealings on account with an individual should be recorded under the individual's name; our dealings with a partnership, under the firm's name; our dealings with a corporation, under the name of the corporation.

METHOD OF KEEPING PERSONAL ACCOUNTS


When a party (person, partnership, or corporation) receives value from us on a verbal or implied promise to pay at some future time, the amount of the debt is entered on the debit side of his account. When a party gives value to us on our verbal or implied promise to pay at some future time, the amount of the credit is entered on the credit side of his account. The difference between the footings of the Dr. and Cr. sides of a personal account shows the standing of the account. When the footing of the Dr. side of a personal account exceeds the footing of the Cr. side, the party owes us the excess. When the footing of the Cr. side of a personal account exceeds the footing of the Dr. side, we owe him the excess.

ILLUSTRATION OF KEEPING PERSONAL ACCOUNTS

1. Transactions with E. A. Sheldon.—Feb. 1, 19—. Sold him Mdse. on credit, \$179.60.----Feb. 2. Sold him Mdse. on credit, \$118.75.----Feb. 3. Received cash from him on account, \$175.----Feb. 5. Bought of him, on credit, 15 bbls. flour, at \$5.60, \$84.----Feb. 6. Sold him Mdse. on credit, \$192.46.----Feb. 7. Received cash from him on account, \$150.----Feb. 8. Sold him on credit, Mdse., \$119.25.----Feb. 9. Loaned him on account, cash, \$100.----Feb. 10. Sold him on credit, Mdse., \$146.30.----Feb. 12. Received his check for \$100.----Feb. 13. Sold him on credit, Mdse., \$118.45.

Required, the standing of the account Feb. 13, 19—. How much does he owe me, or I him?

Form of Check referred to under date of Feb. 12, 19—

	No. 121.	HOMEVILLE, ILL., February 12, 19—.
	Homeville Bank,	
	Pay to <i>Th. E. Student</i> _____ or order,	
	<i>One Hundred and ⁰⁰/₁₀₀</i> _____ Dollars. \$100.00.	
<i>E. A. Sheldon.</i>		

Form of Ledger Record

DR.		(In our favor)	<i>E. A. Sheldon</i>		(In his favor)	CR.				
19—	Feb.	1	Mdse.	179	60	19—	Feb.	3	Cash	175
	"	2	"	118	75		"	5	Flowr	84
	"	6	"	192	46		"	7	Cash	150
	"	8	"	119	25		"	12	"	100
	"	9	Cash	100			"	13	Balance*	465 81
	"	10	Mdse.	146	30					
	"	13	"	118	45					
				974	81					974 81
Feb.	14	Balance		465	81					

Total debits, \$974.81; total credits, \$509; he owes me \$465.81.

2. Transactions with Charles Davies & Co.—Feb. 15, 19—. Bought groceries of them on credit, \$54.30.----Feb. 16. Bought dry goods of them on credit, \$472.25.----Feb. 17. Paid them cash on account, \$150.----Feb. 19. Bought produce of them on credit, \$76.90.----Feb. 20. Bought live stock of them on credit, \$225.----Feb. 21. Sold them real estate on credit, \$200.----Feb. 23. Bought of them on credit, groceries, \$65.70.----Feb. 23. Paid them cash on account, \$160.----Feb. 24. Bought of them on credit, dry goods, \$115.25.----Feb. 26. Bought of them on credit, produce, \$61.40.----Feb. 27. Sold them on credit, pair of horses, \$300.

Required, the balance of Charles Davies & Co.'s account.

Form of Ledger Record

DR.		(Against them)	<i>Charles Davies & Co.</i>		(Against me)	CR.					
19—	Feb.	17	Cash	150	19—	Feb.	15	Groceries	54	30	
	"	21	Real Estate	200		"	16	Dry Goods	472	25	
	"	23	Cash	160		"	19	Produce	76	90	
	"	27	Live Stock	300		"	20	Live Stock	225		
	"	28	Balance ¹	260	80		"	23	Groceries	65	70
				1070	80		"	24	Dry Goods	115	25
							"	26	Produce	61	40
									1070	80	
						Feb.	28	Balance	260	80	

Total debits, \$810; total credits, \$1070.80; I owe them \$260.80.

* Italic type in accounts indicates red ink.

EXAMPLES FOR PRACTICE IN KEEPING PERSONAL ACCOUNTS

Instruction.—When the pupil has become familiar with the purpose and method of keeping personal accounts as illustrated on pages 14 and 15, he will work the following examples, using the Practice Ledger, and submit the result of each to the teacher for inspection and for further instruction.

1. My Dealings with a Farmer.

Transactions.—Feb. 1, 19—. I am owing Anthony Austin a balance of \$465.75.----Feb. 2. Sold him, on credit, Mdse. amounting to \$164.50.----Feb. 28. Paid him cash on account, \$150.----Mar. 14. Bought of him, on credit, 2 tons of hay, at \$13.50, \$?.----Apr. 4. Sold him, on credit, Mdse. amounting to \$86.75.----May 10. Bought of him, on credit, a pair of matched horses for \$275.----June 1. Bought of him, on credit, 75 bush. of oats, at 50¢, \$?.----June 2. Sold him, on credit, Mdse. amounting to \$97.45.----June 5. Bought of him, on credit, 2 cows, at \$45 each, \$?.----June 10. Paid him on account, cash, \$150.----June 15. Sold him on credit, Mdse., \$30.

Required, the balance due him or me.

2. My Dealings with a Merchant.

Transactions.—Mar. 1, 19—. Benoni Butler owes me on account a balance of \$267.50.----Mar. 3. Bought of him, on credit, dry goods amounting to \$69.50.----Mar. 20. Received cash of him, on account, \$75.----Apr. 1. Bought of him dry goods amounting to \$42.25.----Apr. 15. Received his check on Homeville Bank for \$50, on account.----May 3. Sold him, on credit, a pair of carriage horses for \$315.----May 10. Received his check for \$250, on account.----June 10. Sold him, on credit, 3 tons of hay, at \$12.50, \$?.----June 15. Sold him, on credit, 45 bush. of oats, at 48¢, \$?.----June 20. Sold him, on credit, 50 bush. corn, at 53¢, \$?.----June 30. Sold him, on credit, 4 cords of maple wood at \$4.50, \$?.

Required, the balance due him or me.

3. My Dealings with Four Merchants.

Transactions.—Apr. 1, 19—. I owe Edward North, on account, \$257.90, and Charles West, on account, \$495.80.----Apr. 12. Bought of Edward North, on credit, a bill of dry goods, \$575.60.----Apr. 24. Paid Charles West cash on account, \$250.----Apr. 30. Gave my note to Edward North for \$?, in full for balance due him on account Apr. 1.----May 1. Bought of Henry Eastman, on credit, a bill of hardware, \$176.56.----May 5. Paid Henry Eastman cash on account, \$100.----May 7. Bought of James Southwell, on credit, an invoice of crockery, \$96.50.----May 8. Passed my note, drawn at thirty days, with interest, to Henry Eastman, on account, \$50.----May 10. Bought of Charles West, on account, groceries, \$840.75.----May 31. Bought of Edward North, on credit, dry goods, \$397.80.----June 1. Paid Charles West's draft on me for balance due him May 1, \$?.----June 1. Paid Edward North cash in full of his bill of Apr. 12, \$?.----June 15. Bought of Charles West, groceries, per bill, \$680.50; paid him cash for one half of bill, \$?.----June 21. Bought of Edward North, dry goods, per invoice, \$794.80.----June 22. Paid James Southwell cash on account, \$46.50.----June 25. Settled my account with Henry Eastman by giving him my check on Homeville Bank for \$?.----June 30. Bought, on credit, of Henry Eastman, hardware, per invoice, \$79.45.

Required, the standing of each merchant's account.

4. A Merchant's Accounts with Six Customers.

Transactions. — May 1, 19—. Sold Allen Miller, on credit, Mdse., \$27.50.---- May 3. Sold B. Horton, on credit, Mdse., \$7.98.---- May 5. Received cash of Allen Miller on account, \$15.---- May 10. Sold Charles E. Cady, on credit, Mdse., \$21.60.---- May 12. Sold Allen Miller, on credit, Mdse., \$35.60.---- May 14. Sold B. Horton Mdse., \$34.50; received cash for one half, \$?.---- May 16. Received cash to apply on B. Horton's account, \$20.---- June 4. Sold B. Horton Mdse., \$27.40; received cash for one half, \$?.---- June 7. Sold C. E. Cady Mdse., \$42.80; received cash for one half, \$?.---- June 10. Sold La Selle H. White, on credit, Mdse., \$15.75.---- June 12. Sold Mary A. Ward, on credit, Mdse., \$27.50.---- June 15. Sold Alice Scheurman, on credit, Mdse., \$48.75.---- June 18. Received La Selle H. White's check for \$10, on account.---- June 20. Received cash of Mary A. Ward, on account, \$15.---- June 22. Sold Alice Scheurman Mdse., \$37.50; received cash for one half, \$?.---- June 30. Received Alice Scheurman's check in settlement of her bill of June 15, \$?.

Required, *the standing of each customer's account.*

5. A Merchant's Accounts with Several Parties.

Transactions. — June 1, 19—. Bought of Charles Brown, on credit, a bill of goods, \$2500.---- June 5. Sold Thomas Gray, on credit, goods, \$45.---- June 11. Sold James White goods, \$38.50; received cash for one half, \$?.---- June 15. Sold Henry Black, on credit, goods, \$22.50.---- June 18. Sold James White, on credit, goods, \$31.50.---- June 21. Paid Charles Brown cash, \$1250.---- June 25. Received cash from Thomas Gray, on account, \$30.---- June 30. Received cash of Henry Black, on account, \$10.---- July 2. Sold George Green goods, \$77; received cash for one half, \$?.---- July 3. Sold Mrs. Henry Black goods, \$46.50; received cash for one half, \$?.---- July 16. Paid Charles Brown, cash, \$500.---- July 18. Received cash of Thomas Gray, \$15.---- July 20. Sold James White, on credit, goods, \$61.25.---- July 23. Sold George Green, on credit, \$79.60.---- July 24. Sold Henry Black, on credit, goods, \$49.70.---- Aug. 2. Sold George Green, on credit, goods, \$56.90.---- Aug. 6. Paid Charles Brown, on account, \$750.---- Aug. 7. Sold George Green, on credit, goods, \$94.60.---- Aug. 10. Received cash, \$25, from James White, on account.---- Aug. 16. Received from Henry Black, on account, cash, \$50, and from George Green \$75, cash, on account.

Required, *the standing of each account.*

6. A Merchant's Accounts with Several Parties.

Transactions. — July 2, 19—. Bought of Ashwood & Co., N.Y., on credit, an invoice of goods, \$1575.---- July 2. Bought of Beech & Co., Boston, as per invoice, goods amounting to \$3000; paid them per check for one half of bill, \$?.---- July 2. Sold Charles Maple, on credit, bill of goods, \$49.70.---- July 3. Sold Henry Walnut, on credit, bill of goods, \$57.60.---- July 5. Bought of Spruce & Co., Chicago, goods amounting as per invoice to \$1750.---- July 6. Remitted to Ashwood & Co., New York, exchange for \$1000, bought per check at Homeville Bank.---- July 7. Received Charles Maple's check for \$25, to apply on account.---- July 10. Bought of Homeville Bank, per check, Boston exchange for \$500, and remitted the same to Beech & Co., Boston, to apply on account.---- July 11. Sold James Birch, on credit, bill of goods, \$97.60.---- July 16. Received Henry Walnut's check for \$20, on account.---- July 20. Bought of Homeville Bank, per check, Chicago exchange for \$750, and remitted the same to Spruce & Co., Chicago, to apply on account.---- July 23. Received Charles Maple's Check for \$?, in full of account.---- July 25. Bought of Homeville Bank, per check, New York exchange for \$?, and remitted the same to Ashwood & Co., N.Y., in full of account.

Required, *the standing of each account.*

BANK ACCOUNT

It is the custom of prudent business men to deposit their money in a bank for safe keeping, and to withdraw such amounts as may be needed by checks.

A Check is an order for money, drawn by a depositor, on a bank or on an officer of a bank, and is payable on presentation at the bank.

A Depositor is a party who makes a deposit in a bank.

A Deposit is money or other value placed in a bank for safe keeping and subject to order.

When a deposit is made, the depositor makes a statement in writing, called a Deposit Ticket or Slip, which sets forth the date, the name of the depositor, the kind of funds deposited, whether coin, bills, checks, notes, or drafts, and the amounts. See page 105. The deposit ticket, together with the funds to be deposited, is passed to the receiving teller of the bank, who acknowledges the receipt of the funds by making an entry in the depositor's bank pass book.

A Bank Pass Book is a small account book which the bank furnishes to a depositor. It contains a record of all deposits, and of all sums paid on depositor's checks. See page 105 for form of bank pass book.

When the depositor wishes to use the funds which he has on deposit, he draws a check and delivers it to the person to whom the money is to be paid. This person, called the Payee, may present the check to the paying teller of the bank and obtain the amount expressed therein, or he may transfer the check to some other party.

A check drawn by another party, when received and held by us, is usually considered as cash.

Many accountants keep no other Bank account than that on the margin of the check book, considering the funds on deposit as *cash on hand*, though in the custody of the bank for safety.

PURPOSE OF KEEPING A BANK ACCOUNT

An account is kept with a bank for the purpose of showing at any time the amount of our funds deposited in the bank, the amount withdrawn by check or otherwise, and the balance on deposit.

METHOD OF KEEPING A BANK ACCOUNT

When funds are deposited in a bank, the amount is entered on the Dr. side of the Bank account. When money is withdrawn from the bank, the amount expressed on the face of the check is entered on the Cr. side of the Bank account. The excess of the footing of the Dr. side will show the balance on deposit. An excess of the Cr. footing will show an overdraft.

ILLUSTRATION OF KEEPING A BANK ACCOUNT

Transactions. — Jan. 2, 19—. Deposited cash in Homeville Bank, \$1500.----
 Jan. 4. Drew check, favor of W. H. Laird, to apply on account, \$57.80.----Jan. 6. Paid
 Harry B. Curtiss, on account, per check, \$64.80.----Jan. 8. Deposited cash in Home-
 ville Bank, \$397.50.----Jan. 12. Paid my note due this day, favor of Charles Kent, per
 check, \$150.----Jan. 15. Redeemed my acceptance, favor of William H. Warren, per
 check, \$75.60.----Jan. 17. Deposited cash, \$100.----Jan. 20. Paid H. M. Myers rent
 for the month, per check, \$75.----Jan. 25. Deposited checks received for Mdse., \$479.80.
 ----Jan. 26. Paid William Hamilton in full of account, per check, \$298.75.----Jan. 31.
 Deposited cash in Homeville Bank, \$580.45.

Required, total deposits, total withdrawals, and balance on deposit.

Form of Ledger Record

Dr.		Homeville Bank		(Withdrawals)		Cr.	
(Deposits)							
19—				19—			
Jan.	2 Cash	1500		Jan.	4 W. H. Laird	57	80
"	8 "	397	50	"	6 Harry B. Curtiss	64	80
"	17 "	100		"	12 Bills Payable	150	
"	25 "	479	80	"	15 " "	75	60
"	31 "	580	45	"	20 H. M. Myers	75	
				"	26 Wm. Hamilton	298	75
				"	31 Balance	2335	80
		3057	75			3057	75
Feb.	1 Bal. on Deposit	2335	80				

Total deposited, \$3057.77; total withdrawn, \$721.95; balance on deposit, \$2335.80.

EXAMPLE FOR PRACTICE IN KEEPING A BANK ACCOUNT


Transactions. — Feb. 1, 19—. Opened an account with the Gem City Bank, and
 deposited cash, \$1000.----Feb. 10. Paid James Gray in full of account, per check,
 \$87.50.----Feb. 12. Paid J. B. Husted on account of salary, per check, \$60.----Feb.
 13. Deposited \$479.50 cash.----Feb. 15. The bank has collected my note against
 Charles Shibley, and has placed the proceeds, \$250, to my credit.----Feb. 17. Paid
 T. J. Gray on account, per check, \$54.70.----Feb. 20. The bank has discounted my
 note, their favor, for \$1000, and credited me with the proceeds, \$980.----Feb. 24.
 Drew from bank for personal use, \$50.----Feb. 24. Bought of Gem City Bank, per
 check, their draft on New York, for \$500, at ¼% premium, \$?.----Feb. 27. Paid
 S. A. Reed in full of account, per check, \$54.90.----Feb. 28. Deposited cash, \$450.
 ----Mar. 1. Bought Mdse. of L. D. Harvey, and paid him per check, \$250.----Mar. 3.
 Paid H. H. Gail on account, per check, \$75.----Mar. 5. Paid Irwin Shepard \$27.50,
 per check, in full of account.----Mar. 6. Deposited cash, \$375.----Mar. 7. Bought
 Mdse. of John L. Thomas, per check, \$17.25.----Mar. 10. Paid James L. Strong in
 full of all demands, per check, \$87.50.

Required, total deposits, total withdrawals, balance on deposit.

BILLS RECEIVABLE ACCOUNT

Bills Receivable are other persons' notes and acceptances in our possession, so called because we, as holders, are to receive the amounts named therein.

Form of Acceptance Receivable

	\$100 ⁰⁰ .	ALBANY, N.Y., March 3, 19--
	At Thirty days'	Sight, value received,
	Pay to Th. E. Student	or order,
	One Hundred and ⁰⁰ / ₁₀₀	Dollars,
	and charge to the account of	
To David H. Cochran,	George W. Plympton.	
Clinton, N.Y.	Accepted Mar. 4, 19-- David H. Cochran	

PURPOSE OF KEEPING A BILLS RECEIVABLE ACCOUNT

A **Bills Receivable Account** is kept for the purpose of showing, at any time, the amount of notes and acceptances received, the amount disposed of, and the amount on hand.

METHOD OF KEEPING A BILLS RECEIVABLE ACCOUNT

When another person's written promise to pay (note or acceptance) is received, its face amount is entered on the Dr. side of this account. When the promise is redeemed, or the paper disposed of, its face value is entered on the Cr. side of this account. The excess of the Dr. side will show the amount of negotiable paper on hand.

When a partial payment is made on a note or acceptance, the amount of the payment should be indorsed on the back of the instrument, and also entered on the Cr. side of Bills Receivable account.

See page 126 for indorsements.

ILLUSTRATION OF KEEPING A BILLS RECEIVABLE ACCOUNT

1. Transactions. — Mar. 1. Received David Burt's note at 90 days in full of account, \$150.---- Mar. 2. Received D. L. Kiehle's note at 3 days in settlement of account, \$247.94.---- Mar. 3. Received J. H. Lewis's note at 2 months, for bill of Mdse. sold him to-day, \$79.40.---- Mar. 5. Sold C. W. Hyde, on his note at 2 months, Mdse. amounting to \$84.75.---- Mar. 6. David Burt has prepaid his note of Mar. 1, due in 90 days, in cash, \$150.---- Mar. 7. Received Charles Hoffman's acceptance at 3 days' sight, my favor, for \$150, in payment of rent.---- Mar. 8. Received cash for D. L. Kiehle's note for \$?.---- Mar. 9. Received D. C. Bell's note at 30 days for \$100, to apply on account.---- Mar. 10. Received Marion D. Shutter's note at 60 days to apply on account, \$25.---- Mar. 10. Received cash of C. W. Hyde, on his note, \$50.---- Mar. 12. Received cash to apply on J. H. Lewis's note, \$30.

Required, the amount received, amount disposed of, and amount on hand.

Form of Ledger Record

DR.	(Received)	<i>Bills Receivable</i>		(Disposed of)	CR.	
19— Mar.	1 D. Burt, on %	150		19— Mar.	6 Cash, D. Burt	150
"	2 D. L. Kiehle, "	247 94		"	8 " D. L. Kiehle	247 94
"	3 J. H. Lewis, Mdse.	79 40		"	10 " C. W. Hyde	50
"	5 C. W. Hyde, "	84 75		"	12 " J. H. Lewis	30
"	7 C. Hoffman, rent	150		"	12 Balance	359 15
"	9 D. C. Bell, on %	100				
"	10 M. D. Shutter, "	25				
		837 09				837 09
Mar.	12 Balance	359 15				

Total debits, \$837.09; total credits, \$477.94; bills receivable on hand, \$359.15.

2. Transactions.— Mar. 12. I have on hand J. H. Lewis's note for \$49.40; C. W. Hyde's note for \$31.75; Charles Hoffman's acceptance for \$150; D. C. Bell's note for \$100; Marion D. Shutter's note for \$25; total \$359.15.---- Mar. 13. Received cash for Charles Hoffman's acceptance, \$?.---- Mar. 15. C. W. Hyde redeems his note by paying cash, \$?.---- Mar. 15. Received Allen J. Greer's note at 30 days in settlement of account, \$197.50.---- Mar. 16. Received S. C. Todd's note for \$75, on % .---- Mar. 17. Received cash for D. C. Bell's note, \$?.---- Mar. 19. Received George Bell's note for goods sold him to-day, \$67.90.---- Mar. 19. Received cash for Marion D. Shutter's note, \$?.---- Mar. 20. Received cash for J. H. Lewis's note, \$?.---- Mar. 20. Received Allen J. Greer's check for \$97.50, to apply on his note.---- Mar. 22. Received George Bell's check for \$17.90, to apply on his note.

Required, the amount received, the amount disposed of, and the amount on hand.

DR.	(Received)	<i>Bills Receivable</i>		(Disposed of)	CR.	
19— Mar.	12 J. H. Lewis' note	49 40		19— Mar.	13 Cash, Hoffman	150
"	12 C. W. Hyde's "	34 75		"	15 " C. W. Hyde	34 75
"	12 Hoffman's acce/p.	150		"	17 " D. C. Bell	100
"	12 D. C. Bell's note	100		"	19 " Shutter	25
"	12 M. D. Shutter's "	25		"	20 " J. H. Lewis	49 40
"	15 A. J. Greer, on %	197 50		"	20 " A. J. Greer	97 50
"	16 S. C. Todd, "	75		"	22 " Geo. Bell	17 90
"	19 Geo. Bell, Mdse.	67 90		"	22 Balance	225
		699 55				699 55
Mar.	22 Balance	225				

Total debits, \$699.55; total credits, \$474.55; bills receivable on hand, \$225.

BILLS PAYABLE ACCOUNT

Bills Payable is a name given to our written promises to pay (notes and acceptances) issued by us, because we are to pay the amounts named therein.

Form of Acceptance Payable

\$255 ⁰⁰ .	MINNEAPOLIS, MINN., Aug. 23, 19—.
At Sixty days'	sight, value received,
Pay to Charles Davies	or order,
Two Hundred Fifty-five and ⁰⁰ / ₁₀₀	Dollars,
and charge to the account of	
To Th. E. Student, Seattle, Wash.	Accepted by <i>Albert S. Husted.</i>

PURPOSE OF KEEPING A BILLS PAYABLE ACCOUNT

A **Bills Payable Account** is kept for the purpose of showing the amount of our written promises issued, the amount redeemed, and the amount outstanding.

METHOD OF KEEPING A BILLS PAYABLE ACCOUNT

When we issue our written promise to pay money (sign a note or accept a draft), the face of the note or draft is entered on the Cr. side of this account. When we redeem our written promise, the face is entered on the Dr. side of this account. The excess of the Cr. side will show what we are owing on our outstanding written obligations.

Partial payments are entered on the Dr. side of this account, and should be indorsed by the holder on the back of the paper.

ILLUSTRATION OF KEEPING A BILLS PAYABLE ACCOUNT

1. Transactions. — Apr. 2. Gave my note to C. C. Brand, in settlement of account, at 10 days, for \$75.60.---- Apr. 3. Issued my note to Allen Hyde, in payment of Mdse. bought, \$275.90, at 10 days.---- Apr. 3. Passed my note, at 12 days, to Henry Gold, in payment of rent for the month, \$130.---- Apr. 4. Accepted Henry Earl's draft on me at 3 days' sight, favor of John Lord, for balance of account, \$148.50.---- Apr. 6. Prepaid my note, favor of C. C. Brand, \$?.---- Apr. 7. Paid Allen Hyde \$175.90 cash, to apply on my note, his favor, of Apr. 3.---- Apr. 9. Accepted David Rowe's draft on me in full of account, at 10 days' sight, favor of A. A. Boyd, for \$97.60.---- Apr. 10. Paid my acceptance, favor of John Lord, due this day, in cash, \$?.---- Apr. 12. Bought Mdse. of George Gray, on my note at 30 days, \$137.---- Apr. 15. Gave my note for \$65.90 to James White, in full settlement of account as per compromise.---- Apr. 16. Paid Allen Hyde balance due him on my note of Apr. 3, \$?.

Required, the amount of written promises issued, redeemed, and outstanding.

Form of Ledger Record

Dr.		(Redeemed)	<i>Bills Payable</i>		(Issued)	Cr.			
19—	Apr.	6	Cash, C. C. Brand	75 60	19—	Apr.	2	C. C. Brand, on %	75 60
	"	7	" Allen Hyde	175 90		"	3	A. Hyde, Mdse.	275 90
	"	10	" John Lord	148 50		"	3	Henry Gold, rent	130
	"	15	" Allen Hyde	100		"	4	Henry Earl, on %	148 50
	"	15	Balance	430 50		"	9	David Rowe, "	97 60
						"	12	Geo. Gray, Mdse.	137
						"	15	Jas. White, on %	65 90
				930 50					930 50
						Apr.	15	Balance	430 50

Total issued, \$930.50; total redeemed, \$500; outstanding, \$430.50.

2. Transactions. — Apr. 16, 19—. I have outstanding written obligations as follows: Note, favor Henry Gold, \$130; acceptance, favor A. A. Boyd, \$97.60; note, favor George Gray, \$137; note, favor James White, \$65.90; total, \$430.50. ---- Apr. 18. Took up my note, favor Henry Gold, by paying him one half cash, and a new note for the balance, \$?. ---- Apr. 21. Redeemed my acceptance, favor A. A. Boyd, by paying him \$25 in cash, and giving him my note at 5 days for the balance, \$?. ---- Apr. 23. Paid James White \$25 cash, and gave him my note at 10 days for the balance of my note of \$65.90. ---- Apr. 24. Paid my note, favor George Gray, with cash, \$100, and my note at 15 days for the balance, \$?. ---- Apr. 27. Paid Henry Gold \$35 cash and note at 5 days for balance of my note of Apr. 18, \$?. ---- Apr. 29. Paid A. A. Boyd \$22.60, to apply on my note of Apr. 21. ---- Apr. 30. Paid James White \$20, on my note of Apr. 23.

Required, the amount issued, the amount redeemed, and the amount outstanding.

Dr.		(Redeemed)	<i>Bills Payable</i>		(Issued)	Cr.			
19—	Apr.	18	Henry Gold	130	19—	Apr.	16	Th. E. Student	430 50
	"	21	A. A. Boyd	97 60		"	18	Henry Gold	65
	"	23	James White	65 90		"	21	A. A. Boyd	72 60
	"	24	George Gray	137		"	23	James White	40 90
	"	27	Henry Gold	65		"	24	George Gray	37
	"	29	A. A. Boyd	22 60		"	27	Henry Gold	30
	"	30	James White	20					
	"	30	Balance	137 90					
				676 00					676 00
						Apr.	30	Balance	137 90

Total issued, \$676; total redeemed, \$538.10; outstanding, \$137.90.

EXAMPLES FOR PRACTICE IN KEEPING A BILLS RECEIVABLE ACCOUNT

1. Transactions.—May 1. I have on hand A. M. Keith's note for \$190; B. N. Hurd's note for \$75; J. C. Bryden's acceptance for \$275; H. H. Kellogg's acceptance for \$195.----May 3. Sold J. M. Williams, on his note at 90 days, Mdse., \$74.90.----May 4. Received J. S. Pillsbury's note at 30 days, in full of account, \$143.75.----May 5. Received cash, in full of A. M. Keith's note, \$?.----May 7. Bought a horse of B. N. Hurd, giving, in full payment, his note, \$?.----May 8. Sold J. M. Williams's note of \$? for cash.----May 9. Sold George R. Newell Mdse., and received in payment his draft at one day's sight on E. A. Camp for \$157.60, which was accepted this day.----May 10. Bought for cash Davis & Co.'s note for \$100.

Required, the amount received, the amount disposed of, and the amount on hand.

2. Transactions.—May 15. I have on hand Gale & Rust's note for \$179.50; Barnes & Co.'s note for \$87.90; C. A. Pillsbury's acceptance, my favor, for \$96.60; Steele & Avery's acceptance, favor of H. A. Gale, for \$76.----May 21. Bought of C. A. Pillsbury bill of flour, and gave in payment his acceptance, \$?.----May 22. Received C. S. Fowler's note for \$47.90, in full settlement of account.----May 24. Drew on J. C. Bryant for balance of account, \$97.75, and he returns the draft accepted.----May 25. Bought C. E. Cady's note of \$198.75 for cash.----May 26. Sold Gale & Rust's note for cash, \$?.----May 26. Received cash from Steele & Avery, in full of their acceptance, \$?.----May 28. C. S. Fowler redeems his note in cash, \$?.

Required, the amount received, the amount disposed of, and the amount on hand.

EXAMPLES FOR PRACTICE IN KEEPING A BILLS PAYABLE ACCOUNT

1. Transactions.—June 1. I have notes outstanding as follows: one in favor of William Phraner for \$357; one in favor of S. G. Howe for \$540; and one in favor of George Fisher for \$275.50.----June 2. Passed my note to C. M. Loring for \$290 in payment of Mdse. bought to-day.----June 4. Paid William Phraner in full of my note, his favor, \$?.----June 6. Issued a new note, favor of S. G. Howe, for \$300 for note due to-day, \$?, and paid him cash for the balance, \$?.----June 9. Accepted George Brandreth's draft at three days' sight, favor of L. Fisher, for balance of account, \$135.70.----June 11. Bought groceries, on my note at 30 days, for \$259.80.----June 15. Paid my note, favor of George Fisher, by giving him cash, \$100, and a new note for balance, \$?.

Required, the amount issued, the amount redeemed, and the amount outstanding.

2. Transactions.—June 16. I am owing J. D. Bond, on note, \$275; H. G. Hicks, on my acceptance, \$257.50.----June 16. Gave my note at one month to L. D. Harvey for rent to July 1, \$65.----June 18. Accepted A. L. Paris's draft at 6 days, favor of William C. Smith, in full of account, \$125.50.----June 18. Paid cash for my acceptance, favor H. G. Hicks, due this day, \$?.----June 20. Bought Mdse. on my note at 10 days, of Bell Brothers, \$472.80.----June 22. Paid J. D. Bond cash in full of my note, his favor, due this day, \$?.----June 23. Accepted W. K. Hicks's draft at 10 days, favor C. L. Sawyer, \$197.50.----June 27. Paid William C. Smith for my acceptance of June 18, \$?.----June 29. Passed my note to Frederick Curtiss for \$98.70, in full of account.

Required, the amount issued, the amount redeemed, and the amount outstanding.

EXAMPLES FOR PRACTICE INVOLVING BOTH BILLS RECEIVABLE AND BILLS PAYABLE ACCOUNTS

1. **Transactions.**—July 2. I have on hand the following negotiable paper: Barnes & Co.'s note for \$87.90, due July 12; J. C. Bryant's note, due July 14, for \$47.25; C. E. Cady's note, due July 10, for \$198.75; Hiram Bird's note for \$167.50, due July 25; and I am owing on outstanding paper, as follows: L. D. Harvey, on my note due July 19, \$65; Bell Brothers, on my note due July 3, \$472.80; Frederick Curtiss, on my note dated June 29, \$98.70; and C. L. Sawyer, on my acceptance due July 6, \$197.50.----July 3. Paid Bell Brothers cash in full payment of my note, their favor, due this day, \$?. ----July 6. Paid my acceptance, favor of C. L. Sawyer, by giving him cash, \$100, and my note at 10 days for the balance, \$?. ----July 10. Received payment of C. E. Cady, for his note due to-day, \$100 in cash, and his new note for the balance, \$?, at 15 days.----July 12. Received cash in full payment of Barnes & Co.'s note, due this day, \$?. ----July 14. Bought Mdse. of Bell Brothers amounting to \$115.75; gave them in payment J. C. Bryant's note, due this day, \$?, and cash for the balance, \$?. ----July 16. Paid Frederick Curtiss cash in full of my note, his favor, \$?, due this day. ----July 18. Redeemed my note, in favor of L. D. Harvey, due to-morrow, \$?, by paying him cash, \$40, and my new note at 10 days for the balance, \$?. ----July 25. Hiram Bird redeemed his note, due this day, by paying cash, \$100, and a new note for the balance, at 30 days, \$?. ----July 30. Passed my note to Brown Brothers, in settlement of account, \$78.50.----July 31. Paid L. D. Harvey cash in full of my note, \$?. ----July 31. Received C. H. Child's note at one month, in full of account, \$221.50.

Required, amount of others' paper received, my paper issued, others' paper disposed of, my paper redeemed, others' paper on hand, and my paper outstanding.

2. **Transactions.**—Aug. 1. We, Th. E. Student and C. C. Curtiss, enter into partnership this day under the firm name of Student & Curtiss. Th. E. Student contributes, with other resources, a note, his favor, dated July 6, 19—, drawn at one month without grace, for \$750, signed by Adams & Briggs; a draft, his favor, dated July 3, drawn by Davis & Earl on Frink & Gage, at thirty days' sight, for \$250, and accepted July 5. ----The firm assumes, for Th. E. Student, his note at two months, without grace, favor of Hughes & Irving, dated June 4, 19—, for \$75; his acceptance of Jones & King's draft at sixty days' date, from June 12, 19—, without grace, for \$125, in favor of Lane & Myers.----Aug. 1. C. C. Curtiss contributes, with other resources, a note made by Newton & Ogden, his favor, dated May 5, at three months, without grace, for \$500; a draft, his favor, dated May 5, drawn by Penny & Quincy on Rich and Steel, at 90 days' sight, for \$350, and accepted May 17. ----The firm assumes for C. C. Curtiss his note at three months from May 7, favor of Utley & Vance, for \$175; his acceptance of Wise & Co.'s draft, favor of Young & Zier, for \$140, drawn May 10, at ninety days, and accepted May 12.----Aug. 2. Received Aaron Brown's note at thirty days, for \$55, on account. ----Aug. 3. Bought Mdse. on our note at two months, of Castle & Dunn, for \$450. ----Aug. 6. Received cash in full of Adams & Briggs's note, \$?. ----Aug. 7. Paid cash in full of C. C. Curtiss's note, favor of Utley & Vance, \$?. ----Aug. 10. Passed our note to Evans & Folds, at ten days, in full of account, for \$150.----Aug. 11. Paid Th. E. Student's acceptance, favor Lane & Myers, per check, \$?. ----Aug. 15. Received cash in full of Rich & Steel's acceptance, favor of C. C. Curtiss, \$?.

Required, the standing of the Bills Receivable account and the standing of the Bills Payable account.

BUSINESS ACCOUNTS

Business Accounts are those which are kept for the purpose of ascertaining the current condition of a business by exhibiting its losses and its gains.

Business enterprises are undertaken for the purpose of obtaining a livelihood, or acquiring wealth, and all those accounts which are used to show the progress of the business—the gains or the losses—are called Business Accounts.

A person engaged in the buying and selling of goods would use Merchandise account to represent the progress of the business; one engaged in manufacturing would use Manufacturing account; one engaged in a professional business, as lawyer, doctor, teacher, etc., would use Service account; one engaged in agency work would use Commission account, etc.

MERCHANDISE ACCOUNT

Merchandise means those wares, goods, or commodities which are bought and sold with a view to profit, but does not include real estate.

PURPOSE OF KEEPING A MERCHANDISE ACCOUNT

A **Merchandise Account** is kept for the purpose of showing the cost of goods purchased, the proceeds from the sales, and the gains or losses which result in dealing therein.

METHOD OF KEEPING A MERCHANDISE ACCOUNT

The value of the merchandise on hand at the time of opening the account, and the cost of all subsequent purchases, are entered on the Dr. side of this account. The proceeds from the sales are entered on the Cr. side of this account. If the goods are all sold, the excess of the Cr. side will show a gain, or the excess of the Dr. side will show a loss. If the goods are not all disposed of, the market value of those remaining on hand must be added to the Cr. side of this account before finding the excess of either side.

ILLUSTRATION OF KEEPING A MERCHANDISE ACCOUNT

1. **Transactions.**—Aug. 1, 19— Mdse. on hand is valued at \$1050.----Aug. 2. Bought Mdse. of Marshall Field & Co. for cash, \$1575.----Aug. 3. Sold Mdse. to E. H. Hallock for cash, \$97.80.----Aug. 4. Sold Mdse. to M. Blethen, on credit, \$176.50.----Aug. 6. Bought Mdse. of J. Walker & Co., on credit, \$987.50.----Aug. 7. Cash sales of Mdse. this day amount to \$376.80.----Aug. 9. Sold H. S. Parks, on credit, Mdse., \$37.50.----Aug. 10. Sold Mdse. to S. G. Howe, on his note at 60 days, \$497.80.----Aug. 11. Sold H. G. Hicks, on credit, Mdse., \$76.40.----Aug. 13. Cash sales to-day of Mdse., \$246.80.

Aug. 14. Value of Mdse. unsold, \$2547.80.

Required, *the cost of Mdse., the proceeds, and the gain or the loss.*

Form of Ledger Record

DR.		(Cost)	<i>Merchandise</i>		(Proceeds)	CR.	
19—					19—		
Aug.	1	Value on hand	1050		Aug.	3	Cash, Hallsek 97 80
"	2	Cash, M. F. & Co.	1575		"	4	M. Bletcher, on % 176 50
"	6	J. Walker & Co.	987 50		"	7	Cash, Sun. Sales 376 80
"	14	Gain	444 90		"	9	H. S. Parks, on % 37 50
					"	10	Bills Rec. Howe 497 80
					"	11	H. S. Hicks, on % 76 40
					"	13	Cash, Sun. Sales 246 80
					"	14	Balance, Inventory 2547 80
			4057 40				
Aug. 14 Balance			2547 80				

Total cost, \$3612.50; total proceeds, \$4057.40; gain, \$444.90.

2. Transactions. — Aug. 15. Value of Mdse. on hand, \$2547.80. ---- Aug. 16. Bought of George Wilson, on credit, Mdse., \$1785. ---- Aug. 17. Sold Thomas Catlin, on credit, Mdse., \$176.40. ---- Aug. 18. Cash sales to-day, of Mdse., \$237.60. ---- Aug. 20. Sold Theodore Dwight, on his note at 30 days, Mdse., \$198.70. ---- Aug. 21. Sold W. J. Evans, on credit, Mdse., \$47.90. ---- Aug. 22. Cash sales of Mdse. to-day, \$247.90. ---- Aug. 23. Sold Charles Carroll, on credit, \$18.37, Mdse. ---- Aug. 24. Bought of Thomas Simpson, on my note at 90 days, Mdse., \$548.56. ---- Aug. 29. Bought of Thomas Rand, on credit, Mdse., \$374.80.

Aug. 31. Value of unsold Mdse., \$4190.12.

Required, the cost of Mdse., the proceeds, and the gain or the loss.

Form of Ledger Record

DR.		(Cost)	<i>Merchandise</i>		(Proceeds)	CR.	
19—					19—		
Aug.	15	Value on hand	2547 80		Aug.	17	T. Catlin, on % 176 40
"	16	Geo. Wilson, on %	1785		"	18	Cash, Sun. Sales 237 60
"	24	Bills Pay. T. S.	548 56		"	20	Bills Rec. Dwight 198 70
"	29	Th. Rand, on %	374 80		"	21	W. J. Evans, on % 47 90
					"	22	Cash, Sun. Sales 247 90
					"	23	C. Carroll, on % 18 37
			5256 16		"	31	Balance, Inventory 4190 12
Aug. 31 Balance			4190 12		"	31	Loss 139 17

Total cost, \$5256.16; total proceeds, \$5116.99; loss, \$139.17.

SPECIAL MERCHANDISE ACCOUNTS

When it is desired to ascertain the gain or the loss resulting from dealing in any particular kind of property, such as dry goods, groceries, live stock, etc., the cost and the proceeds should be entered under a title chosen to represent that property.

ILLUSTRATION OF KEEPING SPECIAL MERCHANDISE ACCOUNTS

1. Transactions.—Sep. 1, 19—. I have on hand dry goods valued at \$3450, and groceries valued at \$2975.----Sep. 3. Cash sales of dry goods are \$174.90; groceries, \$157.60.----Sep. 4. Sold Otis Pray, on credit, dry goods, \$49.50; groceries, \$39.70.----Sep. 5. Sold D. Holbrook, on credit, groceries, \$65.80; dry goods, \$54.80.----Sep. 6. Sold David Cochran, on his note at 30 days, dry goods, \$29.50; groceries, \$74.90.----Sep. 8. Bought of Amos Kellogg, on my note at 90 days, dry goods, \$796.50; groceries, \$659.40.----Sep. 8. Sold James Bronson, on credit, groceries, \$77.40.

Sep. 8. Inventory: dry goods, \$3745.90; groceries, \$3388.10.

Required, the gain or the loss on dry goods and the gain or the loss on groceries.

Form of Ledger Record

DR.		(Cost)	<i>Dry Goods</i>		(Proceeds)	CR.	
19— Sep.	1	Inventory	3450	19— Sep.	3	Cash	174 90
"	8	Bills Payable	796 50	"	4	Otis Pray	49 50
				"	5	D. Holbrook	54 80
				"	6	Bills Receivable	29 50
				"	8	Balance, Inventory	3745 90
				"	8	Loss	191 90
			4246 50				4246 50
Sep.	8	Balance	3745 90				

Cost, \$4246.50; proceeds, including inventory, \$4054.60; loss, \$191.90.

DR.		(Cost)	<i>Groceries</i>		(Proceeds)	CR.	
19— Sep.	1	Inventory	2975	19— Sep.	3	Cash	157 60
"	8	Bills Payable	659 40	"	4	Otis Pray	39 70
"	8	Gain	169 10	"	5	D. Holbrook	65 80
				"	6	Bills Receivable	74 90
				"	8	James Bronson	77 40
				"	8	Balance, Inventory	3388 10
			3803 50				3803 50
Sep.	8	Balance	3388 10				

Cost, \$3634.40; proceeds, including inventory, \$3803.50; gain, \$169.10.

2. Transactions.— Oct. 1, 19—. I have on hand hardware valued at \$4875, and carpets valued at \$4625.---- Oct. 6. The cash sales of hardware for the week amount to \$215.75; of carpets, \$210.15. The sales of hardware for notes amount to \$98.25.---- Oct. 13. The sales of carpets for the week on notes amount to \$165.98; the cash sales of hardware amount to \$198.15, and carpets, \$205.---- Oct. 13. Bought of J. S. Pillsbury, on my note at 60 days, a bill of hardware amounting to \$875.50.---- Oct. 15. Bought of A. J. Mullen, on credit, a bill of carpets amounting to \$1100.---- Oct. 17. Bought of Folds & Co., on my note at 90 days, invoice of hardware, \$900.---- Oct. 20. The cash sales of hardware for the week amount to \$187.75; of carpets, \$218.50; the sales of hardware on notes amount to \$198.60.---- Oct. 27. The cash sales of hardware for the week amount to \$207.50; of carpets, \$204.20; the sales of carpets on notes amount to \$176.40.---- Oct. 27. Bought of Washburn & Co. invoice of carpets amounting to \$800, for my note at 90 days.

Oct. 31. Inventory: hardware, \$5738.65; carpets, \$5594.50.

Required, the gain or the loss on hardware and the gain or the loss on carpets.

Form of Ledger Record

DR.		(Cost)	<i>Hardware</i>		(Proceeds)	CR.	
19— Oct. 1	Inventory	4875	19— Oct. 6	Cash		215	75
" 13	Bills Payable	875 50	" 6	Bills Receivable		98	25
" 17	" "	900	" 13	Cash		198	15
" 31	Gain	194 15	" 20	"		187	75
			" 20	Bills Receivable		198	60
			" 27	Cash		207	50
			" 31	Balance, Inventory		5738	65
		<u>6844 65</u>				<u>6844 65</u>	
Oct. 31	Balancee	5738 65					

Cost, \$6650.50; proceeds, including inventory, \$6844.65; gain, \$194.15.

DR.		(Cost)	<i>Carpets</i>		(Proceeds)	CR.	
19— Oct. 1	Inventory	4625	19— Oct. 6	Cash		210	15
" 15	A. J. Mullen	1100	" 13	Bills Receivable		165	98
" 27	Bills Payable	800	" 13	Cash		205	
" 31	Gain	249 73	" 20	"		218	50
			" 27	"		204	20
			" 27	Bills Receivable		176	40
			" 31	Balance, Inventory		5594	50
		<u>6774 73</u>				<u>6774 73</u>	
Oct. 31	Balancee	5594 50					

Cost, \$6525; proceeds, including inventory, \$6774.73; gain, \$249.73.

EXAMPLES FOR PRACTICE IN KEEPING MERCHANDISE ACCOUNTS

1. Transactions.—Oct. 1. The Mdse. on hand this day is valued at \$2575.----
 Oct. 2. Bought of Leslie Lane, on credit, a bill of goods amounting to \$1496.50.----
 Oct. 3. Sold James French, on credit, Mdse. amounting to \$76.40.----Oct. 6. The
 cash sales of Mdse. for the week amount to \$249.53.----Oct. 8. Sold George Hunt, on
 credit, Mdse. amounting to \$97.80.----Oct. 10. Sold John A. Nichols, on his note at
 60 days, Mdse. amounting to \$148.75.----Oct. 13. The cash sales of Mdse. for the
 week amount to \$321.70.----Oct. 13. Bought of C. A. Pond, on my note at 90 days, a
 bill of goods amounting to \$694.75.

Oct. 15. Inventory of unsold Mdse. this day amounts to \$4156.75.

Required, *the cost of Mdse., the proceeds, and the gain or the loss.*

2. Transactions.—Oct. 15. The Mdse. on hand, as per inventory, is valued at
 \$4156.75.----Oct. 16. Bought of Jerome Nelson, on my note at 60 days, a bill of goods
 amounting to \$945.50.----Oct. 17. Sold Orlando Hopkins, on his note at 30 days,
 Mdse., \$197.80.----Oct. 18. Sold A. D. Brown, on credit, Mdse., \$76.50.----Oct. 19.
 Sold Simeon North, on his note at one month, Mdse., \$96.75.----Oct. 20. Cash sales of
 Mdse. for the week amount, per tickets, to \$417.80.----Oct. 22. Bought a bill of goods
 of George R. Finch, on credit, \$875.50.----Oct. 23. Sold James R. Dunn, on credit,
 Mdse., \$96.75.----Oct. 24. Sold Wilson Phraner, on his note at one month, goods
 amounting to \$86.45.

Oct. 25. Inventory of Mdse. on hand amounts to \$5331.84.

Required, *the cost of Mdse., the proceeds, and the gain or the loss.*

3. Transactions.—Oct. 25. I have on hand Mdse., per inventory, \$5331.84.----
 Oct. 25. Sold W. J. Evans, on his note at 3 months, Mdse., \$176.40.----Oct. 26.
 Bought of Silas Prince, on my note at 30 days, a bill of goods amounting to \$976.50.----
 Oct. 27. Cash sales of Mdse., as per tickets, \$279.80.----Oct. 27. Sold Jerome Allen
 Mdse. amounting to \$239.60, for which received his note at 60 days for \$150, and cash
 for the balance, \$?.----Oct. 29. Sold D. L. Kiehle Mdse. amounting to \$437.90, for
 which received David Burt's note, favor of Kiehle, for \$250, and cash for the balance,
 \$?.----Oct. 29. Sold W. W. Pendergast a bill of goods amounting to \$198.75, and
 received in payment my note, favor C. W. G. Hyde, for \$125, and cash for the balance,
 \$?.----Oct. 29. Cash sales, as per tickets, \$147.94.----Oct. 30. Bought of J. A. Weld
 a bill of goods amounting to \$1565.75, and gave in payment cash, \$1000, and my note
 at 30 days for the balance, \$?.

Oct. 31. The Mdse. remaining unsold, as per inventory, is valued at \$6254.

Required, *the cost of Mdse., the proceeds, and the gain or the loss.*

4. Transactions (Dry Goods and Lumber).—Nov. 1. I have on hand a stock of
 dry goods valued, as per inventory, at \$4250, and a stock of lumber valued at \$5270.
 ----Nov. 2. Sold E. J. Phelps, for cash, a bill of lumber, \$175.80.----Nov. 3. Sold
 Henry Staples, on credit, a bill of dry goods, \$97.80.----Nov. 5. Sold David Savage,
 on his note at 30 days, a bill of lumber, \$195.60.----Nov. 6. Sold W. E. Hale, on his
 acceptance, my favor, a bill of dry goods, \$169.50.----Nov. 7. Bought of Camp &
 Walker, on my note at 60 days, an invoice of lumber, \$1475.----Nov. 8. Sold
 C. M. Jordan, on his note at 90 days, a bill of dry goods, \$157.50.----Nov. 9. Bought
 of John A. Thomas & Co. an invoice of dry goods, giving him cash, \$400, and my note

at 30 days for the balance, \$350.----Nov. 10. Cash sales for the week, of lumber, \$490.----Nov. 12. Sold W. J. Crosby a bill of dry goods, \$375.60, receiving cash, \$175.60, and his note at 30 days for the balance, \$? .----Nov. 13. Bought of the North-western Lumber Co. an invoice of lumber, \$1250, and paid them cash, \$750, and my note at 60 days for the balance, \$? .----Nov. 14. Sold C. M. Dickney a bill of lumber for \$478.50, on credit.----Nov. 15. Bought of S. Cooper & Co. an invoice of dry goods, \$975, paying them cash, \$500, and my note at 2 months, without interest, for the balance, \$? .

Nov. 15. The dry goods on hand are valued at \$5100, and the lumber on hand is valued at \$6850.10.

Required, the gain or the loss on dry goods, and the gain or the loss on lumber.

5. Transactions (Dry Goods and Lumber, continued).—Nov. 15. I have on hand a stock of dry goods valued, per inventory, at \$5100; and a stock of lumber valued, per inventory, at \$6850.10.----Nov. 16. Sold W. H. Clark, on his note at 30 days, a bill of dry goods, \$148.50.----Nov. 19. Sold Charles Claghorn, on credit, a bill of lumber, \$247.60.----Nov. 20. Sold James W. Lusk dry goods, \$79.50; and lumber, \$216.27; received cash for one third, \$? ; balance charged on account, \$? .----Nov. 22. Sold Samuel Cochrane a bill of lumber, \$397.50, and a bill of dry goods, \$165; received cash for one third, and his note at 30 days for the balance, \$? .----Nov. 24. Bought of T. B. Walker lumber, per invoice, \$2460; paid him cash for one third, \$? ; balance on credit, \$? .----Nov. 26. Bought of Marshall Field, as per invoice, dry goods, \$2250; paid him cash for one third, \$? ; gave him my note at 60 days for the balance, \$? .----Nov. 27. Sold John I. Hinman, on his note at 90 days, lumber, \$137.25.----Nov. 28. Sold J. L. Hunt, on his note at 3 months, dry goods, \$249.75.----Nov. 30. Sold William H. Maxwell, dry goods, \$175.50; lumber, \$164.50; received his check for \$140, and his note at 60 days for the balance, \$? .

Nov. 30. Inventory of dry goods, \$6736; inventory of lumber, \$9310.

Required, the gain or the loss on dry goods, and the gain or the loss on lumber.

6. Transactions (Coal and Wood).—Dec. 1. Bought, for cash, 200 tons hard coal, assorted, at \$4.50, \$? .----Dec. 3. Bought of Seth Low, on credit, 190 tons soft coal, at \$3.10, \$? .----Dec. 4. Sold, for cash, 12 tons hard coal, at \$5.60, \$? .----Dec. 5. Sold Robert Hale, on credit, 9 tons soft coal, at \$4.10, \$? .----Dec. 6. Bought of J. E. Bell, on my note at 60 days, 150 cords maple wood, at \$3.90, \$? .----Dec. 7. Bought of C. C. Brand, on my note at 30 days, 90 cords pine wood, at \$1.05, \$? .----Dec. 8. Sold E. J. Phelps, on credit, 8 cords maple wood, at \$5, \$? .----Dec. 10. Sold H. A. Gale, on credit, 11 tons hard coal, at \$5.60, \$? ; 5 cords maple wood, at \$5, \$? .----Dec. 12. Sold T. J. Gray, on credit, 14 tons soft coal, at \$4.10, \$? .----Dec. 13. Sold George Finck, on credit, 6 cords pine wood, at \$1.50, \$? .----Dec. 15. Sold, for cash, 7 cords maple wood, at \$5, \$? .----Dec. 15. Sold M. D. Rowley, on credit, 16 tons hard coal, at \$5.60, \$? .----Dec. 17. Sold, for cash, 9 cords pine wood, at \$1.50, \$? .----Dec. 18. Sold H. H. Gail, on credit, 11 cords maple wood, at \$5, \$? .----Dec. 19. Sold W. E. Hale, on credit, 25 tons hard coal, at \$5.60, \$? ; 6 tons soft coal, at \$4.10; total, \$? .----Dec. 20. Sold, for cash, 8 tons soft coal, at \$4.10, \$? ; 27 cords maple wood, at \$5, \$? .

Dec. 31. On hand ? tons hard coal, at \$4.50, \$? ; ? tons soft coal, at \$3.10, \$? ; total coal, \$? ; ? cords maple wood, at \$3.90, \$? ; ? cords pine wood, at \$1.05, \$? ; total wood, \$? .

Required, the gain or the loss on coal, and the gain or the loss on wood.

SHIPMENT ACCOUNTS

When merchandise is sent away to be sold for and on account of the shipper, the record of the shipment, the cost, and the proceeds or returns from sales are kept in a Shipment account.

PURPOSE OF KEEPING SHIPMENT ACCOUNTS

A Shipment Account is kept for the purpose of showing the gain or loss on merchandise sent away to be sold for and on account of the shipper.

METHOD OF KEEPING SHIPMENT ACCOUNTS

The value of the goods shipped and the expenses incurred are entered on the Dr. side of the shipment account, and the returns or proceeds are entered on the Cr. side of the account. The excess of the Cr. side of this account will show a gain; or the excess of the Dr. side will show a loss.

ILLUSTRATION OF KEEPING SHIPMENT ACCOUNTS

1. Transactions.— July 2, 19—. Shipped from goods in store to Packard & Co., New York, to be sold on my account and risk, a bill valued at \$750.---- July 31. Received an account sales of shipment to New York; net proceeds, \$825, remitted.

Required, the gain or the loss.

Form of Ledger Record

DR.		(Cost)	<i>Shipment to New York</i>				(Proceeds)	CR.
19— July	2	Mdse.	750	19— July	31	Cash	825	
"	31	Gain	75					
			825 00				825 00	

Proceeds, \$825; cost, \$750; gain, \$75.

2. Transactions.— Aug. 1, 19—. Shipped from store to Brown & Co., Chicago, goods valued at \$497.60, to be sold on my account and risk.---- Aug. 3. Shipped to Baltimore, and consigned to Sadler & Co., to be sold on my account and risk, goods from store valued at \$960.50.---- Aug. 10. Shipped to Brown & Co., Chicago, to be sold on my account and risk, goods from store invoiced at \$795.75.---- Aug. 18. Received from Brown & Co., Chicago, an account sales of the goods shipped them Aug. 1, showing net proceeds to our credit, \$477.36.---- Aug. 18. Shipped from store, and consigned to Sadler & Co., Baltimore, to be sold on my account and risk, goods invoiced at \$627.30.---- Aug. 20. Received an account sales from Sadler & Co., Baltimore, of the goods shipped them Aug. 3; net proceeds, \$1050.75, remitted by draft on New York.---- Aug. 30. Received an account sales of the shipment to Brown & Co., Chicago, Aug. 10; net proceeds, in the hands of the consignee, \$860.45.---- Aug. 31. Received from Sadler &

Co., Baltimore, an account sales of the goods shipped them Aug. 18; net proceeds passed to my credit are \$598.60.

Required, the gain or loss on the shipments to each city.

NOTE.—Several shipments to the same firm may be entered under one head, as illustrated below.

Form of Ledger Record

DR.		(Cost)	<i>Shipments to Chicago</i>		(Proceeds)	CR.		
19—					19—			
Aug.	1	Mdse.	No. 1	497 60	Aug.	18	Brown & Co. No. 1	477 36
"	10	"	No. 2	795 75	"	30	" No. 2	860 45
"	31	Gain		44 46				
				1337 81						1337 81

Proceeds, \$1337.81; cost, \$1293.35; gain, \$44.46.

DR.		(Cost)	<i>Shipments to Baltimore</i>		(Proceeds)	CR.		
19—					19—			
Aug.		Mdse.	No. 1	960 50	Aug.	20	Cash No. 1	1050 75
"	18	"	No. 2	627 30	"	31	Sadler & Co. No. 2	598 60
"	31	Gain		61 50				
				1649 35						1649 35

Proceeds, \$1649.35; cost, \$1587.80; gain, \$61.50.

EXAMPLE FOR PRACTICE IN KEEPING SHIPMENT ACCOUNTS

Transactions.—Sep. 1, 19—. Shipped wheat to Buffalo, consigned to J. C. Bryant, to be sold on my account and risk, invoiced at \$2150.----Sep. 3. Shipped 1000 bus. potatoes to New Orleans, consigned to George Soule, to be sold on my account and risk, invoiced at 45¢, \$?; drayage, \$17.25.----Sep. 5. Shipped corn to Albany, consigned to E. G. Folsom, to be sold on my account and risk, invoiced at \$428.50.----Sep. 8. Shipped barley to Milwaukee, consigned to R. C. Spencer, invoiced at \$1750.----Sep. 10. Shipped to Cleveland, consigned to E. R. Felton, rye, invoiced at \$1987.50.----Sep. 14. Received an account sales of wheat shipped to Buffalo; net proceeds, \$2365.----Sep. 15. Shipped J. R. Camp, Cincinnati, barley, invoiced at \$1590.----Sep. 20. Received from E. G. Folsom, Albany, an account sales of corn shipped Sep. 5; net proceeds to my credit are \$460.50.----Sep. 24. Received from R. C. Spencer, Milwaukee, an account sales of barley shipped Sep. 8; net proceeds to my credit are \$1649.----Sep. 25. Received from E. R. Felton, Cleveland, an account sales of rye shipped Sep. 10; net proceeds to my credit are \$2185.70.----Sep. 29. Received from J. R. Camp, Cincinnati, an account sales of barley shipped Sep. 15; net proceeds to my credit are \$1568.70.----Oct. 1. Received from George Soule, New Orleans, an account sales of 1000 bus. potatoes shipped to him Sep. 3; the net proceeds amount to \$587.75, for which he inclosed his note at 10 days, with interest, dated Sep. 27, 19—.

Required, the gain or loss on each shipment.

REAL ESTATE ACCOUNT

Real Estate means houses and lands; immovable property, as distinguished from personal or movable property.

The ownership of merchandise may be transferred from one party to another by simple agreement and delivery; the ownership of real estate is transferred or conveyed by a deed.

A **Deed** is a writing on parchment or paper, for the purpose of conveying real estate, authenticated by the seal of the party transferring it, and by his acknowledgment to a notary public or other proper official.

PURPOSE OF KEEPING A REAL ESTATE ACCOUNT

A **Real Estate Account** is kept for the purpose of showing the cost of houses and lands purchased; the cost of subsequent improvements, repairs, taxes, etc.; the proceeds from sales and rents; and the gain or loss resulting from dealing in real estate.

METHOD OF KEEPING A REAL ESTATE ACCOUNT

The value of real estate on hand at the time of opening the account, and the cost of all subsequent purchases, improvements, repairs, and taxes are entered on the Dr. side of the account. The proceeds from sales and rent are entered on the Cr. side of the account. If the property is all sold, the excess of the Cr. side will show the gain, or the excess of the Dr. side will show the loss. If the property is not all disposed of, the market value of that on hand, together with rents accrued but not paid, must be added to the Cr. side, and the unpaid taxes, etc., must be added to the Dr. side, before finding the excess of either side.

ILLUSTRATION OF KEEPING A REAL ESTATE ACCOUNT

1. **Transactions.**—June 1, 19—. I own a house and lot on West Main St. valued at \$3750.----June 2. Bought a lot and two-story house, No. 47 Loring Av., for cash, \$2900.----June 9. Paid \$15 cash for repairs on West Main St. house.----June 15. Received cash for rent of West Main St. house, \$35.----June 16. Paid taxes on Loring Av. property, \$75.----June 18. Bought store and lot, No. 25 Broadway, on my note, for \$3150, secured by mortgage on the property.----June 20. Received cash for rent of Loring Av. property, \$27.50.----June 23. Received cash for rent of Broadway store, \$115.----June 25. Sold West Main St. house and lot for cash, \$4000.----June 26. Paid cash for repairs of store, 25 Broadway, \$63.75.----June 27. Sold my Loring Av. property for \$3200 on mortgage.

June 30. Estimated value of my Broadway property is \$3300.

Required, the gain or the loss in dealing in real estate.

Form of Ledger Record

DR.	(Cost)	<i>Real Estate</i>		(Proceeds)	CR.	
19— June 1	H. & L. W. Main	3750		19— June 15	Cash, W. Main	35
" 2	Cash, Loring Av.	2900		" 20	" Loring Av.	27 50
" 9	" W. Main	15		" 23	" 25 B'd'y	115
" 16	" Loring Av.	75		" 25	" W. Main	4000
" 18	S. & L. 25 B'd'y	3150		" 27	Mort., Loring Av.	3200
" 26	Cash, "	63 75		" 30	Balance, Inventory	3300
" 30	Gain	723 75				
		10677 50				10677 50
June 30	Balance	3300				

Total proceeds, \$10,677.50; total cost, \$9,953.75; gain, \$723.75.

2. Transactions.—July 2. I have on hand a store and lot, No. 25 Broadway, valued at \$3300.----July 2. Bought, for cash, house and lot, No. 47 Oak St., \$4250.----July 3. Received cash for rent of store for July, \$115.----July 5. Paid cash for insurance of house, \$37.50.----July 6. Received cash for rent of house, July, \$45.----July 7. Bought house and lot, 97 East Main St., for cash, \$7500.----July 20. Sold store and lot, 25 Broadway, for cash, \$3600.----July 21. Paid cash for insurance on house, 97 East Main St., \$50.----July 25. House, 47 Oak St., destroyed by fire July 18; received cash in settlement of loss, \$3000.----July 30. Paid cash for plumbing in house, 97 East Main St., \$55.

July 31. Value of East Main St. property, \$7500; lot, 47 Oak St., \$1000.

Required, the gain or the loss.

Form of Ledger Record

DR.	(Cost)	<i>Real Estate</i>		(Proceeds)	CR.	
19— July 2	S. & L. 25 B'd'y	3300		19— July 3	Cash, 25 B'd'y	115
" 2	H. & L. 47 Oak St.	4250		" 6	" 47 Oak St.	45
" 5	Cash, Ins. "	37 50		" 20	" 25 B'd'y	3600
" 7	H. & L. E. Main	7500		" 25	" 47 Oak St.	3000
" 21	Cash, Ins. "	50		" 31	Bal., Invt., E. Main	7500
" 30	" Plumbing	55		" "	" Oak St.	1000
" 31	Gain	67 50				
		15260 00				15260 00
July 31	Balance	8500				

Total proceeds, \$15,260; total cost, \$15,192.50; gain, \$67.50.

SPECIAL REAL ESTATE ACCOUNTS

To ascertain the gain or the loss on any distinct piece of property, the cost and the proceeds should be recorded under a special title representing that property.

ILLUSTRATION OF KEEPING SPECIAL REAL ESTATE ACCOUNTS

Transactions. — July 2, 19—. Bought house and lot, No. 97 Colfax Av., for \$12,500, cash.----July 6. Bought store and lot, No. 74 Center St., for \$15,000, half cash and half mortgage.----July 7. Paid cash for repairs on Colfax Av. property, \$18.75.----July 7. Paid cash for repairing roof of store on Center St., \$75.60.----July 10. Paid cash for insurance on Colfax Av. property, \$47.50, and on Center St. property, \$67.50; total, \$?.----July 12. Paid cash for taxes on store and lot, 74 Center St., \$152.75.----July 16. Received cash for rent of house, 97 Colfax Av., for July, \$110.----July 16. Received for rent of first floor and basement of store, 74 Center St., for July, \$180.----Aug. 16. Received cash for rent of house, 97 Colfax Av., for August, \$110.----Aug. 20. Store, No. 74 Center St., was destroyed by fire Aug. 15; received cash from the insurance company, in full settlement of loss, \$10,000.----

Aug. 31. Estimated value of Colfax Av. property, \$14,000; value of lot on Center St., \$3000.

Required, the gain or the loss on each piece of property.

Form of Ledger Record

DR. (Cost) *House & Lot, 97 Colfax Av.* (Proceeds) CR.

19— July	2	Cash	12500	19— July	16	Cash, Rent	110
"	7	" Repairs	18 75	Aug.	16	" "	110
"	10	" Insurance	47 50	"	31	Balance, Inventory	14000
Aug.	31	Gain	1653 75				
			14220 00				14220 00
Aug.	31	Balance	14000				

Total proceeds, \$14,220; cost, \$12,566.25; gain, \$1653.75.

DR. (Cost) *Store & Lot, 74 Center St.* (Proceeds) CR.

19— July	6	Cash & Mort. Pay	15000	19— July	16	Cash, Rent	180
"	7	" Repairs	75 60	Aug.	20	" Ins. Co.	10000
"	10	" Insurance	67 50	"	31	Balance Inventory	3000
"	12	" Taxes	152 75	"	31	Loss	2115 85
			15295 85				15295 85
Aug	31	Balance	3000				

Cost, \$15,295.85; total proceeds, \$13,180; loss, \$2115.85.

EXAMPLES FOR PRACTICE IN KEEPING REAL ESTATE ACCOUNTS

1. Transactions.— Aug. 1. I have in possession a house and lot, No. 79 Broad St., valued at \$4500, and a store and lot, No. 94 East Main St., valued at \$12,000.---- Aug. 4. Bought of John S. Pillsbury, on my note at 3 years, secured by mortgage on the property, house and lot, 54 Pillsbury Av., for \$9575.---- Aug. 10. Paid cash for repairs on house, 79 Broad St., \$127.50.---- Sep. 1. Received cash for rent of house, 79 Broad St., \$40.---- Sep. 1. Received cash for rent of store, 94 East Main St., \$105; and for rent of offices on second floor, \$42, for August.---- Sep. 1. Received cash for rent of house and lot, 54 Pillsbury Av., from Aug. 10 to date, \$50.---- Sep. 15. Paid cash for new walk in front of store, 94 East Main St., \$175.---- Oct. 1. Received cash in full for rent of house and lot, 54 Pillsbury Av., for September, \$75.---- Oct. 1. Received cash for rent of house, 79 Broad St., for September, \$40.---- Oct. 1. Received for rent of store, 94 East Main St., \$105; for rent of offices, second floor, \$42, for September.---- Oct. 10. Paid cash to Charles Wilkins for plumbing in house on Pillsbury Av., \$14.75.---- Oct. 15. Paid taxes on house and lot, 79 Broad St., for one year, \$37.60.---- Oct. 15. Paid cash for taxes on store and lot, 94 East Main St., \$106.30.---- Oct. 31. Paid Thomas Forster's bill for carpenter work on Pillsbury Av. property, \$37.50 in cash.---- Nov. 1. Received \$75 of Dr. W. H. Hall for rent of house and lot, 54 Pillsbury Av., for the month of October.---- Nov. 1. Received cash for rent of house, 79 Broad St., \$40; for rent of store, \$105; for rent of offices, \$42; total, \$? .---- Dec. 1. Received cash for rent of house, 79 Broad St., \$40.

Dec. 31. House and lot, 79 Broad St., is valued at \$5000; store and lot, 94 East Main St., at \$12,500; house and lot, 54 Pillsbury Av., at \$9750; rent due and unpaid on house, 79 Broad St., one month, \$40; on store and offices, 2 months, at \$147, \$?; on house and lot, 54 Pillsbury Av., for 2 months, at \$75, \$? .

Required, the gain or the loss on each piece of property.

2. Transactions.— Sep. 1, 19—. I own the following property: house and lot, 97 Park Av., valued at \$13,500; three-story store and offices, 27 Front St., valued at \$16,000; office building, 47 and 49 Broadway, \$11,000.---- Sep. 1. Paid cash for insurance of Park Av. house, for \$12,000, at $\frac{3}{4}\%$, \$?; Front St. store, \$12,000, at $1\frac{1}{4}\%$, \$?; Broadway building, \$9000, at $1\frac{1}{2}\%$, \$? .---- Sep. 3. Collected cash for rent for September, as follows: Park Av. house, \$100; Front St. store, \$125; Front St. offices, \$96; Broadway building, \$180.---- Sep. 15. Paid cash for water tax on Broadway building, \$18.75.---- Sep. 20. Paid water tax on Front St. property, \$22.30.---- Sep. 22. Bought house and lot, 14 Gold St., for cash, \$7500.---- Oct. 1. Received cash for rents for October as follows: Park Av. house, \$100; Front St. store, \$125; Front St. offices, \$96; Broadway building, \$180; Gold St. house, \$45.---- Oct. 13. S. C. Smith presents his bill for repairs as follows, which I allow: On Broadway building, \$28.75; on Front St. store, \$29.60; on Park Av. house, \$41.60.---- Nov. 1. Collected rents for November, in cash: Park Av. house, \$100; Front St. store, \$125; Front St. offices, \$96; Broadway building, \$180; Gold St. house, \$45.---- Nov. 10. Paid cash for plumbing, as follows: Park Av. house, \$15.75; Front St. store, \$8.30; Broadway building, \$22.40; Gold St. house, \$17.90.---- Dec. 1. Collected cash for rent for December, as follows: Park Av. house, \$100; Front St. store, \$125; Front St. offices, \$96; Broadway building, \$180; Gold St. house, \$45.

Dec. 31. Value of Park Av. property, \$13,750; Front St., \$16,000; Broadway, \$10,000; Gold St., \$7250.

Required, the gain or the loss on each piece of property.

INTEREST ACCOUNT

If we use other people's money, we may pay them for the use thereof; and if other people use our money, we may receive pay from them for its use. This compensation for the use of money is called Interest.

PURPOSE OF KEEPING AN INTEREST ACCOUNT

An Interest Account is kept for the purpose of showing the cost of using others' money, and the income from loaning our money.

METHOD OF KEEPING AN INTEREST ACCOUNT

The value of interest accrued in our favor and owing to us at the time of opening the account, and the subsequent cost of using the money of others, are entered on the Dr. side of the Interest account. The value of interest accrued against us and owing by us at the time of opening the account, and the subsequent income from loaning our money, are entered on the Cr. side of this account. At the time of closing the account, if no interest has accrued which remains unpaid, the excess of the Cr. side will show a net gain; and the excess of the Dr. side will show a net loss. If any interest has accrued in our favor which has not been entered, it must be added to the Cr. side; and if any interest has accrued against us which has not been entered, it must be added to the Dr. side, before finding the excess of either side.

Discount. — A discount or abatement allowed by one party to another for the payment of a debt before it is due, is equivalent to payment for the use of the present worth of the debt. If the discount is allowed *by us*, the amount of the discount is entered on the Dr. side of Interest account; and if the discount is allowed *to us*, its amount is entered on the Cr. side of this account. Discounts calculated on debts due in the future are entered in opening or closing Interest account, on the same principle as that which governs the entries of accrued interest.

ILLUSTRATION OF KEEPING AN INTEREST ACCOUNT

1. Transactions. — Aug. 1. The interest accrued on my outstanding notes amounts this day to \$27.30. --- Aug. 1. The interest accrued on others' notes which I hold, amounts this day to \$49.60. --- Aug. 4. Paid for interest due on my note this day, \$7.25. --- Aug. 8. Received cash for interest due on D. L. Kiehle's note, \$17.42. --- Aug. 13. Paid cash for interest on my note, \$21.90. --- Aug. 15. Received cash from A. D. Brown, for interest now due on his note, \$35.90. --- Aug. 18. Received cash from O. V. Tousley, for interest on his note, \$35.47. --- Aug. 25. Received cash for interest due from C. B. Gilbert, \$14.75.

Aug. 31. I am owing interest on outstanding notes, \$82.79; interest accrued on others' notes which I hold, amounts to \$19.47.

Required, the net gain or the net loss in interest for the month of August.

Form of Ledger Record

DR.		(Cost)	<i>Interest</i>		(Proceeds)	CR.	
19—				19—			
Aug. 1	Inventory		49 60	Aug. 1	Inventory		27 30
" 4	Cash		7 25	" 8	Cash		17 42
" 13	"		21 90	" 15	"		35 90
" 31	Balance, Inventory		82 79	" 18	"		35 47
				" 25	"		14 75
				" 31	Balance, Inventory		19 47
				" 31	Loss		11 23
			161 54				161 54
Aug. 31	Balance		19 47	Aug. 31	Balance		82 79

Total cost, \$161.54; total proceeds, \$150.31; net loss, \$11.23.

2. Transactions.—Sep. 1. Interest accrued on my outstanding notes, \$14.90; interest accrued on others' notes which I hold, \$27.90.----Sep. 10. Allowed R. F. Jones for prepayment of his note, \$7.95.----Sep. 14. G. W. Brown allowed me for repaying my note, \$17.50.----Sep. 17. Prepaid my note, favor of James Rich; discount off, \$14.85.----Sep. 20. Moses Beech prepays his note; discount off, \$11.18.----Sep. 21. Paid cash for interest on my note, favor of W. S. Rowe, \$17.81.----Sep. 26. S. G. Howe prepays his note, my favor, and I allow him the discount, \$6.45.----Sep. 27. Prepaid my note, favor of Ray Jones, at a discount of \$47.15.----Sep. 28. S. M. Howe allows me a discount of \$42.96 for repaying my note.

Sep. 29. Discount on notes in my favor, not bearing interest, \$64.30; discount on my outstanding notes, which do not bear interest, \$38.96; interest accrued on others' notes which I hold, \$33.18.

Required, the cost of interest, the proceeds of interest, and the net gain or net loss.

Form of Ledger Record

DR.		(Cost)	<i>Interest</i>		(Proceeds)	CR.	
19—				19—			
Sep. 1	Inventory		27 90	Sep. 1	Inventory		14 90
" 10	Bills Receivable		7 95	" 14	Bills Payable		17 50
" 20	" "		11 18	" 17	" "		14 85
" 21	Cash		17 81	" 27	" "		47 15
" 26	Bills Receivable		6 45	" 28	" "		42 96
" 29	Balance, Inventory		64 30	" 29	Balance, Inventory		72 14
" 29	Gain		73 91				
			209 50				209 50
Sep. 29	Balance		72 14	Sep. 29	Balance		64 30

Total proceeds, \$209.50; total cost, \$135.59; net gain, \$73.91.

EXAMPLES FOR PRACTICE IN KEEPING AN INTEREST ACCOUNT

1. Transactions.— Oct. 1, 19—. The interest accrued on my outstanding written obligations amounts to \$21.45, and the interest accrued on notes which I hold amounts to \$36.95.---- Oct. 2. Paid S. S. Russell for interest on my note now due, \$12.47.---- Oct. 4. Received from I. C. Jones for interest on his note due to-day, \$15.61.---- Oct. 6. The Homeville Bank has discounted my note at 90 days, retaining \$12.75 for interest.---- Oct. 8. Thomas L. Bell has prepaid his note, my favor, and I have allowed him the interest, \$24.75.---- Oct. 10. Paid my note of \$300, with interest at 6% for 6 months and 3 days, \$?.---- Oct. 12. Prepaid my note, favor of Otto Miller, and was allowed the discount, \$18.50.---- Oct. 14. Received of C. L. Gilbert cash in full of his note and interest; interest, \$15.60.---- Oct. 15. Henry Hahn has prepaid his note, my favor, and I have allowed him the regular discount, \$9.78.

Oct. 15. I am owing accrued interest on my outstanding notes, \$11.50, and there is owing me \$7.60 on interest-bearing notes which I hold.

Required, the cost of interest, the proceeds of interest, and the net gain or the net loss.

2. Transactions.— Oct. 15, 19—. The discount on my outstanding notes to maturity is \$33.85; the discount on notes in my favor to maturity is \$24.25; the interest accrued on my outstanding notes is \$27.15; and the interest accrued on others' notes which I hold is \$37.48.---- Oct. 16. Received from M. H. Hurd \$9.74, in payment of interest on his note.---- Oct. 18. Paid C. H. Spencer \$13.50, for interest on my note, his favor.---- Oct. 19. C. H. Chute has prepaid his note, my favor, and I have allowed him the discount, \$13.40.---- Oct. 20. Prepaid my note, favor of W. B. Hixon, at a discount of \$17.96.---- Oct. 22. Collected \$19.76 of Newton Rowe for interest on his note, my favor.---- Oct. 25. Prepaid my note, favor of Henry Dole, at a discount of \$4.27.

Oct. 31. Discount on my outstanding notes to maturity is \$10.50; discount on others' notes, my favor, to maturity is \$9.75; interest accrued on my outstanding notes is \$16.25; interest accrued on others' notes, my favor, is \$22.72.

Required, the cost of interest, the proceeds, and the net gain or the net loss.

3. Transactions.— Nov. 1, 19—. The interest accrued on my outstanding written obligations amounts to \$86.40; and the interest accrued on others' notes, which I hold, amounts to \$107.60; the discount to maturity on my outstanding written obligations not bearing interest is \$49.60; and the discount to maturity on others' notes, my favor, not bearing interest is \$39.65.---- Nov. 10. Paid J. H. Dunn cash for interest due on my note, his favor, \$37.95.---- Nov. 12. Received from George Burrill \$47.90 for interest on his note, my favor.---- Nov. 15. C. H. Chute has prepaid his note, my favor, and I have allowed the legal discount, \$7.29.---- Nov. 20. Prepaid my note, favor of A. Anderson, and he has allowed the legal discount, \$37.40.---- Nov. 22. Paid R. D. Russell in full of my note and interest; face of note, \$200; interest, \$14.---- Nov. 27. Robert Jamison has prepaid his note, my favor, and I have allowed the discount, \$16.40.

Nov. 30. Interest accrued to date on others' notes which I hold, \$65.25; interest accrued on my outstanding notes, \$44.85; discount at legal rate on notes, in my favor, not bearing interest, \$14.65; discount on my outstanding written obligations not bearing interest, \$10.80.

Required, the cost, the proceeds, and the net gain or the net loss on interest.

EXPENSE ACCOUNT

In the prosecution of any kind of business there are outlays or expenses incident thereto, such as rent, hired labor, fuel, office expenses, etc., which usually it is most convenient to enter under a general title.

If it is desired, however, to show the outlay in any particular direction, such as rent, insurance, advertising, stationery, storage, drayage, freight, office furniture, or the like, separate records must be kept under special titles chosen to represent such expenditures. All of these special expense accounts are kept in the same manner as the general expense account.

PURPOSE OF KEEPING AN EXPENSE ACCOUNT

An **Expense Account** is kept for the purpose of showing the cost of expenses incurred in conducting a business, and usually includes such items of expenditure as clerk hire, fuel, lights, stationery for use of business, rent of building, etc.

METHOD OF KEEPING AN EXPENSE ACCOUNT

When an expense is incurred, the cost thereof is entered on the Dr. side of the Expense account. Ordinarily there will be no entry on the Cr. side. If, however, there are any returns, they should be entered on the Cr. side. The excess of the Dr. side will show the cost of conducting the business.

At the time of closing the account, if any expense has been incurred which has not been entered, it must be added to the Dr. side, and if any expense has been entered which has not been used, it must be added to the Cr. side, before finding the excess.

ILLUSTRATION OF KEEPING AN EXPENSE ACCOUNT

1. Transactions.—Feb. 2, 19—. Paid John Thompson for rent of rooms for the month, \$8, and \$7.50 for 1 ton of coal; total, \$15.50.----Feb. 3. Paid cash for stationery for general use, \$1.25.----Feb. 5. Paid cash for cleaning rooms, \$1.75.----Feb. 6. Paid Thomas Davidson for repairing clothes, \$3.50.----Feb. 10. Paid cash for laundry, to date, \$1.40.----Feb. 12. Paid Mrs. Charles Dolliver cash for 2 weeks' table board, at \$4, \$8, and for laundry, \$1.18; total, \$9.18.----Feb. 20. Paid cash for 2 theater tickets, \$1.50.----Feb. 28. Paid Mrs. Charles Dolliver cash for table board to date, 2 weeks at \$4, \$8; and gas bill for the month, \$1.65; total, \$9.05.----Feb. 28. Charles N. Crandle paid me \$7 for use of my rooms for the month.

Feb. 28. I have used about $\frac{1}{4}$ of the coal bought Feb. 1, leaving \$5.63 worth of coal on hand.

Required, *the net cost of expenses for the month.*

Form of Ledger Record

Dr.	(Cost)	Expense	(Returns)	Cr.	
19— Feb. 2	Rent & Coal	15 50	19— Feb. 28	Cash, Rent	7
" 3	Stationery	1 25	" 28	Bal., Invt., Coal	5 63
" 5	Cleaning Rooms	1 75	" 28	Loss	30 50
" 6	Repair'g Clothes	3 50			
" 10	Laundry	1 40			
" 12	Board & L'dry	9 18			
" 20	Theater	1 50			
" 28	Board & Gas	9 05			
		43 13			43 13
Feb. 28	Balance	5 63			

Total cost, \$43.13; returns, \$12.63; net cost, \$30.50.

2. Transactions.—Mar. 1, 19—.
 Paid cash in advance for 3 months' rent, \$450.
 ---Mar. 1. Paid cash for 1 year's insurance from date, \$60. ---Mar. 2. Bought 3 tons of coal for cash, at \$7.50, \$?. ---Mar. 3. Paid cash for office stationery, \$7.25. ---Mar. 5. Paid cash for postage stamps, \$3.25. ---Mar. 15. Paid cash for cleaning office, \$2.75. ---Mar. 20. Received cash for use of desk room in office for the month, \$10. ---Mar. 31. Paid clerk hire for the month, \$65. ---Mar. 31. Paid drayage for the month, \$11.75.

Mar. 31. The value of unexpired rent is \$300; unexpired insurance, \$55; unused coal, \$11.25.

Required, the net cost of expenses for the month.

Dr.	(Cost)	Expense	(Returns)	Cr.	
19— Mar. 1	Cash, Rent	450	19— Mar. 20	Cash, Desk Room	10
" 1	" Insurance	60	" 31	Bal., Invt., Rent	300
" 2	" Coal	22 50	" "	" Ins.	55
" 3	" Stationery	7 25	" "	" Coal	11 25
" 5	" Postage	3 25	" "	Loss	246 25
" 15	" Cleaning	2 75			
" 31	" Clerk Hire	65			
" 31	" Drayage	11 75			
		622 50			622 50
Mar. 31	Balance	366 25			

Total cost, \$622.50; total returns, \$376.25; net cost, \$246.25.

EXAMPLES FOR PRACTICE IN KEEPING AN EXPENSE ACCOUNT

1. Transactions.—Jan. 1, 19— Bought of S. C. Gale, on credit, 4 tons of coal, at \$8, \$? .----Jan. 2. Paid W. H. Lyon cash for rent of store for 3 months, at \$125, \$? .----Jan. 3. Bought of Western Fuel Company, on credit, 2 cords of maple wood, at \$6, \$? .----Jan. 4. Paid cash for postage stamps, \$3.60.----Jan. 5. Paid Brown, Treacy & Co.'s bill for stationery for office use, \$14.75.----Jan. 16. Paid cash for clerk hire to date, \$35.----Jan. 20. Received from S. A. Reed \$9.50 cash for desk room in office for the month of January.

Jan. 31. I am owing Henry C. Butler for services as bookkeeper for the month, \$75; due Frederick H. Curtiss for services as clerk, \$35.----The estimated value of coal unused is \$16; the estimated value of wood unused is \$6; unexpired rent for 2 months at \$125 is \$? .

Required, the net cost of expenses for the month.

2. Transactions.—Apr. 1, 19— Paid John Thompson \$150, cash, for rent of office for 3 months.----Apr. 3. Paid cash for cleaning, \$1.50.----Apr. 5. Received cash from George Daggett for use of office 3 months from Apr. 1, \$100.----Apr. 7. Paid \$3.20 for postage stamps for office use.----Apr. 15. Paid Jesse Curtiss for service as clerk to date, \$20.----Apr. 18. Bought for office use stationery, \$12.30, paying cash.----Apr. 20. Paid janitor's wages to date from Apr. 1, \$20.----Apr. 30. Paid gas bill for the month, \$7.10.

Apr. 30. The unexpired rent for 2 months is valued at \$100, and the unexpired rent for use of office is worth \$66.67.----Apr. 30. I am owing Jesse Curtiss for services as clerk to date, \$20.----Apr. 30. I am owing janitor for services rendered from April 20 to date, \$10.

Required, the net cost of expenses for the month.

3. Transactions (Expense and Furniture and Fixtures).—May 1. Paid James Barnes cash for putting in counters and shelving, \$630.----May 1. Paid Edward Forster cash for three months' rent in advance, \$450.----May 3. Bought of Boutelle Brothers, on credit, office desk and chair, \$175.----May 4. Paid cash for postage, \$7.50.----May 5. Paid the Times Publishing Co. cash for advertising, \$62.50.----May 6. Paid Keyser & Co. cash for papering office, \$37.50.----May 8. Bought of M. D. Rowley, on my note at 90 days, a burglar-proof safe, \$175.----May 9. Paid George Sherer cash for painting counters and shelving, \$20.----May 10. Paid for clerk hire in cash, \$50.----May 11. Received cash for rent of one half of store for 3 months from May 1, in advance, from J. L. Dobbin, \$300.----May 12. Paid Phenix Insurance Co. cash for insurance on stock of goods, furniture, and fixtures, for 1 year, at 2% on face of policy of \$15,000, policy dated May 1, \$? .----May 13. Paid James Barnes cash for plate glass put in place of broken one, \$87.50.----May 15. Allowed John A. Schlener & Co.'s bill for blank books and stationery amounting to \$54.70, on account.----May 20. Paid cash for clerk hire, \$50.----May 30. Paid gas bill for the month, \$18.75.

May 31. There is due for services rendered by clerks and not paid, \$150; $1\frac{1}{2}$ tons of coal have been used during the month, at \$8 per ton, \$?; the furniture and fixtures are worth 90% of the cost, \$?; the insurance is valued at $\frac{1}{2}$ of its cost, \$?; the value of the unexpired rent of store is $\frac{3}{4}$ of the cost, \$?; and the unexpired rent of the half store relet is worth $\frac{3}{4}$ of the amount received, \$? .

Required, the net cost of expenses, and the loss on furniture and fixtures.

PROPRIETARY ACCOUNTS

Proprietary Accounts are those which are kept for the purpose of ascertaining the relation which the owner, or owners, of a business sustain to it, by exhibiting investments and withdrawals.

SOLE PROPRIETOR ACCOUNT

A **Sole Proprietor** of a business is one who is an exclusive or sole owner.

PURPOSE OF KEEPING A SOLE PROPRIETOR ACCOUNT

An account is kept with a sole proprietor, under his own name, or under the title Stock, for the purpose of showing the relation which he sustains to the business; that is, what the business owes him or what he owes the business.

METHOD OF KEEPING A SOLE PROPRIETOR ACCOUNT

The value of the property invested in the business by the proprietor at its commencement, as well as all subsequent investments, is entered on the Cr. side of his account. The debts of the proprietor assumed by the business at its commencement, and all sums withdrawn at any time, are entered on the Dr. side of his account. At regular times the net gain of the business is entered on the Cr. side of his account, or the net loss is entered on the Dr. side. The excess of the Cr. footings will, at such regular times, show the net capital of the business, that is, the proprietor's net investment; the excess of the Dr. footings, at such regular times, will show the net insolvency of the business.

It is not unusual for a proprietor to have two accounts, one of which, as above, will show his investment, and the other his temporary dealings with the business. The latter account is known as his personal or private account.

ILLUSTRATION OF KEEPING A SOLE PROPRIETOR ACCOUNT

1. Transactions.—Jan. 2, 19—. I invested in my business \$5000 in cash.----Jan. 2. I am owing Frank Forbes \$250, and Charles Kent \$75, and these debts are assumed by the business.----Mar. 1. Made an additional cash investment of \$2500.----Apr. 16. Withdrew for personal, temporary use, cash, \$150.----May 1. Made an additional cash investment of \$3000.----June 1. Returned the amount withdrawn Apr. 16, \$150.----June 14. Withdrew for personal use, Mdse., \$75.80.----July 2. Returned in cash the amount withdrawn June 14.----July 2. The net gain in the business for the past six months is \$917.80.

Required, *my present relation to the business as proprietor.*

Form of Ledger Record

DR.		(Withdrawals)	<i>Th. E. Student</i>		(Investments)	CR.		
19—					19—			
Jan.	2	Frank Forbes	250		Jan.	2	Cash	5000
"	2	Charles Kent	75		Mar.	1	"	2500
July	2	Bal., Net Capital	11092	80	May	1	"	3000
					July	2	Gain	917
			11417	80				80
					July	2	Balance	11092
								80

Invested, \$ 11,417.80; withdrew, \$ 325; net investment or capital, \$ 11,092.80.

DR.		<i>Th. E. Student, Personal</i>		CR.			
19—				19—			
Apr.	16	Cash	150	June	1	Cash	150
June	14	Mdse.	75	July	2	"	75
			225	80			80
							225
							80

Withdrew, \$ 225.80; returned, \$ 225.80. Account balanced.

2. Transactions.—Feb. 1, 19— Invented in business this day, cash, \$2000.----Feb. 1. I am owing Charles Wales on my note \$1500, which is assumed by the business.----Apr. 2. Made an additional cash investment of \$500.----May 1. The net loss for the past three months is \$175.50.----June 15. Withdrew for personal use, cash, \$150.----July 2. Made an additional cash investment of \$250.----Aug. 1. The net loss for the past three months is \$1143.75.

Required, my present relation to the business as proprietor.

NOTE.—The investment account and the personal account are combined in the following ledger record.

DR.		(Withdrawals)	<i>Th. E. Student</i>		(Investments)	CR.		
19—					19—			
Feb.	1	Bills Payable	1500		Feb.	1	Cash	2000
May	1	Loss	175	50	Apr.	2	"	500
June	15	Cash	150		July	2	"	250
Aug.	1	Loss	1143	75	Aug.	1	Balance, Insolvency	219
			2969	25				25
								2969
								25
Aug.	1	Balance	219	25				

Investments, \$2750; withdrawals and losses, \$2969.25; insolvency, \$219.25.

PARTNERSHIP ACCOUNTS

A **Partnership** is an association of two or more persons who join together their money, goods, labor, and skill, or any of them, in a business, with an understanding that there shall be a sharing of profit between them.

A **Partner** is one who shares, as a member of a partnership, in the management, or in the gains or losses of a business.

PURPOSE OF KEEPING PARTNERS' ACCOUNTS

When two or more persons are united in the ownership of the same business as a firm or partnership, their respective interests are recorded under their own individual names. These accounts with the individual partners are kept for the purpose of showing the individual relation of each partner to the business.

METHOD OF KEEPING PARTNERS' ACCOUNTS

The value of the property invested by each partner is entered on the Cr. side of his account. The individual debts of each partner which are assumed by the business, and all sums withdrawn by each, are entered on the Dr. side of his account. Each partner's share of the net gain is entered on the Cr. side of his account, or his share of the net loss is entered on the Dr. side of his account. After the net gains have been credited or the net losses debited, the excess of the Cr. footings of each partner's account will show his net interest in the business, or the excess of the Dr. footings will show his share of the firm's insolvency.

Each partner may have two accounts—one, an investment or permanent account, and the other a temporary or personal account.

In the absence of any contract to the contrary, the net loss or the net gain is divided equally between the partners.

ILLUSTRATION OF KEEPING PARTNERS' ACCOUNTS

Transactions.—Apr. 2. W. W. Folwell and D. L. Kiehle are partners. Folwell invests cash, \$4500; Kiehle invests Mdse., \$4000. The firm assumes an account against Folwell, in favor of E. A. Sheldon, for \$250; and a note signed by Kiehle, in favor of C. C. Curtiss, for \$300.----Apr. 20. Paid a claim against Folwell for \$250, not assumed Apr. 2.----Apr. 25. Paid a claim against Kiehle for \$200, not assumed Apr. 2.----May 1. Folwell draws out for personal use, cash, \$100.----May 10. Kiehle withdraws for personal use, \$75, cash.----May 15. Folwell invests \$1500, cash.----May 21. Kiehle invests store and fixtures, valued at \$5000.----June 11. Folwell draws out cash for personal use, \$125.----June 15. Kiehle draws out for personal use, Mdse., \$150.----June 30. The firm owes Folwell 3 months' salary, at \$200, and Kiehle 3 months' salary, at \$200.----July 2. The net gain of the business amounts to \$1250. Folwell's share is $\frac{2}{3}$, and Kiehle's share is $\frac{1}{3}$, according to contract.

Required, *the relation of each partner to the business.*

Form of Ledger Record

DR.

W. W. Folwell (Partner Account)

CR.

19—				19—			
Apr.	2	E. A. Sheldon	250	Apr.	2	Cash	4500
"	20	Cash	250	May	15	"	1500
July	2	Bal., Net Interest	5500	/			
			6000 00								6000 00
				July	2	Balance	5500

Invested, \$6000; withdrew, \$500; net interest in firm, \$5500.

DR.

D. L. Kiehle (Partner Account)

CR.

19—				19—			
Apr.	2	Bills Payable	300	Apr.	2	Mdse.	4000
"	25	Cash	200	May	20	Store & Fixtures	5000
July	2	Bal., Net Interest	8500	/			
			9000 00								9000 00
				July	2	Balance	8500

Invested, \$9000; withdrew, \$500; net interest in firm, \$8500.

DR.

W. W. Folwell, Personal

CR.

19—				19—			
May	1	Cash	100	June	30	Sal., 3 m. @ \$200	600
June	11	"	125	July	2	Gain,	500
July	2	Balance	875	/			
			1100 00								1100 00
				July	2	Balance	875

Total Cr., \$1100; total Dr., \$225; firm owes Folwell, \$875.

DR.

D. L. Kiehle, Personal

CR.

19—				19—			
May	10	Cash	75	June	30	Sal., 3 m. @ \$200	600
June	15	Mdse.	150	July	2	Gain,	750
July	2	Balance	1125	/			
			1350 00				
				July	2	Balance	1125

Total Cr., \$1350; total Dr., \$225; firm owes Kiehle, \$1125.

EXAMPLES FOR PRACTICE IN KEEPING SOLE PROPRIETOR ACCOUNT

1. Transactions.—Aug. 1. The resources of my business are: cash on hand, \$3975.50; notes on hand, \$1795.75; Mdse. on hand, per inventory, \$7960; store and fixtures, valued at \$6500; amounts due me on personal accounts, \$2750.30. The liabilities of the business are: amounts due others on personal accounts, \$1890.50; notes and acceptances outstanding, \$1375.----Dec. 31. I have withdrawn for personal use since Aug. 1, \$1475; goods from store for family use, \$560.75.----Dec. 31. The net loss of the business from Aug. 1 to date has been \$496.50.

Required, my present relation to the business.

2. Transactions.—Jan. 2. The resources of my business are: cash on hand, \$175.50; funds on deposit in bank, \$3796.45; negotiable paper on hand, \$2750; Mdse. on hand, as per inventory, \$12,465.75; amount due me on personal accounts, \$1937.50. The liabilities of my business are: amounts due others on personal accounts, \$675; notes and acceptances outstanding, \$3750.----Mar. 1. Added \$12,500 cash to my investment.----Apr. 4. Drew out cash for personal use, \$276.40.----May 1. Added to my investment, negotiable paper, \$1500.----June 30. Drew out cash for personal use, \$115.----June 30. The net gain for the past six months amounts to \$1795.60.

Required, my present investment.

EXAMPLES FOR PRACTICE IN KEEPING PARTNERS' ACCOUNTS

1. Transactions.—C. C. Curtiss and J. L. Hodgmore are partners. Apr. 2. Curtiss invests cash, \$10,000; Mdse., valued at \$15,000. Hodgmore invests cash, \$8000; store and fixtures, valued at \$9000. Curtiss owes H. G. Hicks, on account, \$3000, which debt the firm assumes. Hodgmore owes D. C. Bell, on note at 90 days, \$500, which the firm assumes.----July 2. Curtiss makes an additional investment of personal accounts, aggregating \$2500.----Oct. 1. Hodgmore adds to his investment, in promissory notes due him, \$1800.----Dec. 1. The firm pays S. C. Gale's draft on Curtiss for \$575, not assumed Apr. 2.----Jan. 2. The firm pays a note signed by Hodgmore, favor W. G. Smith, for \$250, which was not assumed Apr. 2.----Jan. 2. The gains to date have been \$5750.

Required, the relation of each of the partners to the business.

2. Transactions.—May 1, 19—. W. C. Smith and A. B. Todd have entered into copartnership. Smith contributes cash, \$7425.83; store and fixtures, \$12,500; personal accounts due him, \$6528.87; bills receivable due him, \$3427.96. Todd contributes personal accounts due him, \$5427.47; Mdse. as per inventory, \$15,728.75; written promises due him, \$748.25. Smith's liabilities assumed by the firm are: amounts due others on personal accounts, \$1400; on notes, \$249.78. Todd's liabilities assumed by the firm are: amounts due others on personal accounts, \$1500; on notes, \$2575.----July 17. Paid John I. Gordon's sight draft on A. B. Todd favor of Charles J. Barnes for \$120, debt not assumed May 1.----Aug. 15. Paid Hiram H. Gail's draft, drawn payable on demand, for \$95, on A. B. Todd in favor of W. C. Smith, debt not assumed May 1.----Sep. 15. Collected A. B. Todd's personal claim of \$215 against Charles E. Cady, which sum A. B. Todd allows to remain in the firm as an additional investment.----Dec. 31. The firm has paid cash for personal accounts against Smith which were not assumed, \$722.90.----Dec. 31, 19—. The net gain to date amounts to \$9476.50.

Required, the net interest of each partner.

COMPLETE BUSINESS RECORD

In the preceding illustrations each account has been considered separately, and without reference to the relation which it sustains to other accounts, the purpose being to teach the individual characteristics and use of the separate accounts presented.

In the transactions given for illustrations, only one element of a transaction has been considered. We now come to the consideration of the two elements which are found in every business transaction; viz. the debit element and the credit element.

A complete record of any business transaction must show both of the elements named, and will require entries in two or more accounts.

COMPLETE BUSINESS RECORD ILLUSTRATED

1. One Debit Entry and One Credit Entry

1. Transaction. — Jan. 2, 19—. Bought of Edward Forster, on credit, Mdse. amounting to \$275.25.

DR.		<i>Merchandise</i>					CR.	
19— Jan.	2	<i>Edward Forster</i>	275	25				

DR.		<i>Edward Forster</i>					CR.	
				19— Jan.	2	<i>Mdse.</i>	275 25	

A complete record of this transaction requires an entry on the Dr. side of Mdse. account, to show the cost of the Mdse. purchased, and also an entry on the Cr. side of Edward Forster's account, to show the amount which is due him.

In this record there are two facts recorded, requiring one Dr. entry and one Cr. entry; and there are two accounts involved in the complete record.

2. Transaction. — Feb. 1, 19—. Sold A. Sherman, on credit, Mdse. amounting to \$987.50.

DR.		<i>Merchandise</i>					CR.	
				19— Feb.	1	<i>A. Sherman</i>	987 50	

DR.

A. Sherman

CR.

19— Feb.	1 Mdse.	987 50						
-------------	---------	--------	--	--	--	--	--	--

A complete record of this transaction, which involves two accounts, requires an entry on the Cr. side of Mdse. account to show the proceeds from the sale of Mdse., and also requires an entry on the Dr. side of A. Sherman's account to show his indebtedness.

2. Two Debit Entries and One Credit Entry

3. Transaction.— Mar. 1, 19—. Sold Charles Hale Mdse. amounting to \$4276.50, and received cash, \$2276.50, in part payment, and his note at 90 days for the balance.

DR.

Cash

CR.

19— Mar.	1 Mdse.	2276 50						
-------------	---------	---------	--	--	--	--	--	--

DR.

Bills Receivable

CR.

19— Mar.	1 Mdse.	2000 00						
-------------	---------	---------	--	--	--	--	--	--

DR.

Merchandise

CR.

				19— Mar.	1 Sundries	4276 50		
--	--	--	--	-------------	------------	---------	--	--

A complete record of this transaction, which involves three accounts, requires an entry on the Dr. side of Cash account, to show the receipt of cash, \$2276.50; an entry on the Dr. side of Bills Receivable account, to show the note received, \$2000; and an entry on the Cr. side of Mdse. account, to show the proceeds from the sale. It will be seen that the sum of the Dr. items equals the Cr. item.

3. One Debit Entry and Two Credit Entries

4. Transaction.— Apr. 2, 19—. Bought of James Dunn, Mdse., \$7460.50; gave in part payment cash, \$3500, and my note at 3 months for the balance, \$3960.50.

DR. *Merchandise* CR.

19— Apr.	2 Sundries	7460 50					
-------------	------------	---------	--	--	--	--	--

DR. *Cash* CR.

			19— Apr.	2 Mdse.		3500 00	
--	--	--	-------------	---------	--	---------	--

DR. *Bills Payable* CR.

			19— Apr.	2 Mdse.		3960 50	
--	--	--	-------------	---------	--	---------	--

A complete record of this transaction, which involves three accounts, requires an entry on the Dr. side of Mdse. account, to show the cost of the Mdse. purchased, \$7460.50; an entry on the Cr. side of the Cash account, \$3500, to show the payment of cash; and an entry on the Cr. side of Bills Payable account, to show the issue of our note, \$3960.50. It will be seen that the sum of the Cr. items equals the debit item.

4. *Two Debit Entries and Two Credit Entries*

5. **Transaction.**— May 1, 19—. Bought of William Windom, dry goods, \$1750.25; groceries, \$2300.50; gave in payment my draft on John Rowe for \$2000, and my note at 30 days for the balance, \$2050.75.

DR. *Dry Goods* CR.

19— May	1 Sundries	1750 25					
------------	------------	---------	--	--	--	--	--

DR. *Groceries* CR.

19— May	1 Sundries	2300 50					
------------	------------	---------	--	--	--	--	--

DR. *John Rowe* CR.

			19— May	1 Sundries		2000 00	
--	--	--	------------	------------	--	---------	--

DR.		<i>Bills Payable</i>				CR.	
				19— May	1 Sundries	2050	75

A complete record of this transaction, which involves four accounts, requires an entry on the Dr. side of Dry Goods account, to show the cost of dry goods, \$1750.25; an entry on the Dr. side of Groceries account, to show the cost of groceries, \$2300.50; an entry on the Cr. side of John Rowe's account for the amount of my draft on him, \$2000; and an entry on the Cr. side of Bills Payable account, to show the issue of my note for the balance, \$2050.75. It will be seen that the sum of the Dr. items is equal to the sum of the Cr. items.

5. Several Debit Entries and Several Credit Entries

6. Transaction.—June 1, 19—. Sold O. M. Metcalf, store and fixtures, for \$8500; Mdse., per inventory, \$7750; good will, \$2500; received in payment, cash, \$9500; note, his favor, made by Thomas Cochran, dated May 1, 19—, at 60 days, for \$6000, with interest at 6%; and his note at 90 days for the balance, \$3220. Interest accrued to date on Thomas Cochran's note, \$30.

DR.		<i>Cash</i>				CR.	
19— June	1 Sundries	9500	00				

DR.		<i>Bills Receivable</i>				CR.	
19— June	1 Sundries	9220	00				

DR.		<i>Interest</i>				CR.	
19— June	1 Sundries	30	00				

DR.		<i>Store and Fixtures</i>				CR.	
				19— June	1 Sundries	8500	00

DR.

Merchandise

CR.

				19— June	1 Sundries	7750	00
--	--	--	--	-------------	------------	------	----

DR.

Good Will

CR.

				19— June	1 Sundries	2500	00
--	--	--	--	-------------	------------	------	----

A complete record of this transaction, which involves six accounts, requires an entry on the Dr. side of cash account, to show the amount of money received, \$9500; an entry on the Dr. side of Bills Receivable account, to show the amount of notes received, \$9220; an entry on the Dr. side of Interest account, to show the amount accrued, \$30; an entry on the Cr. side of Store and Fixtures account, to show the proceeds of sale, \$8500; an entry on the Cr. side of Mdse. account, to show the proceeds from the sale of Mdse., \$7750; and an entry on the Cr. side of Good Will account, to show the proceeds of the sale of the business, \$2500. It will be seen that the sum of all the Dr. items equals the sum of all the Cr. items.

PRINCIPLES OF DOUBLE-ENTRY BOOKKEEPING

The foregoing illustrations elucidate the following principles of accounting:

First

The complete record of any business transaction requires the consideration of all its relations to different accounts.

Second

The record of a business transaction will not be complete unless one account is debited and one account credited, or two or more accounts are debited and one account credited, or one account is debited and two or more accounts credited, or two or more accounts are debited and two or more accounts credited.

Third

The sum of all the Dr. entries of each transaction must equal the sum of all the Cr. entries.

Fourth

The sum of all the Dr. entries of all the transactions recorded must equal the sum of all the Cr. entries of all the transactions.

In Short

There must always be an equality of debits and credits.

JOURNALIZING

Journalizing is the mental process of analyzing business transactions and determining the debits and credits thereof.

The transactions for the following illustration are taken from Ex. 1, page 12.

Form of Journal Entry

Homeville, January 1, 19__

Postmark Column	Dr. Accounts	Date	Cr. Accounts	Dr. Amts.	Cr. Amts.
	Cash			475 80	
			Th. E. Student		475 80
		2			
	Expense			14 75	
			Cash		14 75
		3			
	Cash			44 25	
			Henry Burton		44 25
		4			
	Cash			147 94	
			Merchandise		147 94
		4			
	Bell & Mabey			137 45	
			Cash		137 45
		5			
	Cash			375	
			Live Stock		375
		5			
	Expense (or Feed)			22 50	
			Cash		22 50
		5			
	Cash			97 48	
			A. A. Palmer		97 48
		6			
	Kiehle & Co.			15	
			Cash		15
		6			
	Cash			50	
			Bills Receivable		50
		6			
	Expense			7 50	
			Cash		7 50
			Equality of Footings		
				1387 67	1387 67

The examples for practice in keeping the various accounts, found on the preceding pages, will furnish abundant material for practice in journalizing.

The business transactions for the following illustration of journalizing are taken from Ex. 3, page 12.

Form of Journal Entry

Homeville, January 15, 19__

Postmark Column	Dr. Accounts	Date	Cr. Accounts	Dr. Amts.	Cr. Amts.
	Cash		Th. E. Student	1185 33	1185 33
		15			
	Cash		Bills Receivable	178 50	175
			Interest		3 50
		16			
	Expense		Cash	13 75	13 75
		17			
	Cash		Real Estate	1750	1750
		18			
	Bills Payable			500	
	Interest		Cash	8 75	508 75
		18			
	Loss & Gain		Cash	2	2
		19			
	Th. E. Student		Cash	75	75
		20			
	J. W. Johnson		Cash	153 50	153 50
		22			
	Merchandise		Cash	375	375
		24			
	Cash		Bills Receivable	96 11	95
			Interest		1 11
			Equality of Footings	4337 94	4337 94

BOOKS OF RECORD USED IN BUSINESS

The books in which the records of a business are kept depend largely upon the nature and extent of the business which they represent. They are usually classified as Principal Books and Auxiliary Books.

Principal Books are the day book, the ledger, and those books from which the entries are transferred or posted to the ledger.

Auxiliary Books are those which are used as aids to the principal books.

Books of Original Entry are those in which transactions are first recorded. There should never be any erasures in them.

PRINCIPAL BOOKS

The Ledger, or Book of Accounts, is the book in which all the debits and all the credits of all the various transactions of a business are classified under proper titles or headings in order to show special and general results of business.

The process of transferring the debits and credits from the journal and from other books kept in journal form, to their proper places in the ledger, is called *Posting*.

The Day Book is a book of original entry, in which the transactions of a business are recorded in narrative form in the order and at the time of their occurrence. It is sometimes called the Blotter. Formerly all the transactions of a business were first entered in this book, but for some years past, especially in the more extensive businesses, the transactions are instead classified and entered in other books specially arranged for the purpose, such as the sales book, cash book, invoice book, and others.

The simple form of the day book contains appropriate spaces and columns for recording the date of the transaction, the transaction itself, and the amount involved in the transaction.

Great care should be taken to make the statements entered in this book clear, concise, and yet so complete that there can be no doubt concerning the facts of the transactions recorded.

The pupil, in writing the day-book exercises, should be careful to preserve the wording and the arrangement of the entries. The horizontal ruling which separates the transactions may be deferred until a page is written.

The Journal is the book in which the debits and credits of business transactions are classified preparatory to transferring to the ledger.

The journal may be used as a separate book, coming between the day book and the ledger, but it is more generally used in combination with the day book as a book of original entry. When so used it is called the **Journal-Daybook**.

AUXILIARY BOOKS

The Purchase Book is the book in which are recorded the *purchases* of merchandise. It may be so kept as to combine all the features of the day book, journal, and purchase book, so far as the purchases are involved. When so used it is called the Purchase Journal, or Invoice Journal, and is a principal book.

Instead of copying invoices, they may be arranged and pasted in a Scrap Invoice Book, and the total amount of each invoice may be extended into a column prepared for the purpose in the margin.

The Sales Book is the book in which are recorded the *sales* of merchandise. It may be so kept as to combine all the features of the day book, journal, and sales book, so far as the sales are concerned, and when so used it is called the Sales Journal and is a principal book.

Separate sales books for city and out-of-town customers are kept in many business houses.

The Cash Book is the book in which a special record is kept of the receipts and disbursements of money. It may be so arranged and kept as to combine all the features of the day book, journal, and cash book, so far as cash items are involved, and when so kept it is called the Cash Journal and is a principal book.

All receipts of money are entered on the Dr. side of the cash book. The date of receiving the money, the account for which the money is received, and the amount received should be clearly stated. All payments of money are entered on the Cr. side of the cash book. The date of paying the money, the account for which the money is paid, and the amount paid should be distinctly recorded.

The Receipt Book is a book of printed blank receipts, which are filled and signed when money is received, and then delivered to the person paying the money. It is made with one or more receipts on a page, perforated so that they may be readily detached, and with a margin, or stub, upon which to make a memorandum of the transaction. This memorandum should be made before the receipt is detached and delivered.

The Check Book is a book of printed blank checks, which are filled by the drawer of the check when he wishes to pay a creditor or to draw money from the bank for his own use. It is made with one or more checks on a page, usually perforated so that they may be easily detached. The inner margin, or stub, is arranged for recording the date, the payee, the number of the check, and the amount for which it is drawn.

An account with the bank is usually kept on the back of the stub, which is ruled for that purpose.

The Bank Pass Book is a book which is taken to the bank with the funds intended for deposit, and in which the teller of the bank makes a

record of each deposit when made. This record is the receipt for the deposit.

The book is left with the bank, usually at the end of the month, to be written up and balanced, after which it is returned to the depositor, together with the checks which the bank has paid and canceled. These returned checks serve as receipts from the persons to whom they were issued.

The Note Book is a book of printed blank notes, which are filled in and signed by the maker. The book is made with one or more notes on a page, which is usually perforated so that the notes may be readily detached. The margin, or stub, is arranged for recording the date of issue, time to run, the name of the payee, the principal, and the place where payable.

The record of the issue of the note should always be made on the margin before the note is detached and delivered to the payee.

The Draft Book is a book of printed blank drafts, which are filled in and signed by the drawer. The book is made with one or more drafts on a page, which is usually perforated for detaching. The margin, or stub, is arranged for a record of the date of drawing, the time to run, the name of the payee, the name of the drawee, and the amount.

The record of the drawing of a draft should be made on the margin, or stub, before detaching and delivering.

The Bill Book is the book in which a special record is made of the issuing and the redeeming of our *written promises* and the receipt and the disposition of others' written promises.

The simple form of the bill book contains appropriate columns and spaces for recording the date, time to run, maturity, and principal of each negotiable paper issued and received, together with the names of the parties thereto, and the final disposition thereof.

The Index Book is a book in which are arranged the names of the accounts in the ledger, in alphabetical order, to afford ready reference to any account desired. An account should be indexed as soon as the title is written in the ledger, and whenever any account is changed from one page to another. The index book is sometimes bound in the ledger, but where there are many accounts a separate book should be used.

The Trial Balance Book is a book in which the regular periodical trial balances are made and preserved for future reference.

The Order Book is used to record orders received by mail or taken direct from customers.

The Letter Book is a book in which all important outgoing correspondence is copied by the letter press.

The Stock Record Book is used to record the quantity of goods bought and sold, so as to show the quantity on hand.

SECTION TWO

USES OF THE DAY BOOK, JOURNAL, AND LEDGER, WITH SOME AUXILIARY BOOKS AND BUSINESS FORMS



APPLICATION OF PRINCIPLES

The preceding pages have been devoted to the consideration of the fundamental principles of accounting. The work in this section is for the purpose of illustrating and teaching the opening, conducting, and closing of "sets" of double-entry books, using the simple forms of the day book, journal, and ledger as principal books, and the cash book, receipt book, and check book as auxiliary books. It also teaches the making of business forms, such as bills of parcels (itemized bills, or invoices), receipts, checks, statements of finance and business.

The Memoranda of Transactions are to be used in the place of the transactions themselves, and are limited to those which will best serve the purposes intended. All the parties to the transactions are supposed to be residents of "Homeville," and the business is limited to that which may be transacted without correspondence.

Price Lists. — Six different price lists for buying and selling are given, so that members of a class may work independently while following the same general instructions.

Practice Ledger. — It is thought advisable to use the practice ledger as a preliminary exercise, for the first two sets, in order to get a general outline of the business to be recorded.

All Calculations and Extensions for the first two weeks have been made in full, so that a complete reference may be had to all the details of the various transactions.

Day Book and Journal. — It is best to gain first a thorough knowledge of the forms and uses of the day book and the journal, *as separate books*, before attempting to consider them in their combined form.

A Great Variety of transactions are here presented for practice in bookkeeping, yet no pretense is made of giving a complete exhibit of any kind of business. The purpose is to help the student to become an intelligent accountant rather than a mere routine clerk.

FIRST SET.—TH. E. STUDENT, SOLE PROPRIETOR

Characteristics.—Beginning with a cash capital; buying and selling flour, corn, beef, and pork, for cash and on credit; realizing a gain and closing with an increased capital.

Books Used.—Practice ledger (for preparatory work), day book, receipt book, cash book, journal, and ledger.

Business Forms Used.—Bills of parcels (itemized bills), receipts, inventories, business statements, financial statements, and balance sheets.

Student as Proprietor.—Each student may consider himself as the proprietor of the business represented in the memoranda of transactions, will use his own name as such, and keep the books.

Titles of Accounts.—For the convenience of the teacher and the student, and for the sake of economy in the use of the ledger space, the number of lines each account will require is given below. This allowance provides for all current entries, closing entries, and two additional lines for the separation of the accounts: Th. E. Student, 9; Aaron Austin, 10; Benjamin Butler, 10; Charles H. Curtiss, 6; Cash, 25; Expense, 10; David Dodge, 11; Flour, 22; Corn, 15; Mess Beef, 12; Edward Everett, 7; Prime Pork, 11; Frederic Ford, 7; Loss and Gain, 11; Balance, 12.

Place of Business.—The name of village or city and the state where the student resides may be substituted for "Homeville."

Price Lists.—Each student will substitute the prices given in the list assigned to him for the prices used in the text, and continue to use the same list throughout the sets.

Buying Price Lists

Articles	Per	1	2	3	4	5	6
Flour, Extra,	bbbl.	5 25	5 30	5 35	5 40	5 45	5 50
" Superfine,	"	5 50	5 55	5 60	5 65	5 70	5 75
" Minnehaha,	"	6 85	6 90	6 95	7	7 05	7 10
Corn,	bus.	40	42	44	46	48	50
Mess Beef,	bbbl.	12 25	12 30	12 35	12 40	12 45	12 50
Prime Pork,	"	13 50	13 55	13 60	13 65	13 70	13 75

Selling Price Lists

Articles	Per	1	2	3	4	5	6
Flour, Extra,	bbbl.	6 20	6 25	6 30	6 35	6 40	6 45
" Superfine,	"	6 45	6 50	6 55	6 60	6 65	6 70
" Minnehaha,	"	7 80	7 85	7 90	7 95	8	8 05
Corn,	bus.	45	47	49	51	53	55
Mess Beef,	bbbl.	13 65	13 70	13 75	13 80	13 85	13 90
Prime Pork,	"	14 95	15	15 09	15 10	15 15	15 20

Assignments of Lists.—The student, having been assigned one of the foregoing price lists for buying and selling, should make a copy of it on a separate piece of paper like the following illustration.

Th. E. Student's Price List for January, No. 1

Buying	Per	Articles	Per	Selling
5 25	bbl.	Flour, Extra	bbl.	6 20
5 50	"	" Superfine	"	6 45
6 85	"	" Minnehaha	"	7 80
40	bus.	Corn	bus.	45
12 25	bbl.	Mess Beef	bbl.	13 65
13 50	"	Prime Pork	"	14 95

GENERAL DIRECTIONS FOR WORKING FIRST SET

First Working.—1. Make out all the bills of parcels required in the business to Jan. 15, according to forms given on pages 66 and 67.

2. Write all the receipts to be given and taken, the outgoing receipts in the receipt book, and the incoming ones on blank paper. See pages 68 and 69.

3. Fold and file the vouchers (bills and receipts) according to the directions of the teacher.

4. Analyze each transaction (decide upon the Dr. and the Cr.) in the order of occurrence to Jan. 15, using the practice ledger in which to enter the results obtained. The names of the accounts and the number of lines each will require are given on the preceding page. See page 64.

The entries in the practice ledger may be written with a pencil, which should be kept well sharpened so that letters and figures will be clear and distinct.

5. Take a trial balance of the practice ledger. See page 64.

6. Prepare an inventory of unsold property. See page 69.

7. Prepare the business statement. See page 65.

8. Prepare the financial statement. See page 65.

Second Working.—1. Record all the transactions of the first two weeks in the day book, observing carefully all instructions regarding the arrangement of the entries. The writing should be neat and legible, entirely free from unnecessary display, and the figures small, distinct, and in their proper places. See pages 70 and 71.

2. Rule the day book as shown on pages 70 and 71. (Red ink should be used for all rulings.)

3. Write the cash book for the first two weeks, and rule it as shown in the model on pages 78 and 79.

4. Journalize all transactions, checking the same in the day book as soon as each journal entry is made. See pages 72 and 73.

5. Rule the journal as shown in the model. See pages 72 and 73.

6. After your teacher has approved your journal, post each journal entry to the ledger as he shall direct (see pages 74 and 75), post-marking in the journal each entry as soon as it is posted.

7. Take a trial balance. If the trial balance shows that errors have been made, make a careful study of "How to find errors in posting," and "How to correct errors when found." See pages 80 and 81.

8. Close the ledger, after a careful study of "Closing the ledger, current form," as found on pages 81, 82, and 83.

MEMORANDA OF TRANSACTIONS

Homeville, Tuesday, Jan. 2, 19—. I (Th. E. Student) commenced business this day, with a cash capital of \$1500.

Directions for Day Book Record.—The first word of each day book entry should be written close to the marginal line at the left, and the first word or figure of each subsequent line should be indented one half inch.

In a day book the right-hand money column is called the amount column, and the one at its left is called the item column. When there is only one item, it is placed in the amount column. See pages 70 and 71.

Directions for Journal Entry.—An examination of this transaction shows that two accounts are affected, Cash account and the proprietor's account. Cash account is Dr. for \$1500, because cash is received into the business, and the proprietor's account is Cr., because the proprietor made the investment. See page 72.

In a journal, the left-hand money column is called the Dr. column, and the right-hand money column is called the Cr. column.

Jan. 2. Bought of Aaron Austin, on credit, 20 bbls. extra flour, at \$? .

Note.—In the day book, the price of each item bought or sold should be placed close to the left of the item column. See pages 70 and 71.

Note.—In this purchase, Flour account is Dr. for the cost of the flour, and Aaron Austin is Cr. for the same amount, because he does not at the time receive payment. See Journal, page 72.

Jan. 2. Sold Benjamin Butler, on credit, 6 bbls. extra flour, at \$? .

Note.—In this sale, Benjamin Butler is Dr., because he does not pay at this time, and Flour account is Cr. for the proceeds of the sale.

Jan. 3. Paid E. A. Taylor cash for 3 tons of coal, at \$6.50, \$19.50 (delivered Jan. 2).

Note.—Expense account is Dr. for the outlay, \$19.50, and Cash account is Cr. for the money paid, \$19.50.

Jan. 4. Bought of W. C. Smith, for cash, 500 bus. corn, at ? ¢; 30 bbls. superfine flour, at \$?; total, \$? .

Note.—When there are two or more items in a purchase or sale, the cost of each is placed in the item column, and the total cost or proceeds is "extended" to the amount column. See page 70.

Note.—In this purchase, Corn account is Dr. for the cost of the corn; Flour account is Dr. for the cost of the flour; and Cash account is Cr. for the entire amount of money paid. See Journal, page 72.

Jan. 4. Sold S. B. Todd, for cash, 9 bbls. superfine flour, at \$?; 75 bus. corn, at ? ¢; total, \$? .

Note.—In this sale, Cash account is Dr. for the total amount of cash received; Flour account is Cr. for the proceeds of the flour sold; and Corn account is Cr. for the proceeds of the corn sold. See Journal, page 72.

Jan. 5. Bought of Charles H. Curtiss, on credit, 25 bbls. superfine flour, at \$?; 750 bus. corn, at ? ¢; total, \$? .

Jan. 5. Sold David Dodge, on credit, 7 bbls. superfine flour, at \$?; 150 bus. corn, at ? ¢; total, \$? .

Jan. 6. Sold James Dunn, for cash, 8 bbls. extra flour, at \$?; 300 bus. corn, at ? ¢; total, \$? .

Jan. 8. Paid Charles Carroll cash for rent of store for 3 months from Jan. 1, at \$20, \$? .

Jan. 8. Received \$20 cash of Benjamin Butler on account.

Jan. 9. Paid Aaron Austin \$50 cash, on account.

Jan. 10. Bought of Aaron Austin 30 bbls. Minnehaha flour, at \$? ; 900 bus. corn, at ? ¢ ; total, \$? ; gave him in payment, cash, \$ 200 ; balance, \$? , to remain on account.

Note. — In this purchase, Flour account is Dr. for the cost of the flour bought ; Corn account is Dr. for the cost of the corn bought ; Cash account is Cr. for the amount of cash paid ; and Aaron Austin is Cr. for the balance of the bill unpaid. See Journal, page 73.

Jan. 11. Sold Benjamin Butler 500 bus. corn, at ? ¢ ; 20 bbls. Minnehaha flour, at \$? ; total, \$? . Received cash, in part payment, \$ 175 ; balance, \$? , to remain on account.

Note. — In this sale, Cash account is Dr. for the cash received ; Benjamin Butler is Dr. for the amount of the bill unpaid ; Corn account is Cr. for the proceeds of the corn sold ; and Flour account is Cr. for the proceeds of the flour sold. See Journal, page 73.

Jan. 12. Bought of Aaron Austin 20 bbls. Minnehaha flour, at \$? ; gave in payment, cash, \$ 68.50 ; balance on account.

Jan. 13. Received \$ 56.50 cash of David Dodge, to apply on account.

Jan. 13. Sold David Dodge 750 bus. corn, at ? ¢ ; 25 bbls. Minnehaha flour, at \$? ; total, \$? . Received \$ 250 cash, in part payment ; balance on account, \$? .

Note. — The student should ascertain whether all vouchers, receipts, and bills of parcels are made out and filed, by comparing with the following statement.

Vouchers used from Jan. 2 to Jan. 13, inclusive.

Receipts

Incoming		Outgoing	
Jan. 3.	E. A. Taylor to Th. E. Student.	Jan. 8.	Th. E. Student to Benj. Butler.
" 9.	Aaron Austin " "	" 13.	" " David Dodge.

Bills Received

Jan. 4.	W. C. Smith to Th. E. Student.	Jan. 4.	Th. E. Student to S. B. Todd.
" 8.	Charles Carroll " "	" 6.	" " James Dunn.

Bills not Received

Jan. 2.	Aaron Austin to Th. E. Student.	Jan. 2.	Th. E. Student to Benj. Butler.
" 5.	Charles H. Curtiss " "	" 5.	" " David Dodge.

Bills Received in Part

Jan. 10.	Aaron Austin to Th. E. Student.	Jan. 11.	Th. E. Student to Benj. Butler.
" 12.	" " "	" 13.	" " David Dodge.

Note. — The student having entered all the transactions to Jan. 15 in the practice ledger, and taken a trial balance, may test the correctness of his work by comparing the footing of his trial balance with the following exhibit.

Footing of Trial Balance, Jan. 13.

List 1	2	3	4	5	6
\$ 4655.75	\$ 4744.25	\$ 4832.75	\$ 4921.25	\$ 5009.75	\$ 5098.25

Form of Practice Ledger

Dr. Th. E. Student Cr. Dr. David Dodge Cr.

		19— Jan. 2	1500			19— Jan. 5	112 65	19— Jan. 3	56 50
						" 13	282 50 395 15		
<i>Aaron Austin</i>									
19— Jan. 9	50	19— Jan. 2	105			<i>Flour</i>			
		" 10	365 50	19— Jan. 2	105	19— Jan. 2	37 20		
		" 12	68 50	" 4	165	" 4	58 05		
			539	" 5	137 50	" 5	45 15		
<i>Benjamin Butler</i>									
19— Jan. 2	37 20	19— Jan. 8	20	" 10	205 50	" 6	49 60		
" 11	206 243 20			" 12	137 750	" 11	156		
				" 13		" 13	195 541		
<i>Cash</i>									
19— Jan. 2	1500	19— Jan. 3	19 50	19— Jan. 4	200	19— Jan. 4	33 75		
" 4	91 80	" 4	365	" 5	300	" 5	67 50		
" 6	184 60	" 8	60	" 10	360 860	" 6	135		
" 8	20	" 9	50	" 11		" 11	225		
" 11	175	" 10	200	" 13		" 13	337 50 798 75		
" 13	56 50	" 12	68 50						
" 13	250 2277 90		763	<i>Dr. Trial Balance Cr.</i>					
<i>Charles H. Curtiss</i>									
		19— Jan. 5	437 50	50	Th. E. Student	1500			
				243 20	Aaron Austin	539			
				2277 90	Benj. Butler	20			
					Cash	763			
					Chas. H. Curtiss	437 50			
<i>Expense</i>									
19— Jan. 3	19 50			79 50	Expense				
" 8	60 79 50			395 15	David Dodge	56 50			
				750	Flour	541			
				860	Corn	798 75			
				4655 75	Equilibrium	4655 75			

Form of Statements

Business Statement, Jan. 13, 19— Losses. Gains.

Flour	Proceeds from Sales	\$ 541.			
	Value of Unsold	280.25			
	Total Proceeds	821.25			
	Cost	750.			
	Gain				71 25
Corn	Proceeds from Sales	\$ 798.75			
	Value of Unsold	150.			
	Total Proceeds	948.75			
	Cost	860.			
	Gain				88 75
Expense	Outlay, Cost	\$ 79.50			
	Inventory, Rent & Coal	66.25			
	Loss		13 25		
	Net Gain*		146 75		
			160 00	160 00	

Financial Statement, Jan. 13, 19— Resources. Liab's.

Flour	Per Inventory	280 25		
Corn	" "	150		
Rent & Coal	" "	66 25		
Cash	Amt. on hand	1514 90		
Aaron Austin	" due him on %		489	
Benj. Butler	" " me "	223 20		
Ch. H. Curtiss	" " him "		437 50	
David Dodge	" " me "	338 65		
Th. E. Student's	Original Investment	\$ 1500.		
" "	Net Gain, as above	146.75		
" "	" Capital		1646 75	
		2573 25	2573 25	

* Italic type in statement indicates red ink.

Itemized Bills — Outgoing

Bill not Received

<i>Benjamin Butler,</i>		HOMEVILLE, (state), <i>January 2, 19—.</i>	
		Bought of TH. E. STUDENT.	
	<i>6 bbls. Extra Flour</i>	@ \$6.20	<i>37 20</i>

Bill Received in Full

<i>S. B. Todd,</i>		HOMEVILLE, (state), <i>January 4, 19—.</i>	
		Bought of TH. E. STUDENT.	
	<i>9 bbls. Super. Flour</i>	@ \$6.45	<i>58 05</i>
	<i>75 bus. Corn</i>	@ .45	<i>33 75</i>
	<i>Received Payment,</i>		
	<i>Th. E. Student</i>		<i>91 80</i>

Bill Received in Part

<i>Benjamin Butler,</i>		HOMEVILLE, (state), <i>January 11, 19—.</i>	
		Bought of TH. E. STUDENT.	
	<i>500 bus. Corn</i>	@ .45	<i>225</i>
	<i>20 bbls. Minn. Flour</i>	@ \$7.80	<i>156</i>
	<i>Cr.</i>		
	<i>By Cash, Jan. 11, 19—</i>		<i>175</i>
			<i>206</i>

Itemized Bills — Incoming

Bill not Received

HOMEVILLE, (state), <i>January 2, 19—.</i>					
<i>Th. E. Student,</i>					
Bought of AARON AUSTIN.					
	<i>20 bbls. Extra Flour</i>	@ \$5.25	105		

Bill Received in Full

HOMEVILLE, (state), <i>January 4, 19—.</i>					
<i>Th. E. Student,</i>					
Bought of W. C. SMITH.					
	<i>500 bus. Corn</i>	@ .40	200		
	<i>30 bbls. Super. Flour</i>	@ \$5.50	165		365
	<i>Received Payment,</i>				
	<i>W. C. Smith</i>				

Bill Received in Part

HOMEVILLE, (state), <i>January 10, 19—.</i>					
<i>Th. E. Student,</i>					
Bought of AARON AUSTIN.					
	<i>30 bbls. Minn Flour</i>	@ \$6.85	205	50	
	<i>900 bus. Corn</i>	@ .40	360		565 50
	<i>Received Cash, Jan. 10, 19—</i>				200
	<i>Balance due</i>				365 50

RECEIPT BOOK

Receipts given for money received should be recorded in the Receipt Book. The stub should be filled out before the receipt is written and detached.

Form of Receipt Book

$\$20^{\frac{00}{100}}$ HOMEVILLE, (state), January 8, 19—
 RECEIVED from Benjamin Butler ~~~~~ Dollars,
 Twenty and $\frac{00}{100}$ ~~~~~
 to apply on account.
 No. 1. Th. E. Student.

$\$56^{\frac{50}{100}}$ HOMEVILLE, (state), January 13, 19—
 RECEIVED from David Dodge ~~~~~ Dollars,
 Fifty-six and $\frac{50}{100}$ ~~~~~
 to apply on account.
 No. 2. Th. E. Student.

$\$4^{\frac{00}{100}}$ HOMEVILLE, (state), January 19, 19—
 RECEIVED from George Howe ~~~~~ Dollars,
 Four and $\frac{00}{100}$ ~~~~~
 for desk room in office to Jan. 31.
 No. 4. Th. E. Student.

Date Jan. 8, 19—
 From Benj. Butler.
 Amt. $\$20^{\frac{00}{100}}$
 For Acct.
 No. 1.

Date Jan. 13, 19—
 From David Dodge.
 Amt. $\$56^{\frac{50}{100}}$
 For Acct.
 No. 2.

Date Jan. 19, 19—
 From George Howe.
 Amt. $\$4^{\frac{00}{100}}$
 For Desk room to Jan. 31.
 No. 4.

Form of Receipts, Incoming

	\$19 ⁵⁰ / ₁₀₀	HOMEVILLE, (state), January 3, 19—.
	RECEIVED FROM <i>Th. E. Student</i> ~~~~~	
	Nineteen and ⁵⁰ / ₁₀₀ ~~~~~ Dollars,	
	for 3 tons coal at \$6 ⁵⁰ / ₁₀₀	
	No.	<i>E. A. Taylor.</i>

	\$50 ⁰⁰ / ₁₀₀	HOMEVILLE, (state), January 9, 19—.
	RECEIVED FROM <i>Th. E. Student</i> ~~~~~	
	Fifty and ⁰⁰ / ₁₀₀ ~~~~~ Dollars,	
	to apply on account.	
	No.	<i>Aaron Austin.</i>

Inventory of Unsold Property, Jan. 13, 19—. List 1

	6 bbls. Extra Flour,	@ \$5.25	31 50		
	39 " Super. "	@ 5.50	214 50		
	5 " Minn. "	@ 6.85	34 25	280 25	
	375 bus. Corn,	@ .40		150	
	2 ¹ / ₂ tons Coal, unused,	@ 6.50	16 25		
	2 ¹ / ₂ mos. Rent, prepaid,	@ 20.	50	66 25	

Note.—These articles are inventoried at cost. Each student will use his own price list in making his inventory.

Instruction.—After the student has prepared the business statement and the financial statement and properly filed them, he may proceed to the "second working," using the day book, journal, ledger, and cash book, as directed on page 61.

After writing the day book, compare the total footing with the footing of the trial balance as shown on page 63, and obtain the teacher's approval of your work.

If the cash book entries are correctly made, the balance on hand Jan. 13 will agree with the amount given in the following table.

Cash on Hand at the Close of Business, January 13, 19—

List 1	2	3	4	5	6
\$1514.90	\$1511.75	\$1508.60	\$1505.45	\$1502.30	\$1499.15

After journalizing, compare the footings of the journal with the footing of the day book, and show your journal to your teacher.

Day Book (Separate)

1

Homeville, Tuesday, January 2, 19—

✓*	I (Student) have this day commenced business with a Cash Capital of — 2 —				1500
✓	Bought of Aaron Austin, on %, 20 bbls. Extra Flour @ \$5.25 — 2 —				105
✓	Sold Benjamin Butler, on %, 6 bbls. Extra Flour @ \$6.20 — 3 —				37 20
✓	Paid E. A. Taylor Cash for 3 tons Coal, delivered Jan. 2, \$6.50 — 4 —				19 50
✓	Bought of W. C. Smith, for Cash, 500 bus. Corn @ .40 30 bbls. Super. Flour @ \$5.50 — 4 —	200	165		365
✓	Sold S. B. Todd, for Cash, 9 bbls. Super. Flour @ \$6.45 75 bus. Corn @ .45 — 5 —	58 05	33 75		91 80
✓	Bought of Chas. H. Curtis, on %, 25 bbls. Super. Flour @ \$5.50 750 bus. Corn @ .40 — 5 —	137 50	300		437 50
✓	Sold David Dodge, on %, 7 bbls. Super. Flour @ \$6.45 150 bus. Corn @ .45 — 6 —	45 15	67 50		112 65
✓	Sold James Dunn, for Cash, 8 bbls. Extra Flour @ \$6.20 300 bus. Corn @ .45 Amount forward,	49 60	135		184 60
					2853 25

* The check marks in this column are placed here *after* each transaction has been journalized. They indicate the journalizing of the transaction.

Day Book (Separate), Continued

Homeville, Monday, January 8, 19—

	Amount forward			* 2853 25
✓	Paid Cash for Rent of store, 3 mos., \$20			60
	8			
✓	Received Cash of Benjamin Butler, on %			20
	9			
✓	Paid Aaron Austin Cash on %			50
	10			
✓	Bought of Aaron Austin			
	30 bbls. Minnehaha Flour @ \$6.85	205	50	
	900 bus. Corn @ .40	360		565 50
	Gave him Cash, in part payment	200		
	Balance on %	365	50	
	11			
✓	Sold Benjamin Butler			
	500 bus. Corn @ .45	225		
	20 bbls. Minn. Flour @ \$7.80	156		381
	Received Cash, in part payment	175		
	Balance on %	206		
	12			
✓	Bought of Aaron Austin			
	20 bbls. Minn. Flour @ \$6.85			137
	Gave him in part payment, Cash	68	50	
	Balance on %	68	50	
	13			
✓	Received Cash of David Dodge, on %			56 50
	13			
✓	Sold David Dodge			
	750 bus. Corn @ .45	337	50	
	25 bbls. Minn. Flour @ \$7.80	195		532 50
✓	Received Cash, in part payment	250		
	Balance on %	282	50	
	Footings			4655 75

* In a Day Book the right-hand money column is called the amount column, and the one at its left is called the item column.

Journal (Separate)

Homeville, Tuesday, January 2, 19—

* 1	Cash		1500		
1		Th. E. Student			1500
		2			
2	Flour		105		
1		Aaron Austin			105
		2			
1	Benjamin Butler		37 20		
2		Flour			37 20
		3			
1	Expense		19 50		
1		Cash			19 50
		4			
2	Corn		200		
2	Flour		165		
1		Cash			365
		4			
1	Cash		91 80		
2		Flour			58 05
2		Corn			33 75
		5			
2	Flour		137 50		
2	Corn		300		
2		Chas. H. Curtiss			437 50
		5			
2	David Dodge		112 65		
2		Flour			45 15
2		Corn			67 50
		6			
1	Cash		184 60		
2		Flour			49 60
2		Corn			135
		Footings forward	2853 25	2853 25	

* The figures in this column are placed here after each entry has been posted. They indicate the page of the ledger on which the entry is posted.

Journal (Separate), Continued

2

Homeville, Monday, January 8, 19—

		Footings forward	*	*
1	Expense		60	
1		Cash		60
		8		
1	Cash		20	
1		Benjamin Butler		20
		9		
1	Aaron Austin		50	
1		Cash		50
		10		
2	Flour		205 50	
2	Corn		360	
1		Cash		200
1		Aaron Austin		365 50
		11		
1	Cash		175	
1	Benjamin Butler		206	
2		Corn		225
2		Flour		156
		12		
2	Flour		137	
1		Cash		68 50
1		Aaron Austin		68 50
		13		
1	Cash		56 50	
2		David Dodge		56 50
		13		
1	Cash		250	
2	David Dodge		282 50	
2		Corn		337 50
2		Flour		195
			4655 75	4655 75

* In a Journal the left-hand money column is called the Dr. column, and the right-hand money column is called the Cr. column.

Open Ledger

1

Th. E. Student

					19— Jan. 2	Cash	1	1500		
<i>Aaron Austin</i>										
19— Jan. 9	Cash	2	50		19— Jan. 2	Flour	1	105		
					" 10	" & Corn	2	365	50	
					" 12	" "	2	68	50	
<i>Benjamin Butler</i>										
19— Jan. 2	Flour	1	37	20	19— Jan. 8	Cash	2	20		
" 11	" & Corn	2	206							
<i>Cash</i>										
19— Jan. 2	Student	1	1500		19— Jan. 3	Expense	1	19	50	
" 4	Sundries	1	91	80	" 4	Sundries	1	365		
" 6	"	1	184	60	" 8	Expense	2	60		
" 8	Benj. Butler	2	20		" 9	A. Austin	2	50		
" 11	Sundries	2	175		" 10	Sundries	2	200		
" 13	David Dodge	2	56	50	" 12	"	2	68	50	
" 13	Sundries	2	250							
<i>Expense</i>										
19— Jan. 3	Cash	1	19	50						
" 8	"	2	60							

2

Open Ledger, Continued

Charles H. Curtiss

					19— Jan.	5 Sundries	1	437	50		
<i>David Dodge</i>											
19— Jan.	5	Sundries	1	112	65	19— Jan.	13	Cash	2	56	50
"	13	"	2	282	50						
<i>Flour</i>											
19— Jan.	2	A. Austin	1	105		19— Jan.	2	Benj. Butler	1	37	20
"	4	Cash	1	165		"	4	Cash	1	58	05
"	5	Ch. H. Curtiss	1	137	50	"	5	David Dodge	1	45	15
"	10	Sundries	2	205	50	"	6	Cash	1	49	60
"	12	"	2	137		"	11	Sundries	2	156	
						"	13	"	2	195	
<i>Corn</i>											
19— Jan.	4	Cash	1	200		19— Jan.	4	Cash	1	33	75
"	5	Ch. H. Curtiss	1	300		"	5	David Dodge	1	67	50
"	10	Sundries	2	360		"	6	Cash	1	135	
						"	11	Sundries	2	225	
						"	13	"	2	337	50

Index Book, for Sets 1 to 3

A	E	I
<i>Austin, Aaron</i> 8, 1 <i>Apples</i> 10	<i>Expense</i> 21, 12, 1 <i>Everett, Ed.</i> 7, 4	<i>Insurance</i> 19, 11 <i>Ingliss & Co.</i> 12
B	F	J
<i>Butler, Benj.</i> 7, 1 <i>Beef</i> 9, 5 <i>Balance</i> 22, 13, 6	<i>Flour</i> 18, 9, 3 <i>Ford, Fred.</i> 11, 5	<i>Jenkins, John</i> 12
C	G	K
<i>Curtiss, Chas. H.</i> 2 <i>Cash</i> 22, 15, 8, 2 <i>Corn</i> 16, 4	<i>Gray & Co.</i> 10	<i>Knight & King</i> 17
D	H	L
<i>Dodge, David</i> 7, 3	<i>Hunt, Henry</i> 9 <i>Homeville Bank</i> 10 22	<i>Loss & Gain</i> 21, 13, 4 <i>Lathrop, Lewis,</i> 12 <i>Lyon, Leonard</i> 17

Index Book, Continued

M	Q	U
<i>Mead, Marion</i> 14 <i>Molasses</i> 20	<i>Quinn & Co.</i> 19	
N	R	V
<i>Norton, Nathan</i> 18	<i>Real Est. Un. St.</i> 11 <i>Real Est. Br. Co.</i> 12 <i>Russell, Ray</i> 20	
O	S	W & X
<i>Olson, Orrin</i> 18 <i>Oats</i> 19	<i>Student, Th. E.</i> 7, 1 14 <i>Sugar</i> 16 <i>Smith, Silas</i> 20	<i>Wheat</i> 14
P	T	Y & Z
<i>Pork</i> 11, 5 <i>Pond, Philip</i> 17	<i>Tyler, Thomas</i> 20	

Cash Book, Left-hand Page

2

DR.

Cash Received

19—						
Jan.	2	Th. E. Student	Invested in Business	1500		
"	4	Flour & Corn	Sold S. B. Todd	91	80	
"	6	" "	" James Dunn Received	184	60	
						1776 40
						1776 40
Jan.	8	Benj. Butler	On Account	20		
"	11	Corn & Flour	Sold Benj. Butler	175		
"	13	David Dodge	On Account	56	50	
"	13	Corn & Flour	Sold David Dodge Received	250		
			Balancee brought down			501 50
						1391 90
						1893 40
Jan.	16	David Dodge	On Account	150		
"	17	Pork & Flour	Sold David Dodge	40		
"	19	Expense	Desk Room, George Howe	4		
"	20	Corn & Beef	Sold Henry Clark	36	15	
"	20	" "	" Charles Dowd Received	49	25	
			Balancee brought down			279 40
						1514 90
						1794 30
Jan.	22	Flour, Pork, & Beef	Sold David Dodge	75		
"	23	Benj. Butler	On Account	250		
"	25	Flour & Beef	Sold Benj. Butler	50		
"	26	Flour, Pork, & Beef	" Edward Everett	75		
"	27	David Dodge	On Account	100		
"	29	" "	" "	100		
"	30	Corn, Flour, & Beef	Sold Henry Burchard Received	402	90	
			Balancee brought down			1052 90
						1456 05
						2508 95

Cash Book, Right-hand Page

3

Cash Paid

CR.

19—						
Jan.	3 Expense	3 tons Coal	\$6.50	19	50	
"	4 Corn & Flour	Bought of W. C. Smith		365		
		Paid				384 50
		Balance on hand				1391 90
						1776 40
Jan.	8 Expense	3 mos. Rent	\$20	60		
"	9 Aaron Austin	On Account		50		
"	10 Corn & Flour	Bought of Aaron Austin		200		
"	12 Flour	" " "		68	50	
		Paid				378 50
		Balance on hand				1514 90
						1893 40
Jan.	16 Ch. H. Curtiss	On Account		175		
"	17 Beef & Flour	Bought of Fred. Ford		150		
"	19 Expense	Drayage, Jas. Leonard		13	25	
		Paid				338 25
		Balance on hand				1456 05
						1794 30
Jan.	22 Beef, Pork, & Corn	Bought of Fred. Ford		250		
"	24 Aaron Austin	On Account		280		
"	27 Ch. H. Curtiss	In full of account		262	50	
		Paid				792 50
		Balance on hand				1716 45
						2508 95

ERRORS AND HOW TO CORRECT THEM

HOW ERRORS MAY ARISE IN POSTING

Unless great care is exercised in posting, some of the following errors may be committed: Posting an item to the wrong account; posting an item to the wrong side of an account; transposing the figures of an item; posting the wrong amount to an account; posting an item a second time from failure to postmark as soon as posted; writing figures in the wrong column, — dollars in the column for cents, or cents in the column for dollars; omitting an item in posting; etc.

HOW TO FIND ERRORS MADE IN POSTING

When the sum of the debits does not equal the sum of the credits, an error exists which must be found and corrected. The only sure way of finding errors is to make a systematic examination of every entry.

The equality of the footings of the two sides of the trial balance is *not a positive proof* of the accuracy of business records, but only a test of the correctness of the posting. Many errors may exist when the two sides of the trial balance are in equilibrium. Amounts may be posted to the right side, but to the wrong account; a Dr. entry and a Cr. entry of equal amounts may be omitted, or a transaction may be "dropped" altogether; a transaction may be posted twice, etc. If, however, the trial balance is not in equilibrium, there is an error which must be found and corrected.

1. Examine the pencil footings in the ledger and ascertain whether they have been correctly transferred to the trial balance.

2. Go carefully over the additions in the ledger, adding in the opposite direction from the original addition.

3. Examine each entry in the journal to see that it is properly posted to the ledger and postmarked, checking (✓) each entry found to be correctly posted.

4. Go carefully over the additions in the journal.

5. Ascertain the amount of the error, and then see if there is an item of equal amount which has not been posted.

6. See if there is an item in the journal or ledger equal to one half the amount of the error, and see whether it has been posted to the wrong side of the account.

7. See if the amount of the error is exactly divisible by 9, for if two adjacent figures have been transposed the difference between digits thus transposed will be equal to the quotient obtained by dividing the difference of the amounts by 9. For instance, if 92 be written 29 the error will be 63, the difference between 92 and 29; 63 divided by 9 is 7, and the difference between the digits 9 and 2 is 7.

HOW TO CORRECT ERRORS WHEN FOUND

When an error is found in the day book, or in any other book of *original entry*, write neatly across the entry the word *Void*, and write a new entry which shall be a correct statement of the transaction and also an explanation of the erroneous entry.

Make no erasures in a book of original entry.

Errors found in the journal should generally be corrected in the same manner as errors found in the day book.

An error in the ledger should be corrected as follows: When an entry has been posted to the wrong account, rule a horizontal *red line* through the center of the erroneous figures, and post the entry to its proper place.

When an item has been duplicated, rule out the incorrect one.

When a wrong amount has been posted, rule out the error and place the correct amount above the error.

CLOSING THE LEDGER

PURPOSE OF CLOSING THE LEDGER

The Purpose of Closing an Account is to determine its net result. The net result shown by a financial account is a resource or a liability. The net result shown by a business account is a loss or a gain. The net result shown by a proprietary account is the net investment in the business or the net deficiency.

The Purpose of Closing Financial Accounts is to determine the financial standing of the business; in other words, what the business is worth.

The Purpose of Closing Business Accounts is to determine the current condition of the business; in other words, to ascertain the prosperity or the adversity of the business.

The Purpose of Closing Proprietary Accounts is to determine the relation of the owner or the owners to the business.

The net result obtained in closing financial accounts, combined with the inventories, must be the same as the net result obtained in closing proprietary accounts, both exhibiting the net worth or the net insolvency of the business.

PROCESS OF CLOSING THE LEDGER, CURRENT FORM

1. **Take the Trial Balance.** — The ledger is said to be in balance when the sum of all the Dr. items is equal to the sum of all the Cr. items.

To ascertain whether the ledger is in balance, it is customary, and always proper, to prepare a statement called a Trial Balance.

A Trial Balance is a list of the open accounts of the ledger with all

the Dr. footings or Dr. balances in one column, and all the Cr. footings or Cr. balances in another column.

The footings of the two columns of the trial balance must be equal before commencing to close the ledger.

2. **Prepare the Inventory.** — Not all the resources and liabilities of a business are recorded in the financial accounts. Many, such as merchandise, real estate, interest, etc., are entered in business accounts, but are all the time changing in amount or value. It is necessary, therefore, before closing the ledger, to ascertain the exact value of all property entered in business accounts, and also to ascertain whether there are any resources or liabilities which have not been entered on the ledger. This operation is called "taking stock," or "making an inventory."

3. **Close Financial Accounts.** — To close a financial account when the footings of the two sides are equal, rule a *single red line* underneath the items across the money columns on the same level; write the footings on the faint line below, and then rule a *double red line* underneath, extending across all the columns except the wide explanation column.

When the footings of the two sides are unequal, enter upon the smaller side, in *red ink*, the difference between the footings, together with the date of closing, the word *Balance*, and the page to which the balance will be transferred.

Rule as before, a *single red line* underneath the items, and a *double red line* underneath the written, equal footings.

Bring the balance forward, in *black ink*, to the opposite side of the same account, underneath the double red line, and thus restore the equilibrium of the debits and credits in the ledger.

When there is but one item on either side of the account, and these two items are equal, the single red line and footings are omitted, and the double red line is drawn just under the items.

When there are more items on one side of the account than on the other, a *diagonal red line* may be drawn across the explanation column. See pages 84 and 85.

4. **Open a Loss and Gain Account** into which all losses and gains shown in the business accounts may be transferred.

5. **Close Business Accounts.** — To close a business account when there is no inventory belonging to it, enter upon the smaller side, in *red ink*, the difference between the footings, and in *black ink* transfer this difference to the opposite side of the Loss and Gain account.

Rule according to the foregoing directions.

In case of an inventory showing a *resource*, credit the account, in *red ink*, with the amount of the resource *before* closing the account into Loss and Gain. Rule as before, and bring the resource forward to the Dr. side of the same account, underneath the double ruling.

In case of an inventory showing a *liability*, debit the account, in *red ink*, with the amount of the liability *before* closing the account into Loss and Gain. Rule as before, and bring the liability forward to the Cr. side of the same account, underneath the double ruling.

The Dr. side of the Loss and Gain account will now show the *losses* of the business, and the Cr. side will show the *gains* of the business. The difference between the footings will show the *net loss* or the *net gain* of the business.

6. **Close Loss and Gain Account.** — Enter upon the smaller side of Loss and Gain account, in *red ink*, the difference between the footings, and in *black ink* transfer this difference to the opposite side of the proprietor's account, or in proper proportions to the partners' accounts if the business be that of joint proprietors. The proprietor's account will now show his present interest in the business, or the partners' accounts will show their individual interests in the business.

7. **Close Proprietary Account.** — Enter upon the smaller side of the proprietor's account (or partners' accounts), in *red ink*, the difference between the footings, together with the date of closing and the page to which the balance will be transferred.

Rule as before, a *single red line* underneath the items, and a *double red line* underneath the written, equal footings.

Bring the balance forward in *black ink* to the opposite side of the same account, underneath the double red line, and the ledger should be in balance.

8. A **Second Trial Balance** should now be taken of all the balances brought forward into the reopened accounts.

PROCESS OF CLOSING THE LEDGER, FULL OR FINAL FORM

1. Take the trial balance and prepare the inventory as in current closing.

2. **Close Financial Accounts.** — Close the financial accounts as in current closing, but bring the balance forward in black ink to the opposite side of the Balance account in the ledger. Rule the account as in current closing.

3. **Close Business Accounts.** — Close the business accounts as in current closing, but bring the inventories forward in black ink to the opposite side of the Balance account in the ledger. Rule the accounts as in current closing.

4. Close Loss and Gain account as in current closing.

5. **Close Proprietary Accounts.** — Close the proprietary accounts as in current closing, but bring the balance forward in black ink to the opposite side of the Balance account in the ledger. The Balance account should now be in balance.

Ledger Closed, Current Form

1

Th. E. Student

19— Jan.	13	Balance	1	1646	75	19— Jan.	2	Cash	1	1500	
							"	13	Loss & Gain	2	146 75
				1646	75						1646 75
						Jan.	15	Balance	1	1646	75

Aaron Austin

19— Jan.	9	Cash	2	50		19— Jan.	2	Flour	1	105	
"	13	Balance	1	489		"	10	" & Corn	2	365	50
						"	12	" "	2	68	50
				539	00						539 00
						Jan.	15	Balance	1	489	

Benjamin Butler

19— Jan.	2	Flour	1	37	20	19— Jan.	8	Cash	2	20	
"	11	" & Corn	2	206		"	13	Balance	1	223	20
				243	20						243 20
Jan.	15	Balance	1	223	20						

Cash

19— Jan.	2	Student	1	1500		19— Jan.	3	Expense	1	19	50
"	4	Sundries	1	91	80	"	4	Sundries	1	365	
"	6	"	1	184	60	"	8	Expense	2	60	
"	8	Benj. Butler	2	20		"	9	A. Austin	2	50	
"	11	Sundries	2	175		"	10	Sundries	2	200	
"	13	David Dodge	2	56	50	"	12	"	2	68	50
"	13	Sundries	2	250		"	13	Balance	1	1514	90
				2277	90						2277 90
Jan.	15	Balance	1	1514	90						

Expense

19— Jan.	3	Cash	1	19	50	19— Jan.	13	Bal., Invt.	1	66	25
"	8	"	2	60		"	13	Loss & Gain	2	13	25
				79	50						79 50
Jan.	15	Balance	1	66	25						

Ledger Closed, Current Form, Continued

Charles H. Curtiss

					19— Jan. 5	Sundries	1	437	50
<i>David Dodge</i>									
19— Jan. 5	Sundries	1	112	65	19— Jan. 13	Cash	2	56	50
" 13	"	2	282	50	" 13	Balance	2	338	65
			395	15				395	15
Jan. 15	Balance	2	338	65					
<i>Flour</i>									
19— Jan. 2	A. Austin	1	105		19— Jan. 2	Benj. Butler	1	37	20
" 4	Cash	1	165		" 4	Cash	1	58	05
" 5	Ch. H. Curtiss	1	137	50	" 5	David Dodge	1	45	15
" 10	Sundries	2	205	50	" 6	Cash	1	49	60
" 12	"	2	137		" 11	Sundries	2	156	
" 13	Loss & Gain	2	71	25	" 13	"	2	195	
			821	25	" 13	Bal., Invt.	2	280	25
			821	25				821	25
Jan. 15	Balance	2	280	25					
<i>Corn</i>									
19— Jan. 4	Cash	1	200		19— Jan. 4	Cash	1	33	75
" 5	Ch. H. Curtiss	1	300		" 5	David Dodge	1	67	50
" 10	Sundries	2	360		" 6	Cash	1	135	
" 13	Loss & Gain	2	88	75	" 11	Sundries	2	225	
			948	75	" 13	"	2	337	50
			948	75	" 13	Bal., Invt.	2	150	
Jan. 15	Balance	2	150	00					
<i>Loss & Gain</i>									
19— Jan. 13	Expense	1	13	25	19— Jan. 13	Flour	2	71	25
" 13	Th. E. Student	1	146	75	" 13	Corn	2	88	75
			160	00				160	00

FIRST SET.—MEMORANDA OF TRANSACTIONS, *Continued*

Instructions.—In recording the following transactions in the various books, and in making out the vouchers, the pupil will observe the instructions given on page 61, using the same price lists in buying and selling, and the same buying list in taking the inventory.

The posting will be done under the same ledger headings as in the first half of the month, the same accounts being continued.

In closing the ledger use the full or final form of closing. See page 83.

Then make two balance sheets, one for the business to Jan. 15, and the other from Jan. 15 to Jan. 31. See pages 94, 95, and 96.

Homeville, Monday, Jan. 15, 19—. Sold Edward Everett, on credit, 3 bbls. superfine flour, at \$? ; 75 bus. corn, at ? ¢ ; total, \$? .

Jan. 15. Bought of Frederic Ford, on credit, 8 bbls. mess beef, at \$? ; 10 bbls. prime pork, at \$? ; total, \$? .

Jan. 16. Received \$ 150 cash of David Dodge on account.

Jan. 16. Paid Charles H. Curtiss \$ 175 cash, on account.

Jan. 17. Bought of Frederic Ford 10 bbls. mess beef, at \$? ; 15 bbls. Minnehaha flour, at \$? ; total, \$? . Gave him \$ 150 cash, in part payment; balance on account, \$? .

Jan. 17. Sold David Dodge 3 bbls. prime pork, at \$? ; 6 bbls. extra flour, at \$? ; total, \$? . Received \$ 40 cash, in part payment; balance, \$? , on account.

Jan. 18. Sold Edward Everett, on credit, 5 bbls. mess beef, at \$? ; 100 bus. corn, at ? ¢ ; total, \$? .

Jan. 19. Sold David Dodge, on credit, 6 bbls. superfine flour, at \$? ; 2 bbls. prime pork, at \$? ; total, \$? .

Jan. 19. Paid James Leonard \$ 13.25 cash, for drayage to date.

Jan. 19. Received \$ 4 cash, of George Howe, for desk room in office.

Jan. 20. Sold Henry Clark, for cash, 50 bus. corn, at ? ¢ ; 1 bbl. mess beef, at \$? ; total, \$? .

Jan. 20. Sold Charles Dowd, for cash, 2 bbls. prime pork, at \$? ; 3 bbls. superfine flour, at \$? ; total, \$? .

Jan. 22. Bought of Frederic Ford 15 bbls. mess beef, at \$? ; 15 bbls. prime pork, at \$? ; 500 bus. corn, at ? ¢ ; total, \$? . Gave him \$ 250 cash, in part payment; balance, \$? , on account.

Jan. 22. Sold David Dodge 5 bbls. superfine flour, at \$? ; 4 bbls. prime pork, at \$? ; 3 bbls. mess beef, at \$? ; total, \$? . Received \$ 75 cash, in part payment; balance, \$? , on account.

Jan. 23. Sold Benjamin Butler, on credit, 2 bbls. prime pork, at \$? ; 1 bbl. mess beef, at \$? ; 3 bbls. superfine flour, at \$? ; total, \$? .

Jan. 23. Received \$ 250 cash of Benjamin Butler, on account.

Jan. 24. Paid Aaron Austin \$ 280 cash, to apply on his account.

Jan. 25. Sold Benj. Butler 4 bbls. superfine flour, at \$? ; 4 bbls. Minnehaha flour, at \$? ; 2 bbls. mess beef, at \$? ; total, \$? . Received \$ 50 cash, in part payment; balance on account, \$? .

Jan. 26. Sold Edward Everett 5 bbls. Minnehaha flour, at \$? ; 3 bbls. superfine flour, at \$? ; 3 bbls. prime pork, at \$? ; 2 bbls. mess beef, at \$? ; total, \$? . Received cash, \$ 75, in part payment; balance, \$? , on account.

Jan. 27. Received cash, \$ 100, of David Dodge, on account.

Jan. 27. Paid Charles H. Curtiss cash in full of account, \$? .

Jan. 29. Received cash of David Dodge, \$ 100, to apply on account.

Jan. 30. Sold Henry Burchard, for cash, 650 bus. corn, at ? ¢ ; 2 bbls. superfine flour, at \$? ; 2 bbls. Minnehaha flour, at \$? ; 6 bbls. mess beef, at \$? ; total, \$? .

Vouchers used in First Set, Jan. 15 to Jan. 31

Receipts

Incoming

Jan. 16, From Charles H. Curtiss.
 " 19, " James Leonard.
 " 24, " Aaron Austin.
 " 27, " Charles H. Curtiss.

Outgoing

Jan. 16, To David Dodge.
 " 19, " George Howe.
 " 23, " Benjamin Butler.
 " 27, " David Dodge.
 " 29, " " "

Bills Received in Full

Outgoing

Jan. 20, To Henry Clark.
 " 20, " Charles Dowd.
 " 30, " Henry Burchard.

Bills Received in Part

Incoming

Jan. 17, From Frederic Ford.
 " 22, " " "

Outgoing

Jan. 17, To David Dodge.
 " 22, " " "
 " 25, " Benjamin Butler.
 " 26, " Edward Everett.

Bills not Received

Incoming

Jan. 15, From Frederic Ford.

Outgoing

Jan. 15, To Edward Everett.
 " 18, " " "
 " 19, " David Dodge.
 " 23, " Benjamin Butler.

Inventory of Unsold Property, Jan. 31, 19—. List 1

10 bbls. Superfine Flour	\$ 5.50	55		
9 " Minnehaha "	6.85	61 65	116 65	
13 " Mess Beef	12.25		159 25	
9 " Prime Pork	13.50		121 50	
2 tons Coal, unused	6.50	13		
2 mos. Rent, prepaid	20.00	40	53	

Footing of Day Book and Journal, Jan. 31, 19—

List 1	2	3	4	5	6
\$ 3595.25	\$ 3646.75	\$ 3698.25	\$ 3749.75	\$ 3801.25	\$ 3852.75

Footing of Trial Balance, Jan. 31, 19—

List 1	2	3	4	5	6
\$ 5731.00	\$ 5801.00	\$ 5877.00	\$ 5950.00	\$ 6023.00	\$ 6096.00

Cash on Hand, Jan. 31, 19—

List 1	2	3	4	5	6
\$ 1716.45	\$ 1711.85	\$ 1707.25	\$ 1702.65	\$ 1698.05	\$ 1693.45

Closed Ledger, Full or Final Form

Th. E. Student, Proprietor

19— Jan. 13	Balance	1	1646 75	19— Jan. 2	Cash	1	1500
				" 13	Loss & Gain	4	146 75
			1646 75				1646 75
Jan. 31	Balance	6	1762 90	Jan. 15	Balance	1	1646 75
				" 31	Loss & Gain	4	116 15
			1762 90				1762 90

Aaron Austin

19— Jan. 9	Cash	2	50	19— Jan. 2	Flour	1	105
" 13	Balance	1	489	" 10	" & Corn	2	365 50
				" 12	" "	2	68 50
			539 00				539 00
Jan. 24	Cash	5	280	Jan. 15	Balance	1	489
" 31	Balance	6	209				
			489 00				489 00

Benjamin Butler

19— Jan. 2	Flour	1	37 20	19— Jan. 8	Cash	2	20
" 11	" & Corn	2	206	" 13	Balance	1	223 20
			243 20				243 20
Jan. 15	Balance	1	223 20	Jan. 23	Cash	5	250
" 23	Sundries	4	62 90	" 31	Balance	6	70 40
" 25	"	5	34 30				
			320 40				320 40

Charles H. Curtiss

19— Jan. 16	Cash	3	175	19— Jan. 5	Sundries	1	437 50
" 27	"	5	262 50				
			437 50				437 50

Closed Ledger, Full Form, Continued

Cash

19— Jan.	2	Student	1	1500	19— Jan.	3	Expense	1	19	50	
"	4	Sundries	1	91	80	"	4	Sundries	1	365	
"	6	"	1	184	60	"	8	Expense	2	60	
"	8	Benj. Butler	2	20		"	9	A. Austin	2	50	
"	11	Sundries	2	175		"	10	Sundries	2	200	
"	13	David Dodge	2	56	50	"	12	"	2	68	50
"	13	Sundries	2	250		"	13	Balance	2	1514	90
				2277	90					2277	90
Jan.	15	Balance	2	1514	90	Jan.	16	Ch. H. Curtiss	3	175	
"	16	David Dodge	3	150		"	17	Sundries	3	150	
"	17	Sundries	3	40		"	19	Expense	3	13	25
"	19	Desk Room	4	4		"	22	Sundries	4	250	
"	20	Sundries	4	36	15	"	24	A. Austin	5	280	
"	20	"	4	49	25	"	27	Ch. H. Curtiss	5	262	50
"	22	"	4	75		"	31	Balance	6	1716	45
"	23	Benj. Butler	5	250							
"	25	Sundries	5	50							
"	26	"	5	75							
"	27	David Dodge	5	100							
"	29	"	5	100							
"	30	Sundries	5	402	90						
				2847	20					2847	20

Expense

19— Jan.	3	Cash	1	19	50	19— Jan.	13	Balance, Invt.	2	66	25
"	8	"	2	60		"	13	Loss & Gain	4	13	25
				79	50					79	50
Jan.	15	Balance	2	66	25	Jan.	19	Cash	4	4	
"	19	Cash	3	13	25	"	31	Balance, Invt.	6	53	
				79	50	"	31	Loss & Gain	4	22	50
				79	50					79	50

Closed Ledger, Full Form, Continued

3

David Dodge

19—	Jan.	5	Sundries	1	112	65	19—	Jan.	13	Cash	2	56	50
	"	13	"	2	282	50		"	13	Balance	3	338	65
					395	15						395	15
	Jan.	15	Balance	3	338	65		Jan.	16	Cash	3	150	
	"	17	Sundries	3	42	05		"	27	"	5	100	
	"	19	"	3	68	60		"	29	"	5	100	
	"	22	"	4	58			"	31	Balance	6	157	30
					507	30						507	30

Flour

19—	Jan.	2	A. Austin	1	105		19—	Jan.	2	Benj. Butler	1	37	20
	"	4	Cash	1	165			"	4	Cash	1	58	05
	"	5	Ch. H. Curtis	1	137	50		"	5	David Dodge	1	45	15
	"	10	Sundries	2	205	50		"	6	Cash	1	49	60
	"	12	"	2	137			"	11	Sundries	2	156	
	"	13	Loss & Gain	4	71	25		"	13	"	2	195	
					821	25		"	13	Balance, Invt.	3	280	25
												821	25
	Jan.	15	Balance	3	280	25		Jan.	15	Ed. Everett	3	19	35
	"	17	Sundries	3	102	75		"	17	Sundries	3	37	20
	"	31	Loss & Gain	4	43	70		"	19	David Dodge	3	38	70
					426	70		"	20	Cash	4	19	35
								"	22	Sundries	4	32	25
								"	23	Benj. Butler	4	19	35
								"	25	Sundries	5	57	
								"	26	"	5	58	35
								"	30	Cash	5	28	50
								"	31	Balance, Invt.	6	116	65
					426	70						426	70

Closed Ledger, Full Form, Continued

4

Corn

19— Jan. 4	Cash	1	200	19— Jan. 4	Cash	1	33	75	
" 5	Ch. H. Curtiss	1	300	" 5	David Dodge	1	67	50	
" 10	Sundries	2	360	" 6	Cash	1	135		
" 13	Loss & Gain	4	88	75	" 11	Sundries	2	225	
				" 13	"	2	337	50	
				" 13	Balance, Invt.	4	150		
								948	75
								948	75
Jan. 15	Balance	4	150	Jan. 15	Ed. Everett	3	33	75	
" 22	Sundries	4	200	" 18	"	3	45		
" 31	Loss & Gain	4	43	75	" 20	Cash	4	22	50
				" 30	"	5	292	50	
								393	75
								393	75

Loss & Gain

19— Jan. 13	Expense	2	13	25	19— Jan. 13	Flour	3	71	25
" 13	Th. E. Student	1	146	75	" 13	Corn	4	88	75
								160	00
Jan. 31	Expense	2	22	50	Jan. 31	Flour	3	43	70
" 31	Th. E. Student	1	116	15	" 31	Corn	4	43	75
				" 31	Mess Beef	5	28		
				" 31	Prime Pork	5	23	20	
								138	65
								138	65

Edward Everett

19— Jan. 15	Sundries	3	53	10	19— Jan. 31	Balance	6	221	85
" 18	"	3	113	25					
" 26	"	5	55	50					
								221	85
								221	85

Closed Ledger, Full Form, Continued

Mess Beef

19— Jan.	15	Fred. Ford	3	98	19— Jan.	18	Ed. Everett	3	68	25	
"	17	Sundries	3	122	50	"	20	Cash	4	13	65
"	22	"	4	183	75	"	22	Sundries	4	40	95
"	31	Loss & Gain	4	28	"	23	Benj. Butler	4	13	65	
					"	25	Sundries	5	27	30	
					"	26	"	5	27	30	
					"	30	Cash	5	81	90	
					"	31	Balance, Invt.	6	159	25	
				432	25				432	25	

Prime Pork

19— Jan.	15	Fred. Ford	3	135	19— Jan.	17	Sundries	3	44	85	
"	22	Sundries	4	202	50	"	19	David Dodge	3	29	90
"	31	Loss & Gain	4	23	20	"	20	Cash	4	29	90
					"	22	Sundries	4	59	80	
					"	23	Benj. Butler	4	29	90	
					"	26	Sundries	5	44	85	
					"	31	Balance, Invt.	6	121	50	
				360	70				360	70	

Frederic Ford

19— Jan.	31	Balance	6	644	50	19— Jan.	15	Sundries	3	233
					"	17	"	3	75	25
					"	22	"	4	336	25
				644	50				644	50

6

Closed Ledger, Full Form, Continued

Balance

19— Jan.	31	Benj. Butler	1	70 40	19— Jan.	31	A. Austin	1	209
"	31	Cash	2	1716 45	"	31	Fred. Ford	5	644 50
"	31	Expense	2	53	"	31	T. E. Student	1	1762 90
"	31	David Dodge	3	157 30					
"	31	Flour	3	116 65					
"	31	Ed. Everett	4	221 85					
"	31	Mess Beef	5	159 25					
"	31	Prime Pork	5	121 50					
				2616 40					2616 40

Trial Balance, Jan. 31. List 1

Face of Ledger		Titles of Accounts		D.	Balances	
	1646 75		Th. E. Student	1		1646 75
280	489		Aaron Austin	1		209
320 40	250		Benjamin Butler	1	70 40	
2847 20	1130 75		Cash	2	1716 45	
79 50	4		Expense	2	75 50	
507 30	350		David Dodge	3	157 30	
383	310 05		Flour	3	72 95	
350	393 75		Corn	4		43 75
221 85			Edward Everett	4	221 85	
404 25	273		Mess Beef	5	131 25	
337 50	239 20		Prime Pork	5	98 30	
	644 50		Frederic Ford	5		644 50
5731 00	5731 00		Equilibrium		2544 00	2544 00

THE BALANCE SHEET

The form of balance sheet on the opposite page is both comprehensive and simple. It is a combination of the business statement and the financial statement, and will afford the student excellent practice in arranging the general results of business.

HOW TO PREPARE A BALANCE SHEET

1. Rule a sheet of paper to correspond to the form on the opposite page. The paper should be wide enough for three double money columns, one single money column, page column, and account titles. (*a*) Ascertain from the trial balance the number of lines required for the open accounts, and add six lines for the headings and the footings. (*b*) Rule the border line to inclose the balance sheet. (*c*) Rule the vertical triple lines so that the double money columns may be at least $1\frac{1}{2}$ inches wide. (*d*) Rule the double headline 2 spaces below the top border. (*e*) Rule the single sub-headline across the double money columns. (*f*) Rule the double \$ lines from the sub-headline to the base border. (*g*) Rule the single ¢ lines from the headline to the base border, giving about $\frac{1}{4}$ inch to the cents' column. (*h*) Rule the single vertical line for the page column.

2. Write the trial balance or "face of the ledger," using the first double money column for the amounts.

3. Write the inventories in the inventory column, and extend each one to the proper financial column.

4. Extend the amount of cash on hand to the resource column.

5. Extend the amounts due the concern on personal accounts to the resource column.

6. Extend the amounts due others on personal accounts to the liability column.

7. Extend the gains in the business accounts to the gain column, and the losses to the loss column.

8. Ascertain the net gain or the net loss, and write the amount in red ink in the loss column if it be a gain, or in the gain column if it be a loss.

9. Write the equal footings of the business accounts columns on the proper line.

10. Ascertain the standing of the concern and write the amount in red ink in the liability column if it be a net capital, or in the resource column if it be a net insolvency.

11. Write the equal footings of the financial columns on the proper line.

12. Rule a single line above the footings and a double line below.

Balance Sheet, January 13. List 1

Th. S. Student's Balance Sheet, January 13, 19__

Open Accounts Jan. 13, 19__	L. No.	Trial Balance		Drawings	Business Accounts		Financial Accounts		
		Dr.	Cr.		Loans	Savings	Reserves	Liabilities	
Th. S. Student	1		1500						
Cash	2	2277 90	763				1514 90		
Avon Quatin	1	50	539						489
Benj. Butler	1	243 20	20				223 20		
Ch. H. Curtis	1		437 50						437 50
David Dodge	3	395 15	56 50				338 65		
Flour	3	750	541	280 25		71 25	280 25		
Corn	4	860	798 75	150		88 75	150		
Expenses	2	79 50		66 25			66 25		
Net Gain									
Net Capital				146 75					146 75
Orig. Capital		\$1500.00							
Net Gain		146.75							
Draw. Capital		<u>\$1646.75</u>							
		4655 75	4655 75			160 00	160 00	2573 25	2573 25

Balance Sheet, List 1, Set 1

Th. E. Student's Balance, January 31, 19—.

Open Accounts Jan. 31, 19—	L. P.	Trial Balance		Inven- tories	Business Accounts		Financial Accounts		
		Dr.	Cr.		Losses	Gains	Resources	Liabilities	
Th. E. Student	1		1646 75						
Aaron Austin	1	280	489					70 40	209
Benjamin Butler	1	320 40	250					1716 45	
Cash	2	2847 20	1130 75					53	
Expense	2	79 50	4	53		22 50			
David Dodge	3	507 30	350				43 70	157 30	
Flour	3	383	310 05	116 65			43 75	116 65	
Corn	4	350	393 75						
Edward Everett	4	221 85						221 85	
Mess Beef	5	404 25	273	159 25		28		159 25	
Prime Pork	5	337 50	239 20	121 50		23 20		121 50	
Frederic Ford	5		644 50						644 50
Net Gain						116 15			
Net Capital		5731 00	5731 00			138 65	138 65	2616 40	1762 90
Investment			\$1646.75						
Net Gain			116.15						
Net Capital			1762.90						

SECOND SET.—TH. E. STUDENT, SOLE PROPRIETOR

The Object of this Set is to furnish material for additional practice in making daybook records, journalizing, posting, taking trial balances, making statements, ledger closing, and preparing balance sheets.

Characteristics. — Continuing business with a net capital consisting of various kinds of resources and liabilities; buying and selling several kinds of merchandise, for cash and on credit; receiving and paying cash on account; realizing a gain and closing with a net capital.

Books Used. — Practice ledger (for preparatory work); daybook, journal, and ledger as principal books; and cash book, receipt book, and check book as auxiliary books.

Business Forms Used. — Bills of parcels, receipts, checks, inventories, business statements, financial statements, and balance sheets.

Place of Business. — The same as adopted in the first set, the student using his own name as proprietor of the business.

Ledger Titles and Number of Lines Each will require. — Th. E. Student, 11; Benjamin Butler, 9; Edward Everett, 7; David Dodge, 7; Cash, 30; Aaron Austin, 4; Flour, 13; Mess Beef, 12; Henry Hunt, 9; Homeville Bank, 17; Apples, 10; Gray & Co., 6; Prime Pork, 11; Frederic Ford, 6; Insurance, 10; Real Estate, Union St., 7; Expense, 10; Ingless & Co., 7; Real Estate, Brown Co., 4; Lewis Lathrop, 4; John Jenkins, 6; Loss and Gain, 13; Balance, 14.

Price Lists. — The student will continue to use the same price lists for buying and selling as were assigned to him in the first set.

Buying Price Lists

Articles Bought	Per	1	2	3	4	5	6
Flour, Superfine,	dbl.	5 50	5 55	5 60	5 65	5 70	5 75
“ Minnehaha,	“	6 85	6 90	6 95	7	7 05	7 10
Mess Beef,	“	12 25	12 30	12 35	12 40	12 45	12 50
Prime Pork,	“	13 50	13 55	13 60	13 65	13 70	13 75
Apples,	“	3 20	3 25	3 30	3 35	3 40	3 45

Selling Price Lists

Articles Sold	Per	1	2	3	4	5	6
Flour, Superfine,	dbl.	6 45	6 50	6 55	6 60	6 65	6 70
“ Minnehaha,	“	7 80	7 85	7 90	7 95	8	8 05
Mess Beef,	“	13 65	13 70	13 75	13 80	13 85	13 90
Prime Pork,	“	14 95	15	15 05	15 10	15 15	15 20
Apples,	“	3 70	3 75	3 80	3 85	3 90	3 95

Preparing Price List. — The student should make a copy of the lists assigned to him in the form shown on page 61.

GENERAL DIRECTIONS FOR WORKING SECOND SET

First Working.—1. Make out all bills of parcels to Feb. 15. See pages 66 and 67.

2. Write in the receipt book all receipts given out, and on blanks all receipts from other parties. See pages 68 and 69.

3. Write in the check book all checks issued, and on blanks all checks received from other parties. See pages 104 and 105.

4. Prepare deposit slips and write the bank pass book. See page 105.

5. Analyze each transaction to Feb. 15, using the practice ledger in which to record the work; and take a trial balance of the practice ledger. See page 64.

6. Prepare an inventory of unsold property. See page 100.

7. Prepare the business statement and the financial statement. See page 101.

Second Working.—1. Record all transactions to Feb. 15 in the day book, and all cash transactions in the cash book, writing the day book entry first in each case. Balance the cash book Feb. 6 and Feb. 14. See pages 102, 78, and 79.

2. Write the journal to Feb. 15, and rule the pages.

3. Post to the ledger all journal entries to Feb. 15.

4. Take a trial balance.

5. Close the ledger in current form, and rule the ledger.

6. Prepare a balance sheet of the business to Feb. 15.

After the work to Feb. 15 has been inspected and approved by the teacher, the transactions of the last half of the month should be written up in the same way, except that the ledger should be closed in the full or final form.

MEMORANDA OF TRANSACTIONS

Homeville, Thursday, Feb. 1, 19—. Opened a new set of books with the following resources and liabilities, taken from my balance sheet:

Resources: Cash on hand, \$?; claim against Benjamin Butler, \$?; claim against David Dodge, \$?; claim against Edward Everett, \$?; flour on hand, per inventory, \$?; mess beef on hand, per inventory, \$?; prime pork on hand, per inventory, \$?; coal on hand, per inventory, \$?; unexpired rent, \$?; total, \$?.

Liabilities: Aaron Austin's claim against me, \$?; Frederic Ford's claim against me, \$?; total, \$?.

Note 1.—The items given in the foregoing statement of resources and liabilities are taken from the balance sheet of the first set, Jan. 31, 19—. The pupil will use the corresponding items of his balance sheet, and should be careful to use the same price lists for buying and for selling which he used in the January business.

Note 2.—The pupil will write the cash entries involved in each transaction in the cash book before recording a subsequent transaction in the day book.

Note 3.—In opening the new journal make each resource Dr. for its proper amount, and the proprietor, Th. E. Student, Cr. for the sum of the resources invested. Make Th. E. Student Dr. for the sum of the liabilities, and each liability Cr. for its proper amount.

Note 4.—The first two journal entries could have been combined, forming one entry, by making each resource Dr. for its respective amount, each of the liabilities Cr. for its respective amount, and Th. E. Student Cr. for the difference between the sum of the resources and the sum of the liabilities. The net capital of the business would then appear in one amount, opposite the proprietor's name. The author favors the form given in the illustration. See page 103.

Feb. 1. Opened an account with the Homeville Bank and deposited \$1600 cash.

See journal entry, page 103.

Feb. 1. Insured my stock of Mdse. for \$500 at a premium of 2%, \$?; policy, \$1; total, \$?; paid for the same per check, favor Gale & Rust, insurance agents.

Note.—It has cost the business \$11 for insuring Mdse. Insurance is Dr. for the cost, and Homeville Bank is Cr. for the check drawn in payment. See journal, page 103.

Feb. 2. Received from the executor of my deceased father's estate, a deed of lot No. 86 Union St. and a 3-story store thereon, and invested the same in the business; value, \$7500.

Note.—As the proprietor invests this property in the business, it is entered as a resource by making Real Estate account Dr. for its estimated value; the proprietor's account is Cr. for the additional investment. See journal, page 103.

Feb. 2. Procured insurance in the Germania Fire Ins. Co. for \$5000 on my 3-story store, No. 86 Union St., for one year, at $1\frac{1}{2}\%$ premium, \$?; policy, \$1; premium and policy paid for per check, \$?, favor Gale & Rust.

Feb. 2. Received David Dodge's check on Park Bank for \$50, on account.

Note.—Cash is Dr. for the face value of another person's check received and held by us; David Dodge is Cr.

Feb. 3. Paid Frederic Ford \$150 on account, per check.

Feb. 5. Received from Benjamin Butler \$50, to apply on account, per check on Fidelity Bank.

Feb. 5. Bought of Gray & Co. 75 bbls. Michigan apples at \$?; gave them in part payment my check for \$100; balance on account.

Feb. 6. Paid Aaron Austin \$? in full of account, per check.

Feb. 6. Sold Henry Hunt 3 bbls. Minnehaha flour, at \$?; 4 bbls. mess beef, at \$?; total, \$?; received his check on Park Bank for \$25; balance on account.

Feb. 6. Deposited all checks on hand in the Homeville Bank. Dodge's check, \$?; Butler's check, \$?; Hunt's check, \$?; total, \$?.

Note.—These checks having been considered as cash, Homeville Bank becomes Dr. for amount deposited, and cash Cr. for the same. The checks are indorsed by the proprietor, Th. E. Student, before they are received by the bank as a deposit. The indorsement on the back of the checks is evidence of the transfer of ownership. See page 125. To avoid multiplicity of entries in this work, deposits are made once a week; but in actual business every check should be deposited the day it is received, or the following day.

Feb. 7. Received check on Traders' Bank for \$75, to apply on account of Edward Everett.

Feb. 7. Sold Ingless & Co. 3 bbls. superfine flour, at \$?; 4 bbls. mess beef, at \$?; total, \$?; received their check on Traders' Bank for \$25 in part payment; balance, \$?, on account.

Feb. 8. Received David Dodge's check on Park Bank for \$?, in full of account.

Feb. 9. Received Edward Everett's check for \$?, in full of account.

Feb. 9. Bought of John Jenkins 5 acres of land at Elba, Brown Co., at \$65, \$?; paid him per certified check, as "earnest money," \$25; balance to be paid on receipt of deed.

Note.—"Earnest money" is money paid by the buyer to the seller as a token or pledge "to bind the bargain" and "prove the sale." It is a part payment of the price.

Note.—A "certified" check is one which bears on its face an indorsement made by an officer of the bank upon which the check is drawn, stating or certifying that it is "Good." This certification signed by the officer of the bank assures the holder of the check that a sufficient amount of the depositor's funds will be retained in the bank to pay the check when it is presented.

Feb. 10. Paid Frederic Ford \$? per check, in full of account.

Feb. 10. Sold Henry Hunt 2 bbls. Minnehaha flour, at \$?; 3 bbls. mess beef, at \$?; total, \$?; received his check on Park Bank for \$30; balance on account, \$?.

Feb. 12. Received Benjamin Butler's check for \$? on Fidelity Bank, in full of his account.

Feb. 12. Paid sundry expenses in cash, \$5.37.

Feb. 13. Received cash of S. A. Reed, in full for desk room in office to Feb. 15, \$3.

Feb. 14. Sold Benjamin Butler 2 bbls. prime pork, at \$?; received his check on State Bank for \$15 in part payment; balance, \$?, on account.

Feb. 14. Deposited all checks on hand in Homeville Bank, \$?.

Note.—At this point close the ledger, current form; make out inventory, business statement, financial statement, and balance sheet, and submit your work to the teacher for approval.

Inventory of Unsold Property, Feb. 14, 19—. List 1

7 bbls. Flour, Superfine	(cost), \$?	?			
4 " " Minnehaha	" \$?	?			?
2 " Mess Beef	" \$?				?
7 " Prime Pork	" \$?				?
75 " Apples, Mich.	" \$?				?
Store & Lot, 86 Union St.	Present value				7500
5 acres, Elba, Brown Co.	\$65				325
1 1/2 tons Coal, unused	(cost), \$?	?			
1 1/2 mos. Rent, prepaid	" \$?	?			?
11 1/2 " Insurance on Mdse.		10	54		
11 1/2 " " " Building		72	83		83 37
					8373 02

Footing of Trial Balance, Feb. 14, 19—

List 1	2	3	4	5	6
\$14013.22	\$14126.02	\$14238.82	\$14351.62	\$14464.42	\$14577.22

Cash on Hand, Feb. 14, 19—

List 1	2	3	4	5	6
\$114.08	\$109.48	\$104.88	\$100.28	\$95.68	\$91.08

Cash on Deposit in Bank, Feb. 14, 19—

List 1	2	3	4	5	6
\$1079.05	\$1081.60	\$1084.15	\$1086.70	\$1089.25	\$1091.80

Footing of the Day Book and Journal, Feb. 14, 19—

List 1	2	3	4	5	6
\$15316.27	\$15501.92	\$15687.57	\$15873.22	\$16058.87	\$16242.52

Inventory, Feb. 14, 19—

List 1	2	3	4	5	6
\$8373.02	\$8377.77	\$8382.52	\$8387.27	\$8392.02	\$8396.77

Business Statement, Feb. 14, 19— List 1

Losses. Gains.

Flour	Proceeds from Sales	\$58.35		
	Value of Unsold	65.90		
	Total Proceeds	124.25		
	Cost	116.65		
	Gain			7 60
Mess Beef	Proceeds from Sales	\$150.15		
	Value of Unsold	?		
	Total Proceeds	?		
	Cost	?		
	Gain			15 40
Prime Pork	Proceeds from Sales	\$29.90		
	Value of Unsold	?		
	Total Proceeds	?		
	Cost	?		
	Gain			2 90
Insurance	Outlay, Cost	\$87.		
	Value Unused	83.37		
	Loss		3 63	
Expense	Outlay, Cost	\$58.37		
	Returns	\$3.00		
	Value Unused	39.75		
	Total Returns	42.75		
	Loss		15 62	
	Net Gain		6 65	
			25 90	25 90

Financial Statement, Feb. 14, 19— List 1

Resources. Liabilities.

Flour	On hand, per Inventory		65 90	
Mess Beef	“ “ “		24 50	
Apples	“ “ “		240	
Prime Pork	“ “ “		94 50	
Insurance	Unused “ “		83 37	
Expense	“ “ “		39 75	
Real Estate, Union St.	Present Value		7500	
“ “ Brown Co.	“ “		325	
Cash	Amount on hand		114 08	
Homeville Bank	“ “ deposit		1079 00	
Benjamin Butler	He owes me on account		14 90	
Henry Hunt	“ “ “		79 55	
Gray & Co.	I owe them on account			140
John Jenkins	“ him “ “			300
Ingless & Co.	They owe me “		48 95	
Th. E. Student	Investment, Feb. 1	\$9262.90		
	Net Gain, as above	6.65		
	Net Capital, Feb. 14			9269 55
			9709 55	9709 55

Day Book Opened

Homeville, Thursday, February 1, 19—

Opened a new Set of Books with the following resources and liabilities			
Resources			
Cash on hand		?	
Benj. Butler, due me on %		?	
David Dodge, " "		?	
Edward Everett, " "		?	
Flour on hand, per inventory		?	
Mess Beef " " "		?	
Prime Pork " " "		?	
Coal " " "		?	
Rent " " "		?	?
Liabilities			
Aaron Austin, due him on %		?	
Fred. Ford, " "		?	?
/			
Procured Insurance of the Fidelity Insurance Co. on Mdse. \$ 500 @ 2% premium Policy		10 1	11
Paid for same, per check			
2			
Received Deed of Lot, No. 86 Union St. and Store thereon from the Executor of my deceased Father's Estate Invested the same in the business			7500
5			
Bought of Gray & Co. 75 bbls. Mich. Apples @ \$?			?
Paid them on bill, per check		100	
Balance on account		?	

Journal Opened

Homeville, Thursday, February 1, 19__

Cash		?	
Benj. Butler		?	
David Dodge		?	
Ed. Everett		?	
Flour		?	
Mess Beef		?	
Prime Pork		?	
Expense		?	
	Th. E. Student		?
Th. E. Student		?	
	Aaron Austin		?
	Fred. Ford		?
	1		
Homeville Bank		1600	
	Cash		1600
	1		
Insurance		11	
	Homeville Bank		11
	2		
Real Estate Union St.		7500	
	Th. E. Student		7500
	5		
Apples		?	
	Homeville Bank		100
	Gray & Co.		?
	6		
Cash		25	
Henry Hunt		?	
	Flour		?
	Mess Beef		?

CHECK BOOK AND ITS AUXILIARIES

A **Check Book** is a book of blank checks, having a stub or margin upon which to enter the details of date, amount, payee, and for what account the checks are drawn.

Check Book

Payable to Order

\$11 ⁰⁰	HOMEVILLE, (state), February 1, 19—
	Homeville Bank
Pay to <i>Sale & Rust</i>	or Order
<i>Eleven</i> ⁰⁰ / ₁₀₀	Dollars.
For <i>Insurance.</i>	
No. 1.	<i>M. E. Student.</i>

Payable to Order

	HOMEVILLE, (state), February 2, 19—
	Homeville Bank
Pay to the order of <i>Sale & Rust</i> .....	..... Dollars. \$76—
<i>Seventy-six</i> ⁰⁰ / ₁₀₀	
For <i>Insurance.</i>	
No. 2.	<i>M. E. Student.</i>

Payable to Bearer

\$150 ⁰⁰	HOMEVILLE, (state), February 3, 19—
	Homeville Bank
Pay to <i>Frederic Ford</i>	or Bearer,
<i>One Hundred Fifty</i> ⁰⁰ / ₁₀₀	Dollars.
For <i>Acct.</i>	
No. 3.	<i>M. E. Student.</i>

Balance Deposited	Feb. 1, 19—	1600
On hand		
Date	Feb. 1, 19—	11
To	<i>Sale & Rust</i>	
For	<i>Insurance</i>	
No.	1.	

Balance Deposited	19—	1589
On hand		
Date	Feb. 2, 19—	76
To	<i>Sale & Rust</i>	
For	<i>Insurance</i>	
No.	2.	

Balance Deposited	19—	1573
On hand		
Date	Feb. 3, 19—	150
To	<i>Frederic Ford</i>	
For	<i>Acct.</i>	
No.	3.	

The **Bank Account** is usually kept on the stub or margin by entering thereon the sums deposited, and deducting the sums withdrawn.

Checks Payable to the Order of the Payee must be indorsed by him before payment by the bank, and when so indorsed and returned to the drawer they become **vouchers** against the payee.

Deposit Book

Stub or Margin

Ticket (to be detached)

Deposited by <i>Th. E. Student</i> in the Homeville Bank HOMEVILLE, (state), Feb. 6, 19—	
Currency	
Gold	
Silver	
Checks:	
<i>David Dodge</i>	50
<i>Benj. Butler</i>	50
<i>Henry Hunt</i>	25
	125

Deposited by <i>Th. E. Student</i> in the Homeville Bank HOMEVILLE, (state), Feb. 6, 19—	
Currency	
Gold	
Silver	
Checks:	
<i>David Dodge</i>	50
<i>Benj. Butler</i>	50
<i>Henry Hunt</i>	25
	125

Bank Pass Book

(Left-hand page)			
Dr.	HOMEVILLE BANK in Account		
19—			
Feb.	1	A.B. (Teller's initials)	1600
"	6	A.B.	125
"	14	A.B.	419 55
			2144 55
Feb.	15	Balance	1079 05
"	23	C.D.	1305
"	28	C.D.	773 50
			3157 55
Mar.	1	Balance	2667 55

(Right-hand page)			
	with	<i>Th. E. Student</i>	Cr.
19—			
Feb.	14	Checks returned	
		\$11 \$.76	
		150 100	
		209 25	
		494.50	1065 50
Feb.	14	Balance	1079 05
			2144 55
Feb.	28	Checks returned	
		\$200 \$150	
		140	490
Feb.	28	Balance	2667 55
			3157 55

SECOND SET.—MEMORANDA OF TRANSACTIONS, *Continued*

Homeville, Thursday, Feb. 15. Bought of Gray & Co. 20 bbls. prime pork, at \$? ; 15 bbls. mess beef, at \$? ; total, \$? ; gave in part payment my check for \$200; balance, \$? , to remain on account.

Feb. 16. Bought of John Jenkins 20 bbls. superfine flour, at \$? ; 20 bbls. Minnehaha flour, at \$? ; total, \$? ; gave in part payment my check for \$150; balance, \$? , on account.

Feb. 16. Sold Benjamin Butler 15 bbls. Michigan apples, at \$? ; received his check on Fidelity Bank for \$30; balance, \$? , on account.

Feb. 17. Paid Charles Fuller's bill for repairs on building, No. 86 Union St., in cash, \$35.25.

Feb. 17. Sold Ingless & Co. 6 bbls. prime pork, at \$? ; 5 bbls. Minnehaha flour, at \$? ; total, \$? ; received in part payment their check on Traders' Bank for \$75; balance on account.

Feb. 19. Paid Gray & Co. \$? , per check, for balance of bill of the 5th inst.

Feb. 20. Received \$50, per check on Park Bank, of Henry Hunt, to apply on his account.

Feb. 21. Sold David Dodge 15 bbls. superfine flour, at \$? ; 5 bbls. mess beef, at \$? ; total, \$? ; received in part payment his check on Park Bank for \$50; balance, \$? , on account.

Feb. 23. Received of Ralph Gale \$50, for rent of store, No. 86 Union St., to Mar. 1, 19—, per check on State Bank.

Feb. 23. Sold Ingless & Co. 7 bbls. prime pork, at \$? ; 15 bbls. Michigan apples, at \$? ; total, \$? ; received in part payment their check for \$50; balance on account.

Feb. 23. Received from the executor of my deceased father's estate, \$1000, per check on Homeville Bank, as a final payment, and invested the same in the business.

Feb. 23. Deposited all checks on hand in the Homeville Bank, \$? .

Feb. 24. Sold Edward Everett 3 bbls. prime pork, at \$? ; 4 bbls. Michigan apples, at \$? ; total, \$? ; received, per check, \$40 in part payment; balance, \$? , on account.

Feb. 24. Received of Henry Hunt \$? , per check, in full of account.

Feb. 26. Sold Lewis Lathrop 3 bbls. mess beef, at \$? ; 6 bbls. Michigan apples, at \$? ; total, \$? ; received, per check, \$25 in part payment; balance, \$? , on account.

Feb. 26. Sold Henry Hahn, for cash, 12 bbls. Michigan apples, at \$? ; 4 bbls. superfine flour, at \$? ; total, \$? ; received his check on Homeville Bank for the amount.

Feb. 28. Sold for cash my entire stock of Mdse. to James B. Hudson, including fuel on hand, rent, and insurance, as follows: 8 bbls. superfine flour, at \$? ; 19 bbls. Minnehaha flour, at \$? ; 9 bbls. mess beef, at \$? ; 11 bbls. prime pork, at \$? ; 23 bbls. Michigan apples, at \$? ; 1 ton coal, \$6.50; 1 month's rent, \$20; 11 months' prepaid insurance on Mdse., estimated value \$10.08; total, \$? ; received his check on the Homeville Bank for the amount, \$? .

Feb. 28. Deposited all checks on hand in Homeville Bank, \$? .

Inventory of Property on Hand, Feb. 28, 19—.

	Real Estate, Store & Lot, No. 86 Union St.		7750
	" " 5 acres Land in Elba, Brown Co. @	65	325
	Insurance, 11 months, on Store		69 67

APPLICATION OF PRINCIPLES

Footing of Trial Balance, Feb. 28, 19—

List 1	2	3	4	5	6
\$ 15025.21	\$ 15049.86	\$ 15074.51	\$ 15099.16	\$ 15123.81	\$ 15148.46

Cash on Hand, Feb. 28, 19—

List 1	2	3	4	5	6
\$ 103.83	\$ 99.23	\$ 94.63	\$ 90.03	\$ 85.43	\$ 80.83

Cash in Bank, Feb. 28, 19—

List 1	2	3	4	5	6
\$ 2667.58	\$ 2671.28	\$ 2674.98	\$ 2678.68	\$ 2682.38	\$ 2686.08

Footing of the Day Book and Journal, Feb. 28, 19—

List 1	2	3	4	5	6
\$ 5395.21	\$ 5416.71	\$ 5438.21	\$ 5459.71	\$ 5481.21	\$ 5502.71

Trial Balance, Feb. 28, 19— List 1

Face of Ledger				Open Accounts	P.	Balances			
	10269	55		Th. E. Student, Proprietor	7		10269	55	
40	40			Benjamin Butler	7	40	40		
19	65			Edward Everett	7	19	65		
115				David Dodge	7	115			
2217	61	2113	78	Cash	8	103	83		
312	90	361	35	Flour	9			48	45
208	25	232	05	Mess Beef	9			23	80
3157	58	490		Homeville Bank	10	2667	58		
240		277	50	Apples	10			37	50
140		393	75	Gray & Co.	10			253	75
364	50	403	65	Prime Pork	11			39	15
83	37	10	08	Insurance	11	73	29		
7535	25	50		Real Estate, Union St.	11	7485	25		
187	80			Ingless & Co.	12	187	80		
39	75	26	50	Expense	12	13	25		
325				Real Estate, Brown Co.	12	325			
		397		John Jenkins	12			397	
38	15			Lewis Lathrop	12	38	15		
15025	21	15025	21	Equilibrium		11069	20	11069	20

SECTION THREE

BUSINESS SETS FOR PRACTICE IN MODERN BOOKKEEPING JOURNAL-DAYBOOK AND CASH-JOURNAL



THE JOURNAL-DAYBOOK

The preceding section was devoted principally to the exemplification of the day book and the journal as separate and distinct books. The student was shown how to record business transactions in the day book, then how to enter them in the journal preparatory to posting them in the ledger.

Having learned the character of a day book record and what constitutes a journal entry, he should be better prepared to record business transactions intelligently in the combined day book and journal called the Journal-Daybook.

The Model Journal-Daybook, in which are recorded the transactions of the next two weeks, is to be carefully studied, in detail, by the student, before he begins to write up the work in the blank books. He should see how each transaction narrated in the memoranda is entered in the journal-daybook; how each entry is arranged to show not only the fact of the transaction, but also the accounts which are affected by it. He is expected to become so familiar with this combined form of entry that the instant he sees or hears a transaction stated he will know how it should appear in the journal-daybook.

The Model Cash-Journal, represented in the seventh and eighth sets, is a combination of the day book, journal, and cash book, so far as cash entries are concerned. In it the transactions are so entered that they may be posted directly from it to the ledger. It may be used for any of the sets if the teacher so desires.

The Student is not to Copy the model, but to enter the transactions just as he would in real business, making, in regular order, all the calculations and extensions, writing and filing all the vouchers, posting and closing the ledger as set forth in the directions for working which follow.

THIRD SET.—TH. E. STUDENT, SOLE PROPRIETOR

Object of the Set.—The principal object of this model set is to illustrate the use of the journal-daybook as a book of original entry. It is also for the purpose of giving further practice in the use of the ledger, cash book, receipt book, and check book, and in making business forms.

The Stock Record Book, introduced in this set, is a book in which a special record is kept of the quantity of goods purchased and the quantity sold, so as to show at any time the quantity of goods on hand. When goods are purchased the date and the amount are entered on the Dr. side of the account, and when a sale is made the date and the amount sold are entered on the Cr. side. The excess of the Dr. side should show the amount of stock on hand. The form of record is shown on page 113.

Student as Proprietor.—The student will be the proprietor and the bookkeeper of the business, will write up the transactions in his own name, and make all the calculations and extensions, without any assistance other than that given him by the teacher.

Accuracy and Neatness.—In this set more of the details of the business represented are given, the object being to insure absolute accuracy and neatness, and an intelligent understanding of the principles underlying practical bookkeeping.

Characteristics.—Commencing with a net capital; buying and selling merchandise for cash and on credit; receiving and paying cash on account; depositing funds in a bank; issuing and receiving checks; realizing a net gain; and closing with an increased capital.

Business Forms Used.—Bills of parcels, receipts, deposit tickets, checks, business statements, financial statements, and balance sheets.

Books Used.—Journal-daybook and ledger as principal books; receipt book, check book, bank pass book, cash book, and stock record book as auxiliary books.

Ledger Titles and Number of Lines Required.—Th. E. Student, 9; Wheat, 17; Marion Mead, 7; Cash, 33; Sugar, 20; Corn, 12; Knight & King, 12; Leonard Lyon, 13; Philip Pond, 8; Orrin Olson, 12; Nathan Norton, 10; Flour, 11; Insurance, 9; Oats, 12; Quinn & Co., 12; Ray Russell, 12; Molasses, 8; Silas Smith, 6; Thomas Tyler, 7; Expense, 9; Loss and Gain, 16; Homeville Bank, 12; Cash (2d), 7; Balance, 15.

DIRECTIONS FOR WORKING

1. Make out incoming and outgoing bills of parcels, receipts, and checks up to March 15, according to previous directions, and properly file them.
2. Prepare deposit ticket and write the bank pass book.
3. Enter in the stock record, each day, the amount of goods purchased and the amount sold.
4. Record in the journal-daybook the transactions to March 15, and in the cash book all cash transactions, closing the cash book on the 3d, 10th, and 15th days of the month, and submit your work to the teacher for inspection and approval.

5. Post to the ledger and take trial balance.
6. Take an account of stock on hand March 15, and prepare the business statement and the financial statement.
7. Close the ledger in current form and make the balance sheet.
8. Complete the work of the month in the same manner, closing the cash book on the 17th, 24th, and 31st days of the month, and closing the ledger in full form.

Buying Price Lists

Articles Bought	Per	1	2	3	4	5	6
Wheat No. 1	bus.	55 ¢	57 ¢	59 ¢	61 ¢	63 ¢	65 ¢
“ “ 2	“	50 ¢	52 ¢	54 ¢	56 ¢	58 ¢	60 ¢
Sugar A	lb.	4 $\frac{3}{4}$ ¢	5 ¢	5 $\frac{1}{2}$ ¢	5 $\frac{1}{2}$ ¢	5 $\frac{3}{4}$ ¢	6 ¢
“ B	“	3 $\frac{3}{4}$ ¢	4 ¢	4 $\frac{1}{2}$ ¢	4 $\frac{1}{2}$ ¢	4 $\frac{3}{4}$ ¢	5 ¢
Corn	bus.	45 ¢	47 ¢	49 ¢	51 ¢	53 ¢	55 ¢
Flour, Extra	ttl.	4.50	4.55	4.60	4.65	4.70	4.75
Oats	bus.	35 ¢	37 ¢	39 ¢	41 ¢	43 ¢	45 ¢
Molasses	gal.	58 ¢	60 ¢	62 ¢	64 ¢	66 ¢	68 ¢

Selling Price Lists

Articles Sold	Per	1	2	3	4	5	6
Wheat No. 1	bus.	58 ¢	60 ¢	62 ¢	64 ¢	66 ¢	68 ¢
“ “ 2	“	53 ¢	55 ¢	57 ¢	59 ¢	61 ¢	63 ¢
Sugar A	lb.	5 $\frac{3}{4}$ ¢	6 ¢	6 $\frac{1}{2}$ ¢	6 $\frac{1}{2}$ ¢	6 $\frac{3}{4}$ ¢	7 ¢
“ B	“	4 $\frac{3}{4}$ ¢	5 ¢	5 $\frac{1}{2}$ ¢	5 $\frac{1}{2}$ ¢	5 $\frac{3}{4}$ ¢	6 ¢
Corn	bus.	48 ¢	50 ¢	52 ¢	54 ¢	56 ¢	58 ¢
Flour, Extra	ttl.	5.40	5.45	5.50	5.55	5.60	5.65
Oats	bus.	38 ¢	40 ¢	42 ¢	44 ¢	46 ¢	48 ¢
Molasses	gal.	67 ¢	69 ¢	71 ¢	73 ¢	75 ¢	77 ¢

MEMORANDA OF TRANSACTIONS

Homeville, Thursday, March 1, 19—. I commenced business this day and invested \$2500 in cash.

Mar. 1. Bought of R. G. Kimball, for cash, 1000 bus. No. 1 wheat, at ? ¢.

Mar. 2. Sold D. H. Cochran, for cash, 250 bus. No. 1 wheat, at ? ¢.

Mar. 2. Paid George W. Plympton cash for 3 months' rent of store, at \$30, beginning March 1.

Mar. 3. Bought of Knight & King, on credit, 2000 bus. No. 1 wheat, at ? ¢.

Mar. 3. Sold Leonard Lyon, on credit, 350 bus. No. 1 wheat, at ? ¢.

Mar. 5. Bought of Marion Mead, on credit, 50 bbls. A sugar, 12500 lb., at ? ¢.

Mar. 5. Bought of Nathan Norton, on credit, 750 bus. corn, at ? ¢; 2000 bus. oats, at ? ¢; total, \$? .

Mar. 6. Sold Orrin Olson, on credit, 400 bus. No. 1 wheat, at ? ¢; 20 bbls. A sugar, 5000 lb., at ? ¢; total, \$? .

Mar. 6. Insured my stock of merchandise in the York Insurance Co., through Kinsley & Co., their agents, for \$3000, at $2\frac{1}{2}$ % premium, \$? ; paid cash, \$? ; policy dated Mar. 1, 19—.

Mar. 7. Bought of George Platt, for cash, 150 bbls. extra flour, at \$? ; 900 bus. No. 2 wheat, at ? ¢ ; total, \$? .

Mar. 7. Sold Charles Ovenshire, for cash, 250 bus. corn, at ? ¢ ; 300 bus. oats, at ? ¢ ; total, \$? .

Mar. 7. Received \$100 cash, of Leonard Lyon, to apply on account.

Mar. 8. Paid Knight & King \$500 cash, to apply on account.

Mar. 8. Bought of Philip Pond 900 bus. No. 2 wheat, at ? ¢ ; 600 bus. corn, at ? ¢ ; total, \$? ; paid him \$350 cash, to apply on the bill.

Mar. 9. Sold Quinn & Co. 500 bus. oats, at ? ¢ ; 10 bbls. A sugar, 2500 lb., at ? ¢ ; total, \$? ; received cash, \$175, to apply on bill.

Mar. 10. Paid James Brown cash for services as clerk, \$22.50.

Mar. 10. Received \$300, in cash, to apply on account of Orrin Olson.

Mar. 10. Bought of Marion Mead 75 bbls. A sugar, 18750 lb., at ? ¢ ; 40 bbls. B sugar, 10000 lb., at ? ¢ ; total, \$? ; paid him \$400 cash, to apply on the bill.

Mar. 10. Sold Leonard Lyon 20 bbls. extra flour, at \$? ; 1500 bus. No. 2 wheat, at ? ¢ ; 300 bus. corn, at ? ¢ ; total, \$? ; received \$500 cash, to apply on bill.

Mar. 12. Sold Orrin Olson 200 bus. oats, at ? ¢ ; 50 bbls. extra flour, at \$? ; total, \$? ; received \$200, in cash, to apply on bill.

Mar. 12. Bought of Knight & King 1500 bus. No. 1 wheat, at ? ¢ ; 2000 bus. No. 2 wheat, at ? ¢ ; 500 bus. corn, at ? ¢ ; total, \$? ; paid them cash, \$500, to apply on bill.

Mar. 13. Paid Philip Pond \$250, in cash, to apply on account.

Mar. 13. Received \$150, in cash, to apply on account of Orrin Olson.

Mar. 13. Sold D. H. Cochran, for cash, 1250 bus. No. 1 wheat, at ? ¢ ; 350 bus. corn, at ? ¢ ; 500 bus. oats, at ? ¢ ; total, \$? .

Mar. 14. Paid Knight & King \$450, in cash, to apply on account.

Mar. 14. Sold Quinn & Co. 100 bus. corn, at ? ¢ ; 50 bbls. extra flour, at \$? ; total, \$? ; received \$200, in cash, to apply on bill.

Mar. 14. Sold Orrin Olson 30 bbls. A sugar, 7500 lb., at ? ¢ ; 10 bbls. B sugar, 2500 lb., at ? ¢ ; total, \$? ; received \$350, in cash, to apply on bill.

Mar. 15. Sold Ray Russell 20 bbls. A sugar, 5000 lb., at ? ¢ ; 20 bbls. B sugar, 5000 lb., at ? ¢ ; total, \$? ; received \$325, in cash, to apply on bill.

Mar. 15. Paid Knight & King \$500 cash, to apply on account.

Mar. 15. Paid Nathan Norton \$600 cash, to apply on account.

General Results, March 15, 19—

Footings of Trial Balance

List 1	2	3	4	5	6
\$22283.63	\$22837.00	\$23390.38	\$23943.75	\$24497.13	\$25050.50

Cash on Hand

List 1	2	3	4	5	6
\$849.50	\$862.00	\$874.50	\$887.00	\$899.50	\$912.00

Total Inventory

List 1	2	3	4	5	6
\$3855.01	\$4008.88	\$4162.76	\$4316.63	\$4470.51	\$4624.38

Stock Record

No. 1 Wheat

Mar.	1	1000 bus.	?	Mar.	2	250 bus.	?
"	3	2000	?	"	3	350	?
"	12	1500 4500	?	"	6	400	?
				"	13	1250 2250	?

No. 2 Wheat

Mar.	7	900 bus.	?	Mar.	10	1500 bus.	?
"	8	900	?				
"	12	2000 3800	?				

A Sugar

Mar.	5	12500 lb.	?	Mar.	6	5000 lb.	?
"	10	18750 31250	?	"	9	2500	?
				"	14	7500	?
				"	15	5000 20000	?

B Sugar

Mar.	10	10000 lb.	?	Mar.	14	2500 lb.	?
				"	15	5000 7500	?

Corn

Mar.	5	750 bus.	?	Mar.	7	250 bus.	?
"	8	600	?	"	10	300	?
"	12	500 1850	?	"	13	350	?
				"	14	100 1000	?

Oats

Mar.	5	2000 bus.	?	Mar.	7	300 bus.	?
				"	9	500	?
				"	12	200	?
				"	13	500 1500	?

Flour, Extra

Mar.	7	150 bbls.	?	Mar.	10	20 bbls.	?
				"	12	50	?
				"	14	50 120	?

Journal-Daybook

Homeville, Thursday, March 1, 19—

15	Cash	Invested this day in	2500	
14	Th. E. Student	business		2500
		1 —————		
14	Wheat	1000 bus. No. 1 55¢	550	
15	Cash	Bot. of R. G. Kimball		550
		2 —————		
15	Cash	Sold D. H. Coehran	145	
14	Wheat	250 bus. No. 1 58¢		145
		2 —————		
21	Expense	Rent of Store	90	
15	Cash	3 mos. \$30.		90
		3 —————		
14	Wheat	2000 bus. No. 1 55¢	1100	
17	Knight & King	Bot. of them on %		1100
		3 —————		
17	Leonard Lyon	Sold him on %	203	
14	Wheat	350 bus. No. 1 58¢		203
		5 —————		
16	Sugar	50 bbls. A, 12500 lb. 4 ³ / ₄ ¢	593 75	
14	Marion Mead	Bot. of him on %		593 75
		5 —————		
16	Corn	750 bus. 45¢	337 50	
19	Oats	2000 " 35¢	700	
18	Nathan Norton	Bot. of him on %		1037 50
		6 —————		
18	Orin Olson	Sold him on %	519 50	
14	Wheat	400 bus. No. 1 58¢		232
16	Sugar	20 bbls. A, 5000 lb. 5 ³ / ₄ ¢		287 50
		6 —————		
19	Insurance	\$3000 on Mdse. 2 ¹ / ₂ %	75	
15	Cash	York Ins. Co.		75
			6813 75	6813 75

Journal-Daybook, Continued

Homeville, Wednesday, March 7, 19—

18	Flour	150 bbls. Ex.	\$4.50	675		
14	Wheat	900 bus. No. 2	50¢	450		
15	Cash	Bot. of George Platt				1125
		7—				
15	Cash	Sold Ch. Ovenshire		234		
16	Corn	250 bus.	48¢			120
19	Oats	300 "	38¢			114
		7—				
15	Cash	Received on his %		100		
17	Leonard Lyon					100
		8—				
17	Knight & King	Paid them on %		500		
15	Cash					500
		8—				
14	Wheat	900 bus. No. 2	50¢	450		
16	Corn	600 "	45¢	270		
17	Philip Pond	Bot. of him				720
17	Philip Pond	Paid him on bill		350		
15	Cash					350
		9—				
19	Quinn & Co.	Sold them		333 75		
19	Oats	500 bus.	38¢			190
16	Sugar	10 bbls. A, 2500 lb.	5 ³ / ₄ ¢			143 75
15	Cash	Received of them on bill		175		
19	Quinn & Co.					175
		10—				
21	Expense	Paid Clerk hire		22 50		
15	Cash					22 50
		10—				
15	Cash	Received of him on %		300		
18	Orin Olson					300
				3860 25		3860 25

Journal-Daybook, Continued

Homeville, Saturday, March 10, 19—

16	Sugar	18750 lb. A, 4 ³ / ₄ ¢	\$890.63	1265	63		
		10000 " B, 3 ³ / ₄ ¢	<u>375.</u>				
14	Marion Mead	Bot. of him				1265	63
14	Marion Mead	Paid him on bill		400			
15	Cash					400	
		10					
17	Leonard Lyon	Sold him		1047			
18	Flour	20 bbls. Extra	\$5.40			108	
14	Wheat	1500 bus., No. 2	53¢			795	
16	Corn	300 "	48¢			144	
15	Cash	Received of him on bill		500			
17	Leonard Lyon					500	
		12					
18	Orin Olson	Sold him		346			
19	Oats	200 bus.	38¢			76	
18	Flour	50 bbls. Extra	\$5.40			270	
15	Cash	Received of him on bill		200			
18	Orin Olson					200	
		12					
14	Wheat	1500 bus. No. 1, 55¢	\$825.	1825			
		2000 " " 2, 50¢	<u>1000.</u>				
16	Corn	500 "	45¢	225			
17	Knight & King	Bot. of them				2050	
17	Knight & King	Paid them on bill		500			
15	Cash					500	
		13					
17	Philip Pond	Paid him on %		250			
15	Cash					250	
		13					
15	Cash	Received of him on %		150			
18	Orin Olson					150	
				6708	63	6708	63

Journal-Daybook, Continued

Homeville, Tuesday, March 13, 19—

15	Cash	Sold D. H. Cochran	1083	
14	Wheat	1250 bus. No. 1	58¢	725
16	Corn	350 "	48¢	168
19	Oats	500 "	38¢	190
		14—		
17	Knight & King	Paid them on %	450	
15	Cash			450
		14—		
19	Quinn & Co.	Sold them	318	
16	Corn	100 bus.	48¢	48
18	Flour	50 bbls. Extra	\$5.40	270
15	Cash	Received of them on bill	200	
19	Quinn & Co.			200
		14—		
18	Orrin Olson	Sold him	550	
16	Sugar	7500 lb. A, 5 ³ / ₄ ¢, \$431.25		550
		2500 " B, 4 ³ / ₄ ¢, 118.75		
15	Cash	Received of him on bill	350	
18	Orrin Olson			350
		15—		
20	Ray Russell	Sold him	525	
16	Sugar	5000 lb. A, 5 ³ / ₄ ¢ \$287.50		525
		5000 " B, 4 ³ / ₄ ¢ 237.50		
15	Cash	Received of him on bill	325	
20	Ray Russell			325
		15—		
17	Knight & King	Paid them on %	500	
15	Cash			500
		15—		
18	Nathan Norton	Paid him on %	600	
15	Cash			600
			4901 00	4901 00

Inventory of Unsold Property, March 15, 19—

2250 bus. No. 1 Wheat (cost)	? ¢	?		
2300 " " 2 " "	? ¢	?		?
45 bbls. A Sugar, 11250 lb. "	? ¢	?		
10 " B " 2500 " "	? ¢	?		?
850 bus. Corn	? ¢			?
500 " Oats	? ¢			?
30 bbls. Extra Flour	\$?			?
2½ mos.' Rent, prepaid	" \$30.			75
11½ " Insurance, "	" 6.25			71 88
				<u>3855 01</u>

Trial Balance, March 15, 19—. List 1

Face of Ledger		Open Accounts	Dr.	Balances	
?	?	Th. E. Student	14		2500
?	?	Wheat	14	2275	
?	?	Marion Mead	14		1459 38
?	?	Cash	15	849 50	
?	?	Sugar	16	353 13	
?	?	Corn	16	352 50	
?	?	Knight & King	17		1200
?	?	Leonard Lyon	17	650	
?	?	Philip Pond	17		120
?	?	Orrin Olson	18	415 50	
?	?	Nathan Norton	18		437 50
?	?	Flour	18	27	
?	?	Insurance	19	75	
?	?	Oats	19	130	
?	?	Quinn & Co.	19	276 75	
?	?	Ray Russell	20	200	
?	?	Expense	21	112 50	
<u>22283 63</u>	<u>22283 63</u>	Equilibrium		<u>5716 88</u>	<u>5716 88</u>

MEMORANDA OF TRANSACTIONS, *Continued*

Homeville, Friday, March 16, 19—. Opened an account with the Homeville Bank, and deposited \$750 in cash.

Mar. 16. Bought of Silas Smith, on credit, 50 bbls. A sugar, 12500 lb., at ? ¢; 6500 gal. N. O. molasses, at ? ¢; total, \$?.

Mar. 16. Sold Ray Russell, on credit, 350 bus. No. 1 wheat, at ? ¢; 650 gal. N. O. molasses, at ? ¢; total, \$?.

Mar. 17. Sold Amos Kellogg, for cash, 25 bbls. A sugar, 6250 lb., at ? ¢; 10 bbls. B sugar, 2500 lb., at ? ¢; total, \$?; received his check on Park Bank, in full payment.

Mar. 17. Received \$500 of Ray Russell, on account, per check on State Bank.

Mar. 17. Deposited Amos Kellogg's check, \$?, and Ray Russell's check, \$?; total, \$?.

Mar. 19. Bought of R. G. Kimball 40 bbls. A sugar, 10000 lb., at ? ¢; 74 bbls. B sugar, 18500 lb., at ? ¢; total, \$?; paid in full for same, per check on Homeville Bank.

Mar. 19. Paid Knight & King, on account, per check on Homeville Bank, \$200.

Mar. 19. Bought of Nathan Norton 60 bbls. A sugar, 15000 lb., at ? ¢; paid him, per check on Homeville Bank, \$275, to apply on bill.

Mar. 20. Sold Quinn & Co. 10 bbls. A sugar, 2500 lb., at ? ¢; received their check on Homeville Bank for \$100, to apply on bill.

Mar. 20. Sold Leonard Lyon 2600 gal. N. O. molasses, at ? ¢; 20 bbls. A sugar, 5000 lb., at ? ¢; total, \$?; received his check on Park Bank for \$1000, to apply on bill.

Mar. 20. Deposited Quinn & Co.'s check, \$?, and Leonard Lyon's check, \$?; total, \$?.

Mar. 21. Bought of Thomas Tyler 3250 gal. N. O. molasses, at ? ¢; paid him \$900, per check on Homeville Bank, to apply on bill.

Mar. 21. Paid Nathan Norton \$100, per check on Homeville Bank, on account.

Mar. 22. Sold Quinn & Co. 15 bbls. A sugar, 3750 lb., at ? ¢; received their check on Homeville Bank for \$175, to apply on bill.

Mar. 22. Received Leonard Lyon's check for \$1250, on Park Bank, on account.

Mar. 23. Paid Silas Smith \$750, per check on Homeville Bank, on account.

Mar. 23. Bought of Thomas Tyler 3250 gal. N. O. molasses, at ? ¢; paid him \$750, per check on Homeville Bank, to apply on bill.

Mar. 24. Sold Ray Russell 1400 bus. No. 2 wheat, at ? ¢; 20 bbls. A sugar, 5000 lb., at ? ¢; total, \$?; received his check on State Bank for \$700, to apply on bill.

Mar. 24. Sold Quinn & Co. 200 bus. oats, at ? ¢; 400 bus. corn, at ? ¢; total, \$?; received \$150, per check on Homeville Bank, to apply on bill.

Mar. 24. Received \$300 from Leonard Lyon, per check on Park Bank, on account.

Mar. 24. Deposited in Homeville Bank, Quinn & Co.'s check for \$175, Leonard Lyon's check for \$1250, Ray Russell's check for \$700, Quinn & Co.'s check for \$150, and Leonard Lyon's check for \$300; total, \$?.

Mar. 26. Sold Ray Russell 1000 bus. No. 1 wheat, at ? ¢; 30 bbls. B sugar, 7500 lb., at ? ¢; total, \$?; received his check for \$750, on State Bank, on bill.

Mar. 26. Paid James Brown for services as clerk, \$22.50, in cash.

Mar. 26. Sold Henry Earl, for cash, 500 bus. No. 1 wheat, at ? ¢; 1350 gal. N. O. molasses, at ? ¢; total, \$?; received his check on Park Bank, in full payment.

Mar. 27. Sold Leonard Lyon 18 bbls. extra flour, at \$?; 10 bbls. A sugar, 2500 lb., at ? ¢; total, \$?; received his check for \$200, on Park Bank, to apply on bill.

Mar. 28. Sold Orrin Olson 20 bbls. B sugar, 5000 lb., at ? ¢; 300 bus. oats, at ? ¢; total, \$?; received his check on State Bank for \$300, to apply on bill.

Mar. 29. Sold Ray Russell 400 bus. No. 1 wheat, at ? ¢; 12 bbls. extra flour, at \$?; total, \$?; received his check on State Bank for \$250, to apply on account.

Mar. 30. Sold Henry Earl, for cash, 450 bus. corn, at ? ¢; 15 bbls. A sugar, 3750 lb., at ? ¢; total, \$?; received his check on Park Bank for full payment.

Mar. 31. Deposited in Homeville Bank, Ray Russell's check, \$750; Henry Earl's check for \$?; Leonard Lyon's check, \$200; Orrin Olson's check, \$300; Ray Russell's check, \$250; Henry Earl's check, \$?; total, \$?.

Inventory of Unsold Property, March 31, 19—

80 bbls. A Sugar, 20000 lb.	@ (cost) ? ¢	?		
24 " B " 6000 "	@ " ? ¢	?		?
8400 gal. N. O. Molasses	@ " ? ¢			?
900 bus. No. 2 Wheat	@ " ? ¢			?
2 mos.' Rent, prepaid	@ \$30			60
11 " Insurance, prepaid	@ 6.25			68 75
				<u>6625 75</u>

Trial Balance, March 31, 19—, List 1

Face of Ledger		Open Accounts	P.	Balances	
?	?	Th. E. Student	14		3029 88
?	?	Wheat	14	340 50	
?	?	Marion Mead	14		1459 38
?	?	Cash	22	77	
?	?	Sugar	16	737 49	
?	?	Corn	16		25 50
?	?	Knight & King	17		1000
?	?	Leonard Lyon	17	170 45	
?	?	Philip Pond	17		120
?	?	Orrin Olson	18	467	
?	?	Nathan Norton	18		775
?	?	Flour	18		27
?	?	Insurance	19	71 88	
?	?	Oats	19		15
?	?	Quinn & Co.	19	479 13	
?	?	Ray Russell	20	901 05	
?	?	Molasses	20	4458	
?	?	Silas Smith	20		3613 75
?	?	Thomas Tyler	20		2120
?	?	Expense	21	97 50	
?	?	Homeville Bank	22	4385 51	
41718 16	41718 16			12185 51	12185 51

Footing of Trial Balance, March 31, 19—

List 1	2	3	4	5	6
\$ 41718.16	\$ 42806.38	\$ 43894.66	\$ 44982.88	\$ 46071.16	\$ 47159.38

Cash on Hand, March 31, 19—

List 1	2	3	4	5	6
\$ 77.00	\$ 89.50	\$ 102.00	\$ 114.50	\$ 127.00	\$ 139.50

Cash in Bank, March 31, 19—

List 1	2	3	4	5	6
\$ 4385.51	\$ 4391.50	\$ 4397.51	\$ 4403.50	\$ 4409.51	\$ 4415.50

Total Inventory, March 31, 19—

List 1	2	3	4	5	6
\$ 6625.75	\$ 6876.75	\$ 7127.75	\$ 7378.75	\$ 7629.75	\$ 7880.75


COMMERCIAL PAPER

PROMISSORY NOTES

A **Promissory Note** is a written agreement by one party, called the *maker*, for or in consideration of some value received by him, to pay to another party, called the *payee*, or to his order, or to bearer, at a fixed time, a definite sum of money. This promise must be absolute, no contingency being admissible; the time of payment and the amount to be paid must be definitely stated, and the consideration must be a valuable one.


A **Negotiable Promissory Note** is one payable *to order* or *to bearer*. If made payable to the *payee* or *bearer*, it is transferable from one holder to another by simple delivery; but if made payable to the *payee* or *order*, it is transferable only by indorsement or assignment.

Form of a Negotiable Promissory Note

	\$ 457 ⁵⁰ / ₁₀₀ .	CLINTON, N. Y., <i>April 17, 19—</i> .
	<i>Ninety days</i> ~~~~~ after date, for value received,	
	I promise to pay <i>Rodney G. Kimball</i> , ~~~~~ or order,	
	<i>Four Hundred Fifty-seven and</i> ⁵⁰ / ₁₀₀ ~~~~~ Dollars,	
	at the <i>Homeville Bank</i> .	
No. 1.	<i>David H. Cochran.</i>	

A **Non-negotiable Note** is one which is written payable to a particular party without the privilege of transfer by delivery or indorsement, the negotiable words *or bearer* or *or order* being omitted.

Form of a Non-negotiable Note

	\$ 457 ⁵⁰ / ₁₀₀ .	CLINTON, N. Y., <i>April 17, 19—</i> .
	<i>Ninety days</i> ~~~~~ after date, for value received,	
	I promise to pay <i>Rodney G. Kimball</i> ~~~~~	
	<i>Four Hundred Fifty-seven and</i> ⁵⁰ / ₁₀₀ ~~~~~ Dollars,	
	<i>with interest at seven per cent.</i>	
No. 2.	<i>David H. Cochran.</i>	


The **Parties** to negotiable paper are known as Original Parties and Subsequent Parties. The original parties are those whose names appear in the instrument when it is made. The subsequent parties are those to whom the paper may have been transferred by indorsement or otherwise.

The **Maker** of the note is the party who signs it. The **Payee** of the note is the party to whom the note is made payable. In note No. 1, David H. Cochran is the *maker*, or *first party*, and Rodney G. Kimball is the *payee*, or *second party*.

An **Individual Promissory Note** is one which is signed by one person only.


A **Joint Promissory Note** is one which is signed by two or more persons, who are jointly liable for its payment, and is written, "*we promise to pay,*" etc.

Form of a Joint Promissory Note

	$\$457 \frac{50}{100}$	CLINTON, N. Y., <i>April 17, 19—</i> .
	<i>Ninety days</i> after date, for value received, <i>we</i> promise	
	to pay <i>Rodney S. Kimball,</i> _____ or order,	
	<i>Four Hundred Fifty-seven and</i> $\frac{50}{100}$ _____ Dollars,	
	<i>at the Homeville Bank.</i>	
No. 3.	<i>David H. Cochran,</i> <i>George W. Plympton.</i>	


A **Joint and Several Note** is one signed by two or more persons, who are jointly and individually responsible for its payment; it is usually written, "*we jointly and severally promise to pay.*"

Form of a Joint and Several Promissory Note

	$\$457 \frac{50}{100}$	CLINTON, N. Y., <i>April 17, 19—</i> .
	<i>Ninety days</i> after date, <i>we</i> jointly and severally	
	promise to pay <i>Rodney S. Kimball,</i> _____ or order,	
	<i>Four Hundred Fifty-seven and</i> $\frac{50}{100}$ _____ Dollars,	
	<i>at the Homeville Bank, with interest at 7%.</i>	
Value received.	<i>David H. Cochran,</i> <i>George W. Plympton.</i>	
No. 4.		

A **Principal and Surety Note** is one which is signed by the maker, and also by one or more persons as *sureties*.

Form of Principal and Surety Note

	$\$457 \frac{50}{100}$	CLINTON, N. Y., <i>April 17, 19—</i> .
	<i>Ninety days</i> _____ after date, for value received,	
	I promise to pay <i>Rodney S. Kimball,</i> _____ or order,	
	<i>Four Hundred Fifty-seven and</i> $\frac{50}{100}$ _____ Dollars,	
	<i>at my office.</i>	
No. 5.	<i>David H. Cochran,</i> <i>Charles Davis, Surety.</i>	

When we issue our promissory note we should record the fact in our bill book, under Bills Payable, and when we redeem our note, either wholly or in part, we should complete the record by an entry in the same book. We should also cancel our signature and file the note as a voucher. See pages 134 and 135.

When we receive another's promissory note, it should be recorded in the bill book, under Bills Receivable, and when the note is paid, or otherwise disposed of, the fact should be entered in the same book. See pages 134 and 135.

Notes Payable on Demand.— Notes made payable on demand draw interest from the date of demanding payment.

A note does not draw interest until maturity unless it is otherwise stated in the note. An indorser becomes liable for the payment of a note if the maker fails to pay.

DRAFTS AND ACCEPTANCES

A **Draft** or **Bill of Exchange** is a written order or request from one party, called the *drawer*, on a second party, called the *drawee*, to pay to a third party named therein, called the *payee*, or to his order, a specified sum of money.


The Parties to a draft or bill of exchange are as follows:

The **Drawer**, or first party, is the party who draws the draft.

The **Drawee**, or second party, is the one on whom the draft is drawn.

The **Payee**, or third party, is the party in whose favor the draft is drawn.


Form of Time Draft after Sight

	\$100 ⁰⁰ .	ALBANY, N.Y., March 3, 19—.
	At Thirty days' ~~~~~ sight, value received,	
	Pay to Th. E. Student ~~~~~ or order,	
	One Hundred and ⁰⁰ / ₁₀₀ ~~~~~ Dollars,	
	and charge to the account of	
	To David H. Cochran, } Clinton, N.Y. }	George W. Plympton.

In the foregoing draft, George W. Plympton is the drawer, David H. Cochran is the drawee, and Th. E. Student is the payee.

Accepting a Draft.— The drawee of a draft *accepts the draft* by writing across its face the date, the word *accepted*, and his signature. The drawee then becomes the acceptor, and the draft becomes an *acceptance*.

Form of Accepted Draft or Acceptance

	\$100 ⁰⁰ .	ALBANY, N.Y., March 3, 19—.
	At Thirty days' ~~~~~ sight, value received,	
	Pay to Th. E. Student ~~~~~ or order,	
	One Hundred and ⁰⁰ / ₁₀₀ ~~~~~ Dollars,	
	and charge to the account of	
	To David H. Cochran, } Clinton, N.Y. }	George W. Plympton.

Accepted, Mar. 4, 19—,
David H. Cochran

The foregoing acceptance becomes a written promise of the *drawee* to pay the acceptance at the specified time, and therefore has the same force as a promissory note signed by the same party.

When we accept a draft, we should record the fact in our bill book, under Bills Payable, and when we redeem it, we should mark it "paid" in the bill book, and also cancel our signature and file the draft as a voucher. See pages 134 and 135.


When we receive another party's acceptance, we should make a record of it in the bill book, under Bills Receivable, and when it is paid, or otherwise disposed of, the fact should be entered in the same book. See pages 134 and 135.

A Time Draft is one which is payable a certain time after sight or after date.

After Sight.—A draft drawn payable a certain time *after sight* begins to mature from the *date of acceptance*.


After Date.—A draft drawn payable a certain time *after date* begins to mature from the *date of the draft*.

Form of Time Draft after Date

	ALBANY, N. Y., <i>March 3, 19—</i> .
	Thirty days after date, _____ value received,
	Pay to Rodney S. Kimball, _____ or order,
	One Hundred and ⁰⁰ / ₁₀₀ _____ Dollars, \$100 ⁰⁰ ,
	and charge to the account of
	To David H. Coehran, } <i>George W. Plympton.</i> Clinton, N. Y. }

A Sight Draft is one which requires immediate payment, though in some states days of grace are allowed.

Form of Sight Draft

	\$100 ⁰⁰ .	ALBANY, N. Y., <i>March 3, 19—</i> .
		At Sight, _____ value received,
		Pay to Rodney S. Kimball, _____ or order,
		One Hundred and ⁰⁰ / ₁₀₀ _____ Dollars,
		and charge to the account of
		To David H. Coehran, } <i>George W. Plympton.</i> Clinton, N. Y. }

Drafts Payable on Demand.—Days of grace are not allowed on drafts drawn payable on demand.

Protesting is formally demanding payment of a note or draft when it falls due, and notifying the indorsers that they are held liable for any loss or damage from non-payment or non-acceptance.

It is not necessary to protest a note when there is no indorser.

An indorser who has been compelled to pay a note may recover his loss from the maker if the latter has property.

MATURITY OF COMMERCIAL PAPER

It is a matter of great importance to the man of business to know the exact day on which a note or acceptance matures. If an indorser is not notified of the non-payment of a note or acceptance on the proper day, the law will not hold him for the payment of the dishonored paper.

A note may be dated earlier or later than the day on which it is made. If the date or time to run is omitted, it may be established by proof.

A note need not be dated at the place where it is made, and may be made payable at any particular place that may be agreed upon by the parties. If agreeable to the payee, the maker ought to fix the place of payment, which may be at his own office or his place of deposit.

The Day of Maturity is the day on which a note or acceptance becomes legally due. In many of the states a note or draft is not legally due until three days after the expiration of the time specified in the instrument, except it contain the words "*without grace.*"

Days of Grace are three days allowed to the maker of a note and drawee of a draft beyond the stated time of payment.

The statutes and customs of the different states vary in regard to days of grace, and holidays. The maturity of a note or draft is governed by the laws and customs of the state where it is made payable.

Legal Holidays.—Commercial paper falling due on a legal holiday or on Sunday is payable the day before, in some states; the day after, in others.

A Calendar Month is understood in determining the day of maturity when the time to run is expressed in months; when the time is expressed in days, the exact number of days is used.

Paper dated on the last day of the month for any number of months, payable in states where days of grace are allowed, will mature on the third day after the same day of the month if the month have so many days; otherwise it will mature on the third day after the last day of the month.

ILLUSTRATIONS.—A note payable *one month* after date, dated Apr. 30, will mature on the third day after May 30; and a note at *one month* dated May 31 will mature on the third day after June 30. A note payable *one month* after date, dated Jan. 31, will mature on the third day after Feb. 28 (or Feb. 29), Mar. 3; but if payable *thirty days* after date, it will mature Mar. 5 (or, in leap year, Mar. 4). Notes dated Jan. 29, 30, and 31 (also, except in leap years, Jan. 28), payable in *one month*, will mature on the same day, Mar. 3 (or, in leap year, Mar. 4).

INDORSEMENTS OF COMMERCIAL PAPER

An Indorsement is a writing, usually upon the back, but sometimes upon the face, of a negotiable instrument, by which the property therein is transferred. It may be *in blank*, *in full*, *qualified*, *restrictive*, or *conditional*.

An Indorser.—By writing his name across the back of a note or draft, the payee becomes an *indorser*, and thereby transfers his property in the instrument to another, who becomes the indorsee. If the indorsee of an instrument transfers it by writing his name below that of the former indorser, he then becomes an indorser.

An Indorsement in Blank consists simply of the signature of the indorser. An instrument thus indorsed becomes payable *to bearer*, and may be transferred from one party to another by delivery.

An **Indorsement in Full** consists of direction to pay to some specified party or his order, and the signature of the indorser.

A **Restrictive Indorsement** limits the negotiability of the instrument to a particular party, or to a particular purpose. The payee or first indorser only can make a restrictive indorsement binding.

A **Qualified Indorsement** is one made for a special purpose, as when the indorser wishes to free himself from responsibility should the maker refuse to pay.

A **Conditional Indorsement** consists in making the payment depend upon some contingency, as "Pay to David Burt if State Superintendent."

A **Security Indorser** is one who indorses commercial paper without owning it or having any interest in it.

The promissory note No. 1, on page 121, is made payable to Rodney G. Kimball or order. Should Mr. Kimball desire to sell this note, he could transfer his title or ownership to the buyer by writing his name across the back of the note. Had the note been made payable to Rodney G. Kimball or bearer, he could transfer his ownership to another party by delivery without indorsement.

The maker of a note may make it payable to himself and indorse it in blank, and thus enable the holder to transfer it without indorsing, and thus without liability.

A **Member of a Firm** may indorse for all the members of the firm, but after dissolution of the firm the indorsement must be made by the members severally.

An **Agent** may indorse for his principal.

An indorsement should be written across the back of the instrument and above the middle, with the left end of the paper up.

Forms of Indorsements

IN BLANK	RESTRICTIVE
<i>Th. E. Student</i>	<i>Pay to C. C. Curtiss only. Th. E. Student</i>
IN FULL	QUALIFIED
<i>Pay to D. L. Kiehle, or order. Th. E. Student</i>	<i>Without recourse to me. Th. E. Student</i>
FOR DEPOSIT OF CHECK	TO AGENT
<i>Aug. 23, 19—. For deposit only in Home City Bank. Th. E. Student</i>	<i>Pay W. C. Smith, Agent, or order, for my use. Th. E. Student</i>
FOR COLLECTION	INSTALLMENT
<i>Pay to the order of Home City Bank for collection. Th. E. Student</i>	<i>Aug. 23, 19—. Received on the within note, One Hundred Dollars. Th. E. Student</i>
GUARANTEE OF PAYMENT	OF INTEREST
<i>I hereby guarantee the payment of the within note. Th. E. Student</i>	<i>Received, Aug. 23, 19—, \$14⁰⁰ interest to date. Th. E. Student</i>
CONDITIONAL	WAIVER OF PROTEST
<i>Pay to John A. Vye, if Presi- dent of the Board of Education. Th. E. Student</i>	<i>Pay to the order of William W. Folwell. Protest Waived. Th. E. Student</i>

ORDERS

An Order is a written request that merchandise, money, or other property be delivered to some particular person, or to the person writing the order.

Form of an Order for Merchandise

HOMEVILLE, (state), June 14, 19—.

To Oscar Sawyer :

Please deliver to the bearer, Robert H. Leonard, Merchandise from your store such as he may select, to the value of Fifteen and $\frac{75}{100}$ Dollars (\$15.⁷⁵), and charge the same to my account.

\$15⁷⁵/₁₀₀.

Th. E. Student.

Letter Form of an Order

TH. E. STUDENT,
BOOKSELLER,
23 Main Street.

HOMEVILLE, (state), July 10, 19—.

American Book Co.,
Washington Square, New York.

Gentlemen :

Please forward to me by Merchants Dispatch the following books :

50 copies	American Standard Bookkeeping,	H. S. Course	
15 "	"	"	Com. "
10 doz.	Curtiss' Free Hand Copy Books,	No. 1	
8 "	"	"	" 2
6 "	"	"	" 3
4 "	"	"	" 4
4 "	"	"	" 5

You will please send me, at your earliest convenience, your latest price list of your publications.

Yours respectfully,

Th. E. Student.

FOURTH SET. — GROCERIES. — STUDENT, SOLE PROPRIETOR

The Object of the Set is to familiarize the student with the entries of transactions which involve promissory notes. He will learn the forms and the uses of the note book and the bill book as auxiliary books, and will have much practice in keeping them.

The business represented in the memoranda is a continuation of that recorded in the preceding set. The student will continue to act as proprietor and bookkeeper.

The more difficult entries are fully illustrated in the journal-daybook of the first two weeks, which should be thoroughly studied. The consideration of interest and discount will be made the special subject of a succeeding set.

Characteristics. — Continuing a former business with a net capital as shown by the balance sheet; buying and selling different kinds of merchandise for cash, on account, and on promissory notes; receiving and paying cash on account and on promissory notes; realizing a gain, and closing with an increased capital.

Business Forms Used. — Bills of parcels, receipts, deposit tickets, checks, promissory notes, business statements, financial statements, and balance sheets.

Books Used. — Journal-daybook, ledger, receipt book, check book, bank pass book, note book, bill book, cash book, and stock record book.

Ledger Titles and Number of Lines Each will Require. — Th. E. Student, 9; Wheat, 9; Expense, 12; Philip Pond, 4; Sugar, 14; Insurance, 9; Molasses, 12; Leonard Lyon, 5; Orrin Olson, 7; Quinn & Co., 7; Ray Russell, 9; Knight & King, 6; Homeville Bank, 24; Marion Mead, 7; Nathan Norton, 4; Silas Smith, 7; Thomas Tyler, 7; Bills Payable, 19; Bills Receivable, 24; Apples, 11; Cash, 32; Potatoes, 12; Ulysses Upham, 4; V. Van Ness, 4; Amos Arnold, 6; Zadoc Young, 4; William Windom, 6; Benoni Butler, 6; James King, 4; Henry Sabin, 4; Charles Chute, 4; Henry Ivison, 4; D. Evans, 4; John Adams, 4; James K. Polk, 4; Thomas Lowry, 4; Rye, 6; Loss & Gain, 16; Balance, 18.

DIRECTIONS FOR WORKING FOURTH SET

1. Complete all the work of each day before commencing the work of any succeeding day, as follows: (a) make out all bills of parcels, both incoming and outgoing; (b) write in the receipt book all the receipts for money received, and on blanks receipts for all money paid; (c) write in the check book all checks issued, and on blanks all checks received from other persons; (d) write in the note book all notes issued, and on blanks all notes received from other persons; (e) record in the bill book all notes issued and all notes received, and check in the bill book all notes redeemed and disposed of; (f) prepare deposit tickets for all deposits made, and make corresponding entry in the bank pass book; (g) write in the cash book all cash receipts and disbursements, closing the cash book Apr. 7 and Apr. 14.

2. Record in the journal-daybook all transactions to the 15th day of the month, and post to the ledger.

3. Take a trial balance, and prepare an inventory of goods on hand Apr. 14.

4. Close the ledger in current form, prepare business and financial statements, and make balance sheet.

5. Write up the business for the remainder of the month in the same way, closing the cash book Apr. 21 and Apr. 30, but closing the ledger in final form.

Buying Price Lists

Articles	Per	1	2	3	4	5	6
Wheat, No. 2	bus.	50 ¢	52 ¢	54 ¢	56 ¢	58 ¢	60 ¢
Sugar, A	lb.	4 $\frac{3}{4}$ ¢	5 ¢	5 $\frac{1}{4}$ ¢	5 $\frac{1}{2}$ ¢	5 $\frac{3}{4}$ ¢	6 ¢
“ B	“	3 $\frac{3}{4}$ ¢	4 ¢	4 $\frac{1}{4}$ ¢	4 $\frac{1}{2}$ ¢	4 $\frac{3}{4}$ ¢	5 ¢
Molasses	gal.	58 ¢	60 ¢	62 ¢	64 ¢	66 ¢	68 ¢
Apples, Mich.	ttl.	2.75	2.80	2.85	2.90	2.95	3.00
Potatoes, Early Rose	bus.	45 ¢	47 ¢	49 ¢	51 ¢	53 ¢	55 ¢
“ Snowflake	“	50 ¢	52 ¢	54 ¢	56 ¢	58 ¢	60 ¢
Rye	“	40 ¢	42 ¢	44 ¢	46 ¢	48 ¢	50 ¢

Selling Price Lists

Articles	Per	1	2	3	4	5	6
Wheat, No. 2	bus.	53 ¢	55 ¢	57 ¢	59 ¢	61 ¢	63 ¢
Sugar, A	lb.	5 $\frac{3}{4}$ ¢	6 ¢	6 $\frac{1}{4}$ ¢	6 $\frac{1}{2}$ ¢	6 $\frac{3}{4}$ ¢	7 ¢
“ B	“	4 $\frac{3}{4}$ ¢	5 ¢	5 $\frac{1}{4}$ ¢	5 $\frac{1}{2}$ ¢	5 $\frac{3}{4}$ ¢	6 ¢
Molasses	gal.	67 ¢	69 ¢	71 ¢	73 ¢	75 ¢	77 ¢
Apples, Mich.	ttl.	3.25	3.30	3.35	3.40	3.45	3.50
Potatoes, Early Rose	bus.	56 ¢	58 ¢	60 ¢	62 ¢	64 ¢	66 ¢
“ Snowflake	“	61 ¢	63 ¢	65 ¢	67 ¢	69 ¢	71 ¢
Rye	“	44 ¢	46 ¢	48 ¢	50 ¢	52 ¢	54 ¢

MEMORANDA OF TRANSACTIONS

Homeville, Monday, Apr. 2, 19—. Opened a new set of books with the following resources and liabilities, as shown by my balance sheet, Mar. 31. — Resources: cash on hand, \$?; wheat on hand, \$?; sugar on hand, \$?; molasses on hand, \$?; rent, prepaid, \$?; insurance, prepaid, \$?; Leonard Lyon's account, \$?; Orrin Olson's account, \$?; Quinn & Co.'s account, \$?; Ray Russell's account, \$?; Homeville Bank, on deposit, \$?; total, \$?. Liabilities: Knight & King's account, \$?; Marion Mead's account, \$?; Nathan Norton's account, \$?; Philip Pond's account, \$?; Silas Smith's account, \$?; Thomas Tyler's account, \$?; total, \$?.

Note. — The items in the foregoing statement of resources and liabilities are taken from the balance sheet of Mar. 31. The student will use the same titles and corresponding amounts shown in his balance sheet.

Apr. 2. Sold Ulysses Upham 7 bbls. A sugar, 1750 lb., at ? ¢; received his note at 8 days in payment.

Note. — All promissory notes in this set are drawn *without grace* unless otherwise specified.

Apr. 2. Bought of Victor Van Ness 250 bus. early rose potatoes, at ? ¢; gave in payment my note at 8 days.

Apr. 2. Paid cash for sundry expenses, \$11.75.

Apr. 2. Sold Zadoc Young 8 bbls. A sugar, 2000 lb., at ? ¢; 50 bus. E. R. potatoes, at ? ¢; total, \$?; received his note at 15 days.

Apr. 3. Sold William Windom, on his note at 10 days, 450 bus. No 2 wheat, at ? ¢.

Apr. 3. Bought of Amos Arnold 325 bbls. Michigan apples, at \$?; gave in part payment my note at 10 days for \$500, and my check on Homeville Bank for the balance, \$?.

- Apr. 4. Sold Quinn & Co. 120 bbls. Michigan apples, at \$? ; received in part payment their note at 10 days for \$175, their check on Homeville Bank for the balance.
- Apr. 4. Received Orrin Olson's note at 15 days for \$250, on his account.
- Apr. 5. Gave Knight & King my note at 9 days for \$500, on account.
- Apr. 5. Paid Nathan Norton in full of account, per check, \$? .
- Apr. 5. Received Leonard Lyon's note at 12 days, for \$? , in full of account.
- Apr. 6. Passed my note at 15 days to Philip Pond, for \$? , in full of account.
- Apr. 6. Bought of Amos Arnold 750 bus. snowflake potatoes, at ? ¢ ; 150 bbls. Michigan apples, at \$? ; total, \$? ; gave in part payment my note at 12 days for \$500, and check for the balance, \$? .
- Apr. 7. Sold Benoni Butler 4 bbls. A sugar, 1000 lb., at ? ¢ ; received in full payment his note at 9 days, \$? .
- Apr. 7. Received Ray Russell's check on State Bank for \$250, to apply on account.
- Apr. 7. Deposited Quinn & Co.'s check, \$? , and Ray Russell's check, \$? ; total, \$? .
- Apr. 9. Paid Silas Smith \$500 per check, to apply on account.
- Apr. 9. Received of Ulysses Upham his check on Park Bank for \$? , in full of his note of Apr. 2.
- Apr. 10. Paid Victor Van Ness, per check, in full of my note, his favor, of Apr. 2, \$? .
- Apr. 10. Received Quinn & Co.'s check on Homeville Bank for \$200, on account.
- Apr. 11. Paid Marion Mead \$500 per check, to apply on account.
- Apr. 12. Sold Thomas Tyler, on account, 75 bus. snowflake potatoes, at ? ¢ ; 30 bbls. Michigan apples, at \$? ; total, \$? .
- Apr. 13. Received from William Windom his new note at 12 days for \$200 and his certified check on Park Bank for the balance of his note of Apr. 3.
- Apr. 13. Redeemed my note of Apr. 3, favor of Amos Arnold, for \$500, due to-day, by issuing my new note at 6 days, his favor, for \$350, and paying him per check for the balance, \$? .
- Apr. 13. Sold Leonard Lyon, on account, 650 gal. N. O. molasses, at ? ¢ .
- Apr. 14. Paid James Brown cash in full for services as clerk, \$35.
- Apr. 14. Paid Knight & King in full of account per check, \$? .
- Apr. 14. Received Quinn & Co.'s new note at 10 days for \$100, and their certified check on Homeville Bank for \$? , in full of their note of Apr. 4.
- Apr. 14. Redeemed my note of Apr. 5, favor of Knight & King, for \$500, by issuing my new note at 12 days, their favor, for \$250, and my check for \$250.
- Apr. 14. Bought of Thomas Tyler 1500 bus. rye, at ? ¢ ; gave him my note at 12 days, for \$500, and my check for the balance.
- Apr. 14. Deposited in Homeville Bank, Ulysses Upham's check for \$? ; Quinn & Co.'s check for \$? ; William Windom's check for \$? ; Quinn & Co.'s check for \$? ; total, \$? .

Inventory of Merchandise on Hand, April 14, 19—

? bbls. A Sugar, 15250 lb.	? ¢	?	
? " B " 6000 lb.	? ¢	?	?
? bus. No. 2 Wheat	? ¢	—	?
? gal. N. O. Molasses	? ¢	—	?
? bus. Early Rose Potatoes	? ¢	?	?
? " Snowflake "	? ¢	?	?
? bbls. Michigan Apples	\$?	—	?
? bus. Rye	? ¢	—	?
1½ months' Rent	\$30	—	45
10½ " Insurance		—	65 62

Note Book, List 1

Date	April 2, 19—
Time	8 days
Payee	Victor Van Sneau
Amt.	\$112 ⁵⁰
Where	Homeville Bank
No. /	No. 1

Date	April 3, 19—
Time	10 days
Payee	Anna Donald
Amt.	\$500 ⁰⁰
Where	Homeville Bank
No. 2.	No. 2.

Date	April 6, 19—
Time	15 days
Payee	Shill's Bond
Amt.	\$120 ⁰⁰
Where	My office
No. 4.	No. 4.

\$112⁵⁰

HOMEVILLE, (state), April 2, 19—

after date, for value received,
 I promise to pay ~~~~~ Victor Van Sneau ~~~~~ or order,
 One Hundred Twelve and ⁵⁰/₁₀₀ ~~~~~ Dollars.
 At Homeville Bank.

Th. E. Student.

\$500⁰⁰

HOMEVILLE, (state), April 3, 19—

after date, for value received,
 I promise to pay to the order of ~~~~~ Anna Donald ~~~~~
 Five Hundred ~~~~~ Dollars.
 At Homeville Bank.

Th. E. Student.

\$120⁰⁰

HOMEVILLE, (state), April 6, 19—

after date, for value received,
 I promise to pay to the order of ~~~~~ Shill's Bond ~~~~~
 One Hundred Twenty ⁰⁰/₁₀₀ ~~~~~ Dollars.
 At My office.

Th. E. Student.

Journal-Daybook

Homeville, Monday, April 2, 19—.

Cash	Per Cash Book		?		
Wheat	" Inventory		?		
Sugar	" "		?		
Molasses	" "		?		
Expense	" "		?		
Insurance	" "		?		
Leonard Lyon	Due me on account		?		
Orin Olson	" " "		?		
Quinn & Co.	" " "		?		
Ray Russell	" " "		?		
Homeville Bank	Balance on deposit		?		
Th. E. Student	Foregoing resources			?	
Th. E. Student	Following Liabilities		?		
Knight & King	Due them on account				?
Marion Mead	" him "				?
Nathan Norton	" " "				?
Philip Pond	" " "				?
Silas Smith	" " "				?
Thos. Tyler	" " "				?
		2			
Ulysses Upham	Sold him		?		
Sugar	7 bbls. A, 1750 lb.	?	?		?
Bills Receivable	Rec'd his note at 8 days in		?		
Ulysses Upham	full payment				?
		2			
Potatoes	250 bus. Early Rose	?	?		?
Victor Van Aess	Bought of him				?
Victor Van Aess	Gave him my note at 8 days		?		
Bills Payable	in full payment				?
		2			
Expense	Said for sundry items		11	75	
Cash					11 75
			?		?

Journal-Daybook, Continued

Homeville, Tuesday, April 3, 19—

Apples	325 bbls. Mich.	\$?	?		
Amos Arnold	Bought of him				?
Amos Arnold	Paid him		?		
Bills Payable	My note at 10 days				?
Homeville Bank	" check for balance				?
4 —					
Quinn & Co.	Sold them		?		
Apples	120 bbls. Mich.	\$?			?
Bills Receivable	Their note at 10 days		?		
Cash	" check for balance		?		
Quinn & Co.	Rec'd payment				?
4 —					
Bills Receivable	His note at 15 days to		250		
Orin Olson	apply on %				250
5 —					
Knight & King	My note at 9 days to		500		
Bills Payable	apply on account				500
6 —					
Potatoes	750 bus. Snowflake	? ¢	?		
Apples	150 bbls. Mich.	\$?	?		
Amos Arnold	Bought of him				?
Amos Arnold	Paid him		?		
Bills Payable	My note at 12 days				?
Homeville Bank	" check for balance				?
13 —					
Bills Receivable	Wm. Windom's new note		200		
	at 12 days				
Cash	His certified check for bal.		38 50		
Bills Receivable	His note of Apr. 3 at 10				238 50
	days redeemed				
			?		?

BILLS PAYABLE, *Left-hand Page*

No.	When Issued	Maker or Drawee	Payee	Where Payable	For What Given
1	19— Apr. 2	Th. E. Student	V. Van Ness	Homeville Bank	Mdse.
2	" 3	"	Amos Arnold	"	"
3	" 5	"	Knight & King	"	On Account
4	" 6	"	Philip Pond	My Office	Full of Acct.
5	" 6	"	A. Arnold	Homeville Bank	Mdse.
6	" 13	"	A. Arnold	"	Old Note

BILLS RECEIVABLE, *Left-hand Page*

No.	When Received	Maker or Drawee	Payee	Where Payable	For What Received
1	19— Apr. 2	U. Upham	Th. E. Student	His Office	Mdse.
2	" 2	Z. Young	"	"	"
3	" 3	W. Windom	"	"	"
4	" 4	Quinn & Co.	"	Their Office	"
5	" 4	Orrin Olson	"	His Office	On Account
6	" 5	L. Lyon	"	"	Full of Acct.

MEMORANDA OF TRANSACTIONS, *Continued*

Homeville, Monday, Apr. 16, 19—. Sold James King 150 bus. E. R. potatoes, at ? ¢; 125 bbls. Michigan apples, at \$?; total, \$?; received his note at 10 days for \$ 350, and his check on Park Bank for the balance, \$?.

Apr. 16. Received Benoni Butler's check on State Bank for \$?, in full payment of his note of the 7th inst.

Apr. 17. Received Zadoc Young's check on Park Bank for \$?, in full payment of his note of Apr. 2.

Apr. 17. Sold Henry Sabin 450 bus. No. 2 wheat, at ? ¢; received in payment his check on Homeville Bank.

Apr. 17. Received Leonard Lyon's check on Park Bank for \$?, in full payment of his note of the 5th inst.

Apr. 18. Redeemed my note of the 6th inst., favor of Amos Arnold, for \$?, by issuing a new note at 10 days for \$ 350, his favor, and my check for the balance, \$?.

Apr. 18. Sold Charles Chute 750 gal. N. O. molasses, at ? ¢; 5 bbls. A sugar, 1250 lb., at ? ¢; total, \$?; received in payment his note at 12 days for \$ 300, and his check on State Bank for the balance, \$?.

Apr. 18. Deposited in Homeville Bank, checks, as follows: James King's, \$?; Benoni Butler's, \$?; Zadoc Young's, \$?; Henry Sabin's, \$?; Leonard Lyon's, \$?; Charles Chute's, \$?; total, \$?.

Apr. 18. Paid cash, \$ 23.75, for sundry expenses.

Apr. 19. Received Orrin Olson's check for \$?, in full payment of his note of the 4th inst.

Book

BILLS PAYABLE, *Right-hand Page*

Date	Time to Run		When Due												Face	When and How Redeemed					
			Year	J.	F.	M.	A.	M.	J.	J.	A.	S.	O.	N.					D.		
19—																					
Apr.	2	8 ds.	19—				10										112	50	Apr.	10	Paid
"	3	10 "	19—				13										500		Apr.	13	Paid
"	5	9 "	19—				14										500		Apr.	14	Paid
"	6	15 "	19—				21										120				
"	6	12 "	19—				18										500				
"	13	6 "	19—				19										350				

BILLS RECEIVABLE, *Right-hand Page*

Date	Time to Run		When Due												Face	When and How Disposed Of					
			Year	J.	F.	M.	A.	M.	J.	J.	A.	S.	O.	N.					D.		
19—																					
Apr.	2	8 ds.	19—				10										100	63	Apr.	9	Paid
"	2	15 "	19—				17										143				
"	3	10 "	19—				13										238	50	Apr.	13	Paid
"	4	10 "	19—				14										175		Apr.	14	Paid
"	4	15 "	19—				19										250				
"	5	12 "	19—				17										170	45			

Apr. 19. Redeemed my note of the 13th inst. for \$350, favor of Amos Arnold, per check on Homeville Bank, favor W. F. Phelps. (Note indorsed.)

Apr. 20. Sold Henry Ivison 1000 gal. N. O. molasses, at ? ¢; 10 bbls. A sugar, 2500 lb., at ? ¢; total, \$?; received in payment his note at 30 days for \$600, and his check on Park Bank for the balance, \$?.

Apr. 20. Sold David Evans 150 bbls. Michigan apples, at \$?; 175 bus. S. F. potatoes, at ? ¢; total, \$?; received in payment his note at 30 days for \$200, and his certified check on Park Bank for the balance, \$?.

Apr. 21. Paid Philip Pond, per check on Homeville Bank, in full of my note of Apr. 6, \$?.

Apr. 21. Sold Benoni Butler 200 bus. S. F. potatoes, at ? ¢; 1250 gal. N. O. molasses, at ? ¢; total, \$?; received in payment his note at 15 days for \$250, and his certified check on State Bank for balance, \$?.

Apr. 21. Deposited in Homeville Bank, checks, as follows: Orrin Olson's, \$?; Henry Ivison's, \$?; David Evans's, \$?; Benoni Butler's, \$?; total, \$?.

Apr. 21. Paid, per check on Homeville Bank, \$16.48, for sundry expenses.

Apr. 23. Received Ray Russell's check on State Bank for \$500, on account.

Apr. 24. Received Quinn & Co.'s check on Homeville Bank for \$100, in full of their note of Apr. 14.

Apr. 24. Sold William Windom 15 bbls. A sugar, 3750 lb., at ? ¢; 12 bbls. B sugar, 3000 lb., at ? ¢; total, \$?; received in payment his note at 10 days for \$150, and his check on Park Bank for balance, \$?.

Apr. 25. Received William Windom's certified check on Park Bank for \$? in payment of his note of the 13th inst.

Apr. 25. Sold Quinn & Co. 16 bbls. A sugar, 4000 lb., at ? ¢ ; 12 bbls. B sugar, 3000 lb., at ? ¢ ; total, \$? ; received their note at 10 days for \$275, and their check on Homeville Bank for the balance, \$? .

Apr. 26. Redeemed my note of Apr. 14, favor of Knight & King, for \$? , per check on Homeville Bank, favor of D. L. Kiehle. (Note indorsed.)

Apr. 26. Redeemed my note, favor of Thomas Tyler, dated Apr. 14, for \$ 500 ; issued in payment a new note for \$ 300, at 15 days, and a check for the balance, \$? .

Apr. 26. Deposited checks as follows, in Homeville Bank: Ray Russell's, \$ 500 ; Quinn & Co.'s, \$ 100 ; William Windom's, \$? ; William Windom's, \$ 200 ; Quinn & Co.'s, \$? ; total, \$? .

Apr. 27. Sold John Adams 15 bbls. A sugar, 3750 lb., at ? ¢ ; 2500 gal. N. O. molasses, at ? ¢ ; total, \$? ; received in payment his note at 30 days for \$ 1000, and his certified check on Park Bank for the balance, \$? .

Apr. 27. Sold James K. Polk 50 bus. E. R. potatoes, at ? ¢ ; 300 bus. S. F. potatoes, at ? ¢ ; 750 bus. rye, at ? ¢ ; total, \$? ; received in payment his note at 20 days for \$ 300, and his certified check on State Bank for the balance, \$? .

Apr. 28. Paid, per check, \$ 15.23 for sundry items of expense.

Apr. 28. Sold Thomas Lowry 50 bbls. Michigan apples, at \$? ; 750 bus. rye, at ? ¢ ; 2250 gal. N. O. molasses, at ? ¢ ; total, \$? ; received his check on Homeville Bank for the amount.

Apr. 28. Deposited checks in Homeville Bank as follows: John Adams's, \$? ; James K. Polk's, \$? ; Thomas Lowry's, \$? ; total, \$? .

Inventory of Property, Apr. 30, 19—

	1 mo's Rent, prepaid		30	
	10 " Insurance, prepaid,	@ \$6.25	62 50	92 50

Th. E. Student's Trial Balance, Apr. 14, 19—. List 1

Face of Ledger		Open Accounts	P.	Balances	
?	?	Th. E. Student			4017 76
?	?	Wheat	211 50		
?	?	Expense	106 75		
?	?	Sugar	901 87		
?	?	Insurance	68 75		
?	?	Molasses	4436 50		
?	?	Potatoes	413 75		
?	?	Apples	818 75		
?	?	Rye	600		
?	?	Cash	30 25		
?	?	Bills Payable		1720	
?	?	Bills Receivable	920 95		
?	?	Personal Accounts Payable		6049 88	
?	?	Personal Accounts Receivable	1582 68		
?	?	Homeville Bank	1695 89		
30348 66	30348 66	Equilibrium	11787 64	11787 64	

Note.—To save space the personal accounts are here combined under two heads, Personal Accounts Payable and Personal Accounts Receivable.

Th. E. Student's Trial Balance, April 30, 19— List 1

Face of Ledger			Open Accounts	P.	Balances	
?	?	?	Th. E. Student			4161 14
?	?	?	Wheat			13 50
?	?	?	Expense		100 46	
?	?	?	Sugar			212 51
?	?	?	Insurance		65 62	
?	?	?	Molasses			697 50
?	?	?	Potatoes			89 50
?	?	?	Apples			162 50
?	?	?	Rye			60
?	?	?	Cash		6 50	
?	?	?	Bills Payable			650
?	?	?	Bills Receivable		3425	
?	?	?	Personal Accounts Payable			6049 88
?	?	?	Personal Accounts Receivable		1082 68	
?	?	?	Homeville Bank		7416 27	
30775 66	30775 66		Equilibrium		12096 53	12096 53

General Results, April 14, 19—

Footing of Trial Balance

List 1	2	3	4	5	6
\$ 30348.66	\$ 31777.75	\$ 33206.91	\$ 34636.00	\$ 36065.16	\$ 37494.25

Cash on Hand

List 1	2	3	4	5	6
\$ 30.25	\$ 42.75	\$ 55.25	\$ 67.75	\$ 80.25	\$ 92.75

Cash in Bank

List 1	2	3	4	5	6
\$ 1695.89	\$ 1435.00	\$ 1174.14	\$ 913.25	\$ 652.39	\$ 391.50

Total Footing of Inventory

List 1	2	3	4	5	6
\$ 7701.25	\$ 7982.12	\$ 8263.00	\$ 8543.87	\$ 8824.75	\$ 9105.62

General Results, April 30, 19—

Footing of Trial Balance

List 1	2	3	4	5	6
\$ 30775.66	\$ 32037.03	\$ 33298.51	\$ 34559.88	\$ 35821.36	\$ 37082.73

Cash on Hand

List 1	2	3	4	5	6
\$ 6.50	\$ 19.00	\$ 31.50	\$ 44.00	\$ 56.50	\$ 69.00

Cash in Bank

List 1	2	3	4	5	6
\$ 7416.27	\$ 7530.39	\$ 7644.57	\$ 7758.69	\$ 7872.87	\$ 7986.99

FIFTH SET.—DRY GOODS. STUDENT SOLE PROPRIETOR

The Object of this Set is to afford a general review of the work of the preceding sets, and to give additional practice in the entry of transactions involving promissory notes.

The pupil will consider himself the proprietor of the business, will write all the correspondence, make out all the papers, and keep the books.

Hereafter the bank account will be kept in the check book only (page 104), and funds in bank will be considered part of the cash on hand. Hence cash is credited, instead of the bank, when a check is issued; and no journal entry is made of a deposit.

Characteristics.—Buying and selling dry goods for cash, on personal credit, and on promissory notes; receiving and paying cash on personal account, and on notes; meeting with a loss by fire, and closing the books with a decreased capital.

Business Forms Used.—Bills of parcels, receipts, deposit tickets, checks, promissory notes, bank drafts, business statements, financial statements, and balance sheets.

Books Used.—Journal-daybook, ledger, receipt book, check book, bank pass book, note book, bill book, cash book, stock record book, and trial balance book.

Ledger Titles and Number of Lines Each will Require.—Th. E. Student, 11; Adam Brown, 8; Byron Cook, 7; C. C. Dunn, 7; Cash, 20; Dennis Eagan, 6; Edward Forster, 6; Merchandise, 24; Store and Fixtures, 10; Bills Payable, 23; George Hunter, 4; Irwin Janney, 7; Lord & Taylor, N.Y., 6; Charles Adams, Boston, 6; H. Smith & Co., N.Y., 4; Seth Tuttle, N.Y., 4; George Hunter, Chicago, 4; Otto Miller, Chicago, 4; James King & Co., N.Y., 6; Henry Irving, Chicago, 6; James Rich, Canton, 4; Murray James, 4; George Clark, 4; Harry Curtiss, 4; George Huhn, 4; David Ford, 4; Henry Jones, 4; Aaron Bull, 4; Myron Dale, 4; Simon Jewell, 4; Silas Smith, 4; Thomas Catlin, 4; Jonas Bell, 4; Samuel Ladd, 4; Bills Receivable, 21; Insurance, 7; Expense, 8; Paul Quinn, 4; Oscar Sawyer, 4; Neill Odium, 4; Lemuel Mott, 4; Mark Nichols, 7; Cash (2d), 22; King & Co., 6; Thomas Utley, 6; Merchandise (2d), 15; Premium, 8; Remittances, 12; Loss and Gain, 12; Balance, 18.

DIRECTIONS FOR WORKING THE FIFTH SET

1. Complete all the work of each day before commencing the work of any succeeding day, as follows: (a) Make out bills of parcels, both incoming and outgoing. (b) Write in the receipt book receipts for money received, and on blanks for money paid. (c) Write in the check book all checks issued, and on blanks all checks received. (d) Write in the note book all notes issued, and on blanks all notes received. (e) Record in the bill book all notes issued and received, and check in the bill book all notes redeemed and disposed of. (f) Prepare deposit tickets and make corresponding entry in the check book and bank pass book. (g) Write in the cash book the receipts and disbursements of money (including checks). (h) Enter in the stock record book each purchase and sale.

2. Record in the journal-daybook each day's business to the 14th day of the month and post to the ledger.

3. Take trial balance, and prepare inventory.

4. Close ledger in current form, make business and financial statements and balance sheet of the business for the two weeks.

5. Finish the month's business in the same order, but close the ledger in final form.

Buying Price Lists

Articles	Per	1	2	3	4	5	6
Amoskeag Prints	yd.	6¢	6¼¢	6½¢	6¾¢	7¢	7¼¢
American "	"	6½¢	6¾¢	7¢	7¼¢	7½¢	7¾¢
Cotton Flannel	"	10¢	10¼¢	10½¢	10¾¢	11¢	11¼¢
Manchester Gingham	"	5½¢	5¾¢	6¢	6¼¢	6½¢	6¾¢
Merrimac Prints	"	6½¢	6¾¢	7¢	7¼¢	7½¢	7¾¢
Paper Cambric	"	5¢	5¼¢	5½¢	5¾¢	6¢	6¼¢
Scotch Gingham	"	15¢	15¼¢	15½¢	15¾¢	16¢	16¼¢
Wamsutta Muslin	"	8¢	8¼¢	8½¢	8¾¢	9¢	9¼¢
Washington Cambric	"	4½¢	4¾¢	5¢	5¼¢	5½¢	5¾¢
York Denims	"	12½¢	12¾¢	13¢	13¼¢	13½¢	13¾¢

Selling Price Lists

Articles	Per	1	2	3	4	5	6
Amoskeag Prints	yd.	7½¢	7¾¢	8¢	8¼¢	8½¢	8¾¢
American "	"	8¢	8¼¢	8½¢	8¾¢	9¢	9¼¢
Cotton Flannel	"	12¢	12¼¢	12½¢	12¾¢	13¢	13¼¢
Manchester Gingham	"	7¢	7¼¢	7½¢	7¾¢	8¢	8¼¢
Merrimac Prints	"	8¢	8¼¢	8½¢	8¾¢	9¢	9¼¢
Paper Cambric	"	6½¢	6¾¢	7¢	7¼¢	7½¢	7¾¢
Scotch Gingham	"	18¢	18¼¢	18½¢	18¾¢	19¢	19¼¢
Wamsutta Muslin	"	9½¢	9¾¢	10¢	10¼¢	10½¢	10¾¢
Washington Cambric	"	6¢	6¼¢	6½¢	6¾¢	7¢	7¼¢
York Denims	"	15½¢	15¾¢	16¢	16¼¢	16½¢	16¾¢

MEMORANDA OF TRANSACTIONS

Homeville, Tuesday, May 1, 19— Th. E. Student commenced business this day with the following resources and liabilities. Resources: cash in safe, \$25; in Homeville Bank, \$3975; (total, Cash Dr., \$4000); store and fixtures, lot No. 47 Main St., with building, \$7500; due me on account from Adam Brown, \$275; Byron Cook, \$315.90; C. C. Dunn, \$460.18; Dennis Eagan, \$287.50; total, \$12,838.58. Liabilities: I owe on account, Edward Forster, \$190.25; George Hunter, \$217.50; Henry Irving, Chicago, \$215.25; Irwin Janney, \$270; total, \$893; net capital, \$?.

May 1. Procured, per check, insurance of S. Morris, Agent, for one year; on building and fixtures, \$2500 at 1½%, \$?; on Mdse., \$3000 at 2%, \$?; total, \$?. (Cash Cr.)

May 1. Bought of Lord & Taylor, New York, on my note at 10 days, 6275 yds. Amoskeag prints, at ?¢.

Note. — Notes in this set are drawn *without grace* unless otherwise specified.

May 1. Bought of Charles Adams, Boston, on my note at 15 days, 5428 yds. York denims, at ?¢.

May 1. Bought of H. Smith & Co., New York, on my note at 30 days, 15,225 yds. paper cambric, at ?¢; 10,250 yds. Washington cambric, at ?¢; total, \$?.

May 2. Sold Adam Brown, for cash, 175 yds. York denims, at ?¢.

May 2. Bought of Seth Tuttle, New York, on my note at 15 days, 1874 yds. Merrimac prints, at ?¢; 600 yds. cotton flannel, at ?¢; total, \$?.

May 3. Sold Thomas Utley, on credit, 120 yds. Merrimac prints, at ? ¢; 150 yds. cotton flannel, at ? ¢; total, \$? .

May 4. Sold James Rich, Canton, 1246 yds. paper cambric, at ? ¢; 330 yds. Amoskeag prints, at ? ¢; total, \$? ; received his note at 10 days for the amount.

May 4. Sold Murray James 750 yds. paper cambric, at ? ¢; 394 yds. Amoskeag prints, at ? ¢; 276 yds. York denims, at ? ¢; total, \$? ; received his note at 12 days for \$50, and his check on State Bank for the balance, \$? .

May 4. Paid cash for sundry items of expense, \$23.75.

May 4. Bought of George Hunter, Chicago, 12,525 yds. Wamsutta muslin, at ? ¢; gave in payment my note at one month for \$500; certified check on Homeville Bank for the balance, \$? .

May 4. Sold Walter Ellis, for cash, 350 yds. Amoskeag prints, at ? ¢; 276 yds. York denims, at ? ¢; total, \$? .

May 5. Bought of Otto Miller, Chicago, 4375 yds. Amoskeag prints, at ? ¢; 3950 yds. paper cambric, at ? ¢; 2970 yds. York denims, at ? ¢; 2500 yds. Wamsutta muslin, at ? ¢; 1875 yds. Scotch gingham, at ? ¢; total, \$? ; gave in payment my note at 16 days for \$1000, and my certified check for the balance, \$? .

May 5. Exchanged notes with Edward Forster for his accommodation, each drawn at 6 days from date for \$500.

May 5. Sold Adam Brown 750 yds. paper cambric, at ? ¢; received his check on Marine Bank for \$30; balance on credit, \$? .

May 5. Sold Paul Quinn, on credit, 478 yds. Wamsutta muslin, at ? ¢; 516 yds. paper cambric, at ? ¢; total, \$? .

May 5. Deposited in Homeville Bank checks as follows: Murray James's, \$? ; Adam Brown's, \$? ; currency, \$50; total, \$? . (Make entry in check book only.)

May 7. Bought of James King & Co., N.Y., 3750 yds. Scotch gingham, at ? ¢; remitted my note at 8 days for \$250, and my certified check for the balance, \$? .

May 7. Bought of Henry Irving, Chicago, 4250 yds. Manchester gingham, at ? ¢; remitted in payment my note at 10 days for \$150, and my check for the balance, \$? .

May 7. Bought of Irwin Janney 9875 yds. American prints, at ? ¢; gave him my check for \$350; balance on credit, \$? .

May 7. Sold George Clark 3250 yds. Amoskeag prints, at ? ¢; 1490 yds. American prints, at ? ¢; total, \$? ; received his note at 5 days for \$150, and his check on Park Bank for the balance, \$? .

May 8. Sold Harry Curtiss 2427 yds. Wamsutta muslin, at ? ¢; 1590 yds. York denims, at ? ¢; total, \$? ; received his note at 6 days for \$250, and his check on Homeville Bank for the balance, \$? .

May 8. Sold James Bell, for cash, 540 yds. Scotch gingham, at ? ¢.

May 8. Received from Adam Brown, on account, \$100, per check on Marine Bank.

May 8. Sold C. C. Dunn 470 yds. Wamsutta muslin, at ? ¢; 290 yds. Manchester gingham, at ? ¢; 304 yds. paper cambric, at ? ¢; total, \$? ; received his check on State Bank for \$50; balance on credit, \$? .

May 9. Sold Oscar Sawyer, on credit, 325 yds. Amoskeag prints, at ? ¢; 460 yds. Washington cambric, at ? ¢; 490 yds. paper cambric, at ? ¢; 175 yds. American prints, at ? ¢; 250 yds. York denims, at ? ¢; 175 yds. Scotch gingham, at ? ¢; total, \$? .

May 9. Sold Byron Cook 425 yds. Manchester gingham, at ? ¢; 875 yds. Amoskeag prints, at ? ¢; total, \$? ; received his check on Homeville Bank for \$75; balance on credit, \$? .

May 9. Remitted to Lord & Taylor, N.Y., my new note at 12 days, dated May 11, for \$175, and my certified check for the balance of my note of May 1, \$? . (Debit Remittances account.)

May 9. Deposited checks as follows: George Clark's, \$?; Harry Curtiss's, \$?; Adam Brown's, \$100; C. C. Dunn's, \$50; Byron Cook's, \$75; currency, \$100; total, \$?.

May 10. Sold George Huhn 175 yds. Scotch gingham, at ? ¢; 475 yds. American prints, at ? ¢; 260 yds. York denims, at ? ¢; 150 yds. Amoskeag prints, at ? ¢; 950 yds. paper cambric, at ? ¢; 575 yds. Manchester gingham, at ? ¢; 230 yds. Merrimac prints, at ? ¢; total, \$?; received his note at 30 days for \$200, and his check on State Bank for the balance, \$?.

May 10. Sold James King, for cash, 1250 yds. Manchester gingham, at ? ¢.

May 10. Sold David Ford 2560 yds. Wamsutta muslin, at ? ¢; 1509 yds. American prints, at ? ¢; 350 yds. Scotch gingham, at ? ¢; total, \$?; received his note at 8 days for \$225, and check on Homeville Bank for balance, \$?.

May 11. Edward Forster takes up and returns my note of the 5th inst., and I surrender his of same date and amount, \$?.

May 11. Sold Neill Odlum, on credit, 675 yds. Wamsutta muslin, at ? ¢; 276 yds. Scotch gingham, at ? ¢; 398 yds. Amoskeag prints, at ? ¢; 190 yds. York denims, at ? ¢.

May 12. Received George Clark's new note at 10 days for \$50, and his certified check on Park Bank for \$100, in payment of his note of May 7 for \$?.

May 12. Sold Lemuel Mott, on credit, 350 yds. York denims, at ? ¢; 197 yds. paper cambric, at ? ¢; 497 yds. Amoskeag prints, at ? ¢; 375 yds. Scotch gingham, at ? ¢; 560 yds. Wamsutta muslin, at ? ¢; 290 yds. American prints, at ? ¢; total, \$?.

May 12. Sold Mark Nichols 645 yds. Amoskeag prints, at ? ¢; 490 yds. Wamsutta muslin, at ? ¢; 245 yds. York denims, at ? ¢; 270 yds. Scotch gingham, at ? ¢; 378 yds. paper cambric, at ? ¢; 225 yds. Merrimac prints, at ? ¢; 160 yds. cotton flannel, at ? ¢; total, \$?; received his check on Homeville Bank for \$150; balance on credit, \$?.

May 12. Deposited George Huhn's check, \$?; D. Ford's check, \$?; George Clark's check, \$100; Mark Nichols's check, \$150; currency, \$100; total, \$?.

May 12. Received from Lord & Taylor, N.Y., my note of May 1. (Remittances Cr.)

Inventory of Unsold Property, May 12, 19—

? yds. Amoskeag Prints	? ¢	?		
? " American "	? ¢	?		
? " Cotton Flannel	? ¢	?		
? " Manchester Gingham	? ¢	?		
? " Merrimac Prints	? ¢	?		
? " Paper Cambric	? ¢	?		
? " Scotch Gingham	? ¢	?		
? " Wamsutta Muslin	? ¢	?		
? " Washington Cambric	? ¢	?		
? " York Denims	? ¢	?		?
Store & Fixtures, present value				7750
Insurance, estimated value				9350
				?

MEMORANDA OF TRANSACTIONS, *Continued*

Homeville, Monday, May 14, 19—. Received from James Rich, Canton, exchange on Homeville, in full of his note of May 4, 19—, for \$?.

May 14. Received from Harry Curtiss his check on Homeville Bank in full payment of his note of May 8.

May 14. Received from Thomas Utley \$15 on account, per check on Park Bank.

May 14. Paid \$16.14 in cash for sundry items of expense.

May 14. Sold Aaron Bull 976 yds. American prints, at ϕ ; 1000 yds. paper cambric, at ϕ ; 1500 yds. Washington cambric, at ϕ ; 487 yds. Wamsutta muslin, at ϕ ; 396 yds. Manchester gingham, at ϕ ; 189 yds. York denims, at ϕ ; total, \$?; received his note at 30 days for \$125; his note at 45 days for \$100, and his check on Homeville Bank for the balance, \$?.

May 14. Deposited in Homeville Bank, draft and checks as follows: James Rich's, \$?; Harry Curtiss's, \$?; Thomas Utley's, \$?; Aaron Bull's, \$?; total, \$?.

May 14. Purchased at Homeville Bank, per check, draft on N. Y. for \$250, at $\frac{1}{4}\%$ premium, and remitted to James King & Co., N. Y., for my note of May 7; premium, \$?; total, \$?. (Remittances Dr.)

May 15. Remitted to Seth Tuttle, N. Y., my new note at 30 days from May 17, for \$100, and my certified check for the balance of my note of May 2, \$?.

May 15. Bought of Homeville Bank, per check, draft on Boston for \$?, at par, and remitted the same to Charles Adams, Boston, in payment of my note of May 1, his favor.

May 15. Remitted to Henry Irving, Chicago, my new note at 30 days from May 17, for \$50, and exchange on Chicago for the balance of my note of May 7, \$?, bought of Homeville Bank, per check, at $\frac{1}{4}\%$ premium; premium, \$?; total, \$?.

May 16. Received \$50 of Murray James, per check on State Bank, in full payment of his note of May 4.

May 16. Drew out, per check, for personal use, \$75.

May 16. Sold Henry Jones, on his note at one month, 450 yds. Scotch gingham, at ϕ ; 750 yds. Washington cambric, at ϕ ; total, \$?.

May 16. Deposited in Homeville Bank, Murray James's check, \$?.

May 17. Sold Myron Dale 590 yds. paper cambric, at ϕ ; 748 yds. Scotch gingham, at ϕ ; total, \$?; received in payment his note at 9 days for \$100, and his check on State Bank for the balance, \$?.

May 17. Deposited Myron Dale's check in Homeville Bank, \$?.

May 18. Received from James King & Co. my note of May 7, canceled (Remittances Cr.).

May 18. Sold Simon Jewell 590 yds. paper cambric, at ϕ ; 2560 yds. Wamsutta muslin, at ϕ ; 1595 yds. American prints, at ϕ ; total, \$?. Received his note at one month for \$250, and his certified check on Homeville Bank for the balance, \$?.

May 18. Received David Ford's new note for \$100, at 10 days, and his certified check on Homeville Bank for \$125, in full payment of his note of May 10, for \$?.

May 18. Deposited Simon Jewell's check for \$?, and David Ford's check for \$?, in Homeville Bank; total, \$?.

May 19. Received from Seth Tuttle, N. Y., my note of May 2, canceled.

May 19. Sold Silas Smith 1250 yds. American prints, at ϕ ; 1500 yds. Washington cambric, at ϕ ; total, \$?; received his certified check on Park Bank for the amount.

May 19. Received from Charles Adams, Boston, my note of May 1, canceled.

May 19. Sold Thomas Catlin 1305 yds. paper cambric, at ϕ ; 1218 yds. Washington cambric, at ϕ ; total, \$?; received his note at 30 days for \$125, and his check on Homeville Bank for the balance, \$?.

May 19. Received from Henry Irving, Chicago, my note of May 7, canceled.

May 19. Deposited Silas Smith's check for \$?, and Thomas Catlin's check for \$?, in Homeville Bank; total, \$?.

May 21. Remitted to Otto Miller, Chicago, my note at 30 days from May 21 for \$500, and Chicago exchange for the balance of my note of May 5, \$?, bought per check, at $\frac{1}{4}\%$ premium; premium, \$?; total, \$?.

May 21. Bought of Lord & Taylor, New York, 6247 yds. Amoskeag prints, at ϕ ;

4960 yds. York denims, at ? ϕ ; total, \$?; remitted in payment my note at one month for \$ 500; and exchange on New York bought at par, per check, for the balance, \$?.

May 21. Remitted to Lord & Taylor, N. Y., exchange on N. Y. for \$?, bought, per check, at $\frac{1}{2}$ % premium, for my note of May 11, \$?; premium, \$?; total, \$?.

May 22. Sold Jonas Bell 798 yds. York denims, at ? ϕ ; 985 yds. Washington cambric, at ? ϕ ; 1050 yds. Manchester gingham, at ? ϕ ; 1275 yds. American prints, at ? ϕ ; total, \$?; received his check on Homeville Bank for the amount of the bill.

May 22. Paid cash for sundry items of expense, \$ 18.75.

May 22. Received George Clark's check on Park Bank for his note of May 12, \$?.

May 22. Bought of Charles Adams, Boston, 2500 yds. Scotch gingham, at ? ϕ ; 5250 yds. Manchester gingham, at ? ϕ ; total, \$?; remitted to him my note at 30 days for \$ 400, and my certified check for the balance, \$?.

May 22. Deposited Jonas Bell's check, \$?, and George Clark's check, \$?; total, \$?.

May 23. Received from Otto Miller, Chicago, my note of May 5.

May 23. Sold King & Co. on account, 970 yds. Washington cambric, at ? ϕ ; 350 yds. Scotch gingham, at ? ϕ ; total, \$?.

May 24. Sold Samuel Ladd 490 yds. Amoskeag prints, at ? ϕ ; 3576 yds. paper cambric, at ? ϕ ; 986 yds. Wamsutta muslin, at ? ϕ ; total, \$?; received his check on Homeville Bank in full payment.

May 24. Sold King & Co., on credit, 1260 yds. York denims; 750 yds. American prints.

May 24. Deposited Samuel Ladd's check, \$?, in Homeville Bank.

May 25. Received from Lord & Taylor, N. Y., my note of May 11.

May 25. My store and my stock of goods were entirely destroyed by fire last night.

Note. — This record should be made in the journal, if the books can be reached, otherwise a memorandum should be made for future reference.

May 26. Received Myron Dale's check on State Bank, for note of May 17, \$?.

May 26. Deposited Myron Dale's check in Homeville Bank, \$?.

May 26. Remitted to H. Smith & Co., N. Y., my certified check for my note of May 1.

May 28. Drew out for personal use, per check, \$ 100.

May 28. Paid cash, \$ 35.40, for sundry items of expense.

May 28. Received David Ford's check on Homeville Bank, for his note of May 18, \$?.

May 29. Paid Edward Forster, on account, per check, \$ 125.

May 29. Received \$ 175, per check on Park Bank, of Dennis Eagan, on account.

May 29. Deposited David Ford's check, \$?, and Dennis Eagan's check, \$?; total, \$?.

May 31. Received from H. Smith & Co., N. Y., my note of May 1.

May 31. The fire of May 24 having entirely consumed my store and Mdse. therein, the insurance company has settled the loss by paying cash for the amount of insurance on the building, \$?, and for the value of the Mdse. at cost as shown by my books, as follows: ? yds. Amoskeag prints, at ? ϕ ; ? yds. American prints, at ? ϕ ; ? yds. cotton flannel, at ? ϕ ; ? yds. Manchester gingham, at ? ϕ ; ? yds. Merrimac prints, at ? ϕ ; ? yds. paper cambric, at ? ϕ ; ? yds. Scotch gingham, at ? ϕ ; ? yds. Wamsutta muslin, at ? ϕ ; ? yds. Washington cambric, at ? ϕ ; ? yds. York denims, at ? ϕ ; total, \$?; received the company's check in full, for store, \$?; for Mdse., \$?; total, \$?.

Note. — Having kept such a complete and correct record of my business as shown by my books of account, which have been taken from my safe, I am able to make a definite and reliable statement of the extent of my loss, enabling the insurance adjuster to settle with me on favorable terms, and without delay.

Inventory of Property on Hand, May 31, 19—

Lot No. 47 Main St., valued at \$ 3000

Balance Book

May 31, 19—		June 9, 19—		June 16, 19—		June 23, 19—		June 30, 19—	
175	12766 80	3109 88	13784 99	3109 88	13784 99		10896 47		10896 47
193 75		358 75		358 75		358 75		358 75	
336 28		461 28		461 28		461 28		461 28	
494 89		634 89		634 89		634 89			
11711 11	4140 30	8145 51	3734 75	9600	4256 50	6529 05	1647 78	9054 64	1835 28
287 50	175	112 50				505		505	205
125	190 25		65 25			305	72 30		
5262 86	5763 59	5381	1864 70	7016 80	3158 45	6029	2253 55	6117 50	6531 80
7750	2500								
3637 81	5707 81	500	7750	900	8065 25	1542 13	7317 13	1617 13	7357 38
	217 50	305	217 50	305	217 50	305	217 50	305	217 50
	561 88		561 88	485	561 88				
1806 74	880 74	926	200	1001	451	550	450	6435 39	550
	215 25		215 25	100	215 25	75	115 25		
93 50		145		145		138 96		138 96	132 92
70 29		18		57 75		24		48	
27 60	15	12 60		12 60					
78 95		263 95		263 95		263 95		263 95	
168 08		168 08	18	168 08	57 75	110 33			
173 11		173 11		473 11		473 11			
93 28		93 28		297 28	100				
248 24		248 24							
3 63		1 25		2		5 75		5 75	
376 50		376 50		376 50	300	76 50			
33134 12	33134 12	6000		6000		6000		6000	250
. . . . .	. . . . .		175			247	300		
. . . . .	. . . . .	260	117 50						
. . . . .	. . . . .	235						250	53
. . . . .	. . . . .	75							
. . . . .	. . . . .	700		700		700		700	650
. . . . .	. . . . .	28704 82	28704 82						
. . . . .	. . . . .			247		230	125		
. . . . .	. . . . .				1475		2725		2725
. . . . .	. . . . .			32715 87	32715 87	460			
. . . . .	. . . . .					197 28	245		
. . . . .	. . . . .					143		143	
. . . . .	. . . . .					26364 98	26364 98		1000
. . . . .	. . . . .							32404 35	32404 35

General Results, Fifth Set

Cash on Hand						
	List 1	2	3	4	5	6
May 12	\$3679.28	\$3623.59	\$3567.83	\$3512.12	\$3456.40	\$3400.71
" 31	\$7570.81	\$7553.05	\$7535.14	\$7517.36	\$7499.54	\$7481.76

Footing of Trial Balance						
	List 1	2	3	4	5	6
May 12	\$25507.89	\$25822.71	\$26137.26	\$26452.05	\$26766.58	\$27081.40
" 31	\$33134.12	\$33553.34	\$33972.15	\$34391.32	\$34810.24	\$35229.43

Inventory of Mdse. on Hand, May 12, 19—						
	List 1	2	3	4	5	6
	\$3604.29	\$3733.04	\$3861.74	\$3990.49	\$4119.20	\$4247.91

Th. E. Student's Net Capital, May 31, 19—						
	List 1	2	3	4	5	6
	\$10675.11	\$10675.24	\$10675.08	\$10675.18	\$10675.13	\$10675.24

SIXTH SET. — FURNITURE BUSINESS. STUDENT SOLE PROPRIETOR

Object of the Set. — The object of this sixth set is to teach the making of drafts and acceptances, and the method of recording them in the various books.

The transactions in this set are selected and arranged so as to present drafts and acceptances in almost every conceivable manner and condition. The pupil will in turn become drawer, drawee, payee, acceptor, and indorser. He will draw drafts, accept drafts, pay drafts, indorse drafts, and collect when due. He will learn how to keep the record of their date and maturity in the bill book, and how to dispose of them when paid.

The pupil will be the proprietor of the business, perform the transactions, and keep the books.

Business Papers Used. — Bills of parcels, receipts, deposit tickets, checks, promissory notes, drafts, acceptances, statements, and balance sheets.

Books Used. — Journal-daybook, ledger, receipt book, check book, note book, draft book, bill book, cash book, bank pass book, and trial balance book.

Ledger Titles and Number of Lines Each will require. — Th. E. Student, 9; Adam Brown, 7; Byron Cook, 7; C. C. Dunn, 6; Lemuel Mott, 4; Dennis Eagan, 7; Paul Quinn, 7; Oscar Sawyer, 9; Premium, 11; Cash, 24; Neill Odum, 6; Thomas Utley, 4; Bills Receivable, 14; King & Co., 7; Real Estate, 7; Mark Nichols, 6; Bills Payable, 17; Bovey & Co., 4; Edward Forster, 7; George Hunter, 6; Irwin Janney, 8; Henry Irving, 9; Insurance, 9; Bohn & Co., 7; Store Fixtures, 6; Henry Stevens, 6; H. C. Butler, 7; Burt & Phelps, 5; Expense, 10; Mdse., 29; Good Will, 4; Mdse. (2d), 20; L. C. Lord, 7; W. F. Phelps, 6; Cash (2d), 26; Walker & Co., 6; Home Manufacturing Co., 6; Remittances, 10; Loss & Gain, 14; Balance, 14.

DIRECTIONS FOR WORKING SIXTH SET

1. Complete all the work of each day before commencing the work of any succeeding day, as directed in the preceding set (p. 138). Deposit daily in Homeville Bank all cash (currency and checks) received.
2. Record in the journal-daybook each day's business, posting daily to the ledger, and taking a trial balance in the trial balance book weekly (June 9, 16, 23, and 30).
3. Write up the cash book daily, and close the cash book weekly.
4. Close the ledger, in current form, on the 16th of June, and make business and financial statements and balance sheet.
5. Close the ledger, in full form, at the end of the month, and make business and financial statements and balance sheet.

Selling Price Lists

Articles		List 1	2	3	4	5	6
Chamber Sets,	Black Walnut	110	110 25	110 50	110 75	111	111 25
"	Oak	125	125 30	125 60	125 90	126 20	126 50
"	Rosewood	175	175 55	176 10	176 65	177 20	177 75
Parlor Sets,	Black Walnut	150	150 50	151	151 50	152	152 50
"	Rosewood	225	225 70	226 40	227 10	227 80	228 50
"	Mahogany	250	250 75	251 50	252 25	253	253 75
Roll Top Desks,	Black Walnut	75	75 15	75 30	75 45	75 60	75 75
"	Oak	90	90 25	90 50	90 75	91	91 25
Office Chairs,	Black Walnut	7 50	7 55	7 60	7 65	7 70	7 75
"	Oak	8	8 05	8 10	8 15	8 20	8 25
Center Tables,	Black Walnut	35	35 15	35 30	35 45	35 60	35 75
"	Rosewood	60	60 20	60 40	60 60	60 80	61
Writing Desks,	"	45	45 25	45 50	45 75	46	46 25
"	Mahogany	55	55 20	55 40	55 60	55 80	56
Ex. Dining Tables,	Black Walnut	35	35 15	35 30	35 45	35 60	35 75
"	Oak	40	40 15	40 30	40 45	40 60	40 75
Dining Chairs,	Black Walnut	4	4 05	4 10	4 15	4 20	4 25
"	Oak	5	5 05	5 10	5 15	5 20	5 25
Sideboards,	"	85	85 30	85 60	85 90	86 20	86 50
Bookcases,	Black Walnut	95	95 25	96 50	95 75	96	96 25

MEMORANDA OF TRANSACTIONS

Homeville, Friday, June 1, 19— . Opened a new set of books with the following resources and liabilities. Resources: The following persons owe me on account: Adam Brown, \$? ; Byron Cook, \$? ; C. C. Dunn, \$? ; Dennis Eagan, \$? ; Paul Quinn, \$? ; Oscar Sawyer, \$? ; Neill Odum, \$? ; Lemuel Mott, \$? ; Mark Nichols, \$? ; Thomas Utley, \$? ; King & Co., \$? ; cash in safe and bank, \$? ; notes receivable on hand, per bill book, \$? ; real estate, lot No. 47 Main St., \$? ; total, \$? . Liabilities as follows: I owe on account, Edward Forster, \$? ; George Hunter, \$? ; Henry Irving, \$? ; Irwin Janney, \$? ; on outstanding notes, per bill book, \$? ; total, \$? .

June 1. Bought of H. C. Butler store and lot, Nos. 94 and 96 Center St., 50 ft. frontage and 120 ft. deep, for \$6000. Gave in payment my lot, No. 47 Main St., valued at \$3000, and my certified check for the balance, \$? .

June 1. Bought of J. C. Hamilton his entire interest in the furniture business now carried on at 94 and 96 Center St., viz.: Furniture finished and in process of finishing, including lumber, paints, oils, hardware, and other material as per bill of sale, \$5000; store fixtures, including counters, shelving, desks, stoves and pipe, tools, and safe, as per bill of sale, \$700. Gave in payment my three notes, all dated June 1, 19—, and bearing interest at 6% on and after July 1, 19—. Note No. 1 to run 1 year, for \$1600; No. 2 to run 2 years, for \$1600; and No. 3 to run 3 years, for \$2500.

June 2. Insured in the Safety Insurance Co. my building and contents as follows: \$5000 on Mdse., finished and unfinished, and stock, at 2%, \$?; \$3000 on building, at 1½%, \$?; paid premium per check, \$?, favor Gale & Rust.

June 2. Sold Henry Stevens, on account, 1 B. W. (black walnut) chamber set, \$?; B. W. parlor set, \$?; total, \$?.

June 2. Sold Burt & Phelps, on credit, 1 B. W. roll top desk, \$?.

June 2. Bought at Homeville Bank, per check, a draft on Chicago at ¼% premium, and remitted to George Hunter, Chicago, for my note of May 4 for \$?; premium, \$?; check, \$?. (Remittances Dr.)

June 4. Sold Paul Quinn, on credit, 1 B. W. parlor set and 1 B. W. center table, \$?.

June 4. Bought of Bohn & Co., on credit, an invoice of lumber, \$175.

June 4. Cash sales of Mdse. for the day amount to \$44.35.

June 5. Sold Adam Brown, on credit, 1 oak chamber set, \$?; 1 oak extension dining table, \$?; total, \$?.

June 5. Cash sales of Mdse. for the day amount to \$97.40.

June 6. Received from George Hunter, my note of May 4. (Remittances Cr.)

June 6. Sold H. C. Butler, on credit, 1 rosewood chamber set, \$?; 1 rosewood center table, \$?; total, \$?.

June 6. Sold Byron Cook, on credit, 1 oak sideboard, \$?; 1 oak extension dining table, \$?; total, \$?.

June 6. Cash sales of Mdse. for the day amount to \$52.90.

June 7. Bought of Noyes Bros. paints and oils, as per invoice, \$117.50; gave in payment my sight draft, their favor, on Henry Stevens, for the amount.

June 7. Sold C. C. Dunn, on credit, 6 B. W. office chairs, at \$?; 1 B. W. bookcase, \$?; total, \$?.

June 7. Cash sales of Mdse. for the day, as per sales book, \$46.50.

June 8. Sold George Hunter, on credit, 1 mahogany parlor set, \$?; 1 mahogany writing desk, \$?; total, \$?.

June 8. Cash sales of Mdse. for the day, as per sales book, \$64.25.

June 9. Drew from bank, per check, \$88.50, and paid workmen.

June 9. Paid W. H. Curtiss salary for the week as salesman, \$18, per order on Oscar Sawyer for goods from his store.

June 9. Received from George Huhn his check on State Bank for his note, \$?.

June 9. Cash sales of Mdse. for the day, as per sales book, \$69.30.

June 11. Cash sales of Mdse. for the day, as per sales book, \$36.20.

June 11. Sold Alden Brown 1 B. W. parlor set, \$?; 1 B. W. extension dining table, \$?; 6 B. W. dining chairs, at \$?; total, \$?; received in payment his sight draft on Sanford Niles for the amount. (Debit Cash; and deposit the draft in the bank.)

June 11. Accepted Irwin Janney's draft at 5 days' sight in favor of H. M. Knox for \$250.

June 12. Accepted Edward Forster's draft at 10 days' sight, favor of H. M. Myers, for amount due him on account, \$?.

June 12. Sold Neill Odium, on credit, 1 R. W. (rosewood) parlor set, \$?; 1 R. W. writing desk, \$?; 6 oak dining chairs, at \$?, \$?; total, \$?.

- June 12. Received Dennis Eagan's check on Park Bank in full of account, \$? .
- June 12. Cash sales of Mdse. for the day, as per sales book, \$64.50.
- June 13. Drew at sight on Lemuel Mott, for amount due me, in favor of Homeville Bank, and deposited the same in bank to my credit, \$? .
- June 13. Sold Mark Nichols, on credit, 1 B. W. chamber set, \$? ; 1 B. W. center table, \$? ; 1 B. W. Ex. dining table, \$? ; 6 B. W. dining chairs, at \$? , \$? ; total, \$? .
- June 13. Drew on King & Co., on demand, favor of Homeville Bank, for \$300, and deposited the draft in bank to my credit.
- June 13. Bought of Home Manfg. Co., on credit, unfinished furniture, \$1475.
- June 13. Settled my account with Bohn & Co. by giving them my draft at 10 days' date, their favor, on Henry Stevens, for balance of his account, \$? , and check for the balance due Bohn & Co., \$? ; total, \$? .
- June 13. Received from Aaron Bull his check on Homeville Bank in full payment of his note, No. 1, dated May 14, \$? .
- June 13. Cash sales of Mdse. for the day, as per sales book, \$58.75.
- June 14. Paid R. H. Leonard, drayman, for services rendered, per order on Oscar Sawyer, for goods from his store, \$15.75.
- June 14. Drew at sight on H. C. Butler for amount due me on account, in favor of and to apply on account of Irving Janney, \$? .
- June 14. Bought of Bovey & Co., on credit, invoice of lumber, \$72.30.
- June 14. Drew at 10 days' sight on Burt & Phelps, my favor, for amount of their bill of June 2, and they return the draft accepted, \$? .
- June 14. Cash sales of Mdse. for the day, as per sales book, \$49.30.
- June 14. Bought, per check, Chicago exchange for \$50, at $\frac{1}{2}$ % premium, and remitted to Henry Irving for my note of May 17; premium, ? ϕ ; check, \$? .
- June 14. Purchased, per check, at $\frac{1}{2}$ % premium, exchange on N. Y. for \$100, and remitted to Seth Tuttle, N. Y., for my note of May 17; premium, ? ϕ ; check, \$? .
- June 15. Received Mark Nichols's sight draft on Henry Irving, my favor, for \$100, and I have received credit for the same on the books of Henry Irving.
- June 15. Sold L. C. Lord, on credit, 1 oak chamber set, \$? ; 1 oak roll top desk, \$? ; 4 oak office chairs, at \$? , \$? ; total, \$? .
- June 15. Cash sales of Mdse. for the day, as per sales book, \$51.25.
- June 16. Received Henry Jones's check on State Bank for \$? , in payment of his note of May 16.
- June 16. Received from Henry Irving, Chicago, my note of May 17, \$? .
- June 16. Paid W. H. Curtiss amount due him on salary to date, as salesman, per order on Oscar Sawyer for goods from his store, \$24.
- June 16. Drew per check on Homeville Bank, for amount of workmen's wages for the week, and paid them in full, \$88.50.
- June 16. Paid H. M. Knox, per check for my acceptance of June 11, \$? .
- June 16. Cash sales of Mdse. for the day, as per sales book, \$73.75.
- June 16. Received from Seth Tuttle, N. Y., my note of May 17, \$? .

Inventory of Property on Hand, June 16, 19— . Six Lists

Store & Lot, 94 & 96 Center St.	6000		
11 $\frac{1}{2}$ months' Insurance	138	96	
Store Fixtures, at cost	700		
Merchandise (estimated value)	4145	50	10984 46

Homeville, Monday, June 18, 19—. Sold Dennis Eagan, on credit, 1 R. W. chamber set, \$?; 1 R. W. parlor set, \$?; 1 R. W. center table, \$?; 1 R. W. writing desk, \$?.

June 18. Bought of Bohn & Co., on credit, invoice of lumber, \$300.

June 18. Bought of Home Manfg. Co., on credit, unfinished furniture, \$1250.

June 18. Sold Edward Forster, on credit, 1 mahogany parlor set, \$?; 1 mahogany writing desk, \$?; total, \$?.

June 18. Received Simon Jewell's certified check on Homeville Bank for \$?, in full payment of his note due this day.

June 18. Accepted Irwin Janney's draft at 5 days' sight for amount due him, favor of D. C. Bell, \$?.

June 18. Received certified check on Homeville Bank from Thomas Catlin, in full of his note of May 19, \$?.

June 18. Bought, per check, at $\frac{1}{4}$ % premium, Chicago exchange for \$?, and remitted to Otto Miller, Chicago, for my note of May 21; premium, \$?; check, \$?.

June 18. Cash sales of Mdse. for the day, as per sales book, \$47.80.

June 19. Sold Burt & Phelps, on credit, 6 oak office chairs, at \$?; 1 bookcase, \$?.

June 19. Bought, per check, at $\frac{1}{2}$ % premium, N. Y. exchange for \$?, and remitted to Lord & Taylor, N. Y., for my note of May 21; premium, \$?; check, \$?.

June 19. Bought, per check, at $\frac{1}{2}$ % premium, Boston exchange for \$?, and remitted to Charles Adams, Boston, for my note of May 22; premium, \$?; check, \$?.

June 19. Cash sales of Mdse. for the day, as per sales book, \$59.60.

June 20. Drew at sight on L. C. Lord for amount due me on account, favor of Bohn & Co., to apply on their account, \$?.

June 20. Bought of Walker & Co., on credit, invoice of lumber, \$245.

June 20. Cash sales of Mdse. for the day, as per sales book, \$74.20.

June 21. Sold W. F. Phelps, on credit, 1 mahogany parlor set, \$?; 1 mahogany writing desk, \$?; 1 oak sideboard, \$?; 1 oak Ex. dining table, \$?; 6 oak dining chairs, at \$?, \$?; total, \$?.

June 21. Cash sales of Mdse. for the day, as per sales book, \$175.20.

June 22. Received from Otto Miller, Chicago, my note of May 21, \$?.

June 22. Drew at sight on Edward Forster, favor of Bovey & Co., for amount due them on account, \$?.

June 22. Paid H. M. Myers, per check, for my acceptance, his favor, of the 12th inst., \$?.

June 22. Accepted Henry Irving's draft on me, favor of W. B. Hixson, at 3 days' sight, for \$75.

June 22. Cash sales of Mdse. for the day, as per sales book, \$130.

June 22. Sold L. C. Lord 1 B. W. chamber set, \$?; 1 B. W. roll top desk, \$?; 6 B. W. office chairs, at \$?; total, \$?; received his check on Homeville Bank for \$125, balance on credit, \$?.

June 23. Received from Lord & Taylor, N. Y., my note of May 21, \$?.

June 23. Drew at sight on Mark Nichols for balance due me on account, in favor of Walker & Co., to apply on their account, \$?.

June 23. Paid D. C. Bell, per check, for my acceptance of June 18, \$?.

June 23. Paid W. H. Curtiss amount due him as salesman, \$24, per my sight draft on Thomas Utley, for amount due me on account, \$?, and my check for the balance, \$?; total, \$24.

June 23. Drew per check from Homeville Bank, \$88.50, and paid workmen for wages for the week, as per pay roll.

June 23. Received from Burt & Phelps cash for their acceptance of June 14, \$?.

June 23. Received from Charles Adams, Boston, my note of May 22, \$?.

- June 23. Cash sales of Mdse. for the day, as per sales book, \$123.75.
- June 25. Sold H. C. Butler, on credit, 1 bookcase, \$?; 6 oak dining chairs, at \$?, \$?; 1 oak sideboard, \$?; 1 oak extension dining table, \$?; total, \$?.
- June 25. Drew on King & Co., at sight, for the balance due me on account, and deposited the same to my credit in Homeville Bank, \$?.
- June 25. Accepted Henry Irving's draft on me at 3 days' sight, for balance due him on account, in favor of William Walker, \$?.
- June 25. Drew at sight on H. C. Butler, favor of Bohn & Co., for amount due them on account, \$?.
- June 25. Drew at sight on W. F. Phelps, favor of Walker & Co., for amount due them on account, \$?.
- June 25. Paid per check for my acceptance of June 22, favor of W. B. Hixson, \$?.
- June 26. Received cash in full of account from Oscar Sawyer, \$?.
- June 26. Drew at sight on L. C. Lord, for balance due me on account, and deposited the same to my credit in Homeville Bank, \$?.
- June 26. Received from Dennis Eagan his check on Park Bank for \$205, on account.
- June 26. Drew at 10 days' sight on W. F. Phelps, my favor, for amount due me on account, and he returns the draft accepted, \$?.
- June 26. Cash sales of Mdse. for the day, as per sales book, \$170.
- June 27. Drew at 10 days' sight on Neill Odlum, my favor, for amount due me on account, and he returns the draft accepted, \$?.
- June 27. Sold Edward Forster 1 B. W. roll top desk, \$?; received his check on Homeville Bank covering balance of account and this bill, \$?.
- June 28. Received from Aaron Bull exchange on Homeville Bank for \$?, in full payment of his note No. 2 of May 14, due this day.
- June 28. Received C. C. Dunn's certified check on Park Bank in full of account, \$?.
- June 28. I have this day completed arrangements with Forster & Co. for the sale to them of my entire business, including Mdse., store fixtures, insurance, good will, etc., possession to be given July 2, 19—. Received from them their note at 6 months, with interest at 6%, for the following considerations and amounts: furniture finished and in process of finishing, including lumber, paints, oils, hardware, and other materials as per inventory, \$3600; store fixtures, including counters, shelving, desks, stoves and pipe, tools, and safe, as per inventory, \$650; good will for 5 years, per agreement, \$1000; insurance, 11 months, unexpired policy of \$5000 on stock at cost, \$132.92; total \$5382.92.
- June 28. Leased to Forster & Co. my store, Nos. 94 and 96 Center St., for a term of 5 years from July 2, 19—, at an annual rental of \$1000, payable quarterly in advance; received their check on Homeville Bank for quarter commencing July 2, \$?.
- June 29. Cash sales of Mdse. for the day, as per sales book, \$183.25.
- June 30. Paid W. H. Curtiss, per check, amount due him as salesman, \$24.
- June 30. Drew, per check, \$88.50, and paid workmen for wages in full to date as per pay roll.

General Results, Sixth Set

Footing of Trial Balance

	List 1	2	3	4	5	6
June 16 . . .	\$32715.87	\$32776.14	\$32836.08	\$32896.32	\$32956.39	\$33016.64
" 30 . . .	\$32404.35	\$32466.33	\$32528.01	\$32589.96	\$32651.77	\$32713.73

Th. E. Student's Net Capital

	List 1	2	3	4	5	6
June 16 . . .	\$10896.47	\$10905.10	\$10913.44	\$10922.04	\$10930.49	\$10939.10
" 30 . . .	\$12450.98	\$12466.36	\$12481.45	\$12496.80	\$12512.00	\$12537.36

Journal-Daybook, Sundry Entries

Homeville, Thursday, June 2, 19—

Remittances	Remitted to George Hunter, Chicago, draft for my note	?		
Premium	of May 4, bought at $\frac{1}{4}\%$?		
Cash	Cheek for the amount			?
	6—			
Bills Payable	Note favor of George Hunter,	?		
Remittances	Chicago, returned canceled			?
	7—			
Mdse.	Bought of Hoyes Bros.	117	50	
	Paints and Oils			
Henry Stevens	Our sight draft on him, favor of Hoyes Bros.			117 50
	9—			
Expense	Paid W. H. Curtiss salary for the week	18		
Oscar Sawyer	Our order on him for goods, favor of W. H. Curtiss			18
	11—			
Alden Brown	Sold him	?		
Mdse.	1 B. W. Parlor Set	?		?
	1 " Dining Table	?		?
	6 " Chairs @ ?	?		?
Cash	His sight draft on Sanford	?		
Alden Brown	Ailes, our favor			?
	11—			
Irwin Janney	Accepted his draft at	250		
Bills Payable	5 days' sight, in favor of H. M. Knox			250
	13—			
Bohn & Co.	Paid them in full per draft	?		
	at 10 days' date on Henry			
Henry Stevens	Stevens for balance of			?
	our % against him, and			
Cash	Cheek for balance			?

Draft Book, List 1

Date June 7, 19—
 Time Sight
 Payee *Clayco Bros.*
 Amt. \$117.⁵⁰
 On Henry Stevens
 Address Homeville
 (state)

Date June 13, 19—
 Time Sight
 Payee Homeville Bank
 Amt. \$248.²⁴
 On Lemuel Mott
 Address Homeville
 (state)

Date June 13, 19—
 Time On demand
 Payee Homeville Bank
 Amt. \$300.⁰⁰
 On King & Co.
 Address Homeville
 (state)

HOMEVILLE, (state), June 7, 19—

\$117.⁵⁰

At sight _____ for value received,
 Pay to _____ *Clayco Brothers* _____ or order,
One Hundred Seventeen and 50/100 _____ Dollars,
 and charge to the account of
 To Henry Stevens
 Homeville, (state).
Th. E. Student.

HOMEVILLE, (state), June 13, 19—

\$248.²⁴

At sight _____ for value received,
 Pay to _____ Homeville Bank _____ or order,
Two Hundred Forty-eight 24/100 _____ Dollars,
 and charge to the account of
 To Lemuel Mott
 Homeville, (state).
Th. E. Student.

HOMEVILLE, (state), June 13, 19—

\$300.⁰⁰

On demand _____ for value received,
 Pay to _____ Homeville Bank _____ or order,
Three Hundred and 00/100 _____ Dollars,
 and charge to the account of
 To King & Co.
 Homeville, (state).
Th. E. Student.

SEVENTH SET. — PARTNERSHIP. FURNITURE MANUFACTURING

This set represents a furniture manufacturing business conducted by a firm consisting of C. C. Curtiss and Th. E. Student. Th. E. Student is to have the general management of the business and to keep the books. The partners invest equally and share alike in losses and gains.

The transactions are arranged for the purpose of reviewing all preceding work, and for additional practice in the journal-daybook. The cash journal will receive special attention. All cash transactions will be entered in the cash journal only, and posted to the ledger from it. The cash journal will be balanced weekly, as it would be daily in actual business. The bank account will be kept in the check book, and the funds in the bank will be considered as cash on hand, as in the sixth set.

Ample material will be afforded for practice in recording transactions which involve interest and discount. Interest accrued on bills receivable and bills payable, and also discount on commercial paper not matured, are taken into consideration in showing the investments and also the condition of the business.

Business Forms Used.—Invoices, receipts, deposit tickets, checks, notes, drafts, statements, and balance sheets.

Books Used.—Journal-daybook, cash journal, ledger, note book, draft book, bill book, check book, bank pass book, trial balance book, time book, and pay roll.

GENERAL INSTRUCTIONS FOR WORKING SEVENTH SET

1. Write all the commercial paper involved in the opening of the books.
2. Record the opening entries in the journal-daybook and cash journal.
3. Open the ledger, post and take a trial balance.
4. Make out all the business forms, record all transactions in the journal-daybook, or cash journal to July 7, inclusive, and balance the cash journal.
5. Post and take a trial balance.
6. Write up the business to July 14, inclusive, in the same manner.
7. Post and take a trial balance.
8. Write up the business to July 21, inclusive.
9. Post and take a trial balance.
10. Write up the fourth week's business, and take a trial balance.
11. Write up the business to Aug. 1, and take a trial balance.
12. Close up the books, make statements and balance sheet.

Ledger Titles and Number of Lines each will Require.—C. C. Curtiss, 6; Th. E. Student, 6; Cash, 10; Van Dusen & Co., 4; Knute Larsen, 4; Michael Nelson, 4; Bills Receivable, 20; George Heath, 7; Edwin Fuller, 7; Interest, 18; Bills Payable, 10; Isaac Jacobs, 6; Materials, 13; Oscar Patton, 6; Quirk & Co., 6; Expense, 9; Mdse., 34; Tools & Instruments, 6; Good Will, 6; Van Wyck & Co., 7; Gideon Hooker, 7; Arthur Bond, 8; Mortgage Payable, 6; Charles Dean, 6; C. M. Loring, 6; Young & Zier, 6; Koon & King, 6; Newton Ogden, 4; Home Manufacturing Co., 7; Paul Redmond, 6; Rufus Sterling & Co., 4; Theodore Upham, 4; Hiram Kellogg, 4; Adam Davids, 4; S. A. Reed, 4; Mdse., 30 (2d); James Burchard, 4; James Gray, 4; Kinsley & Co., 4; Loss & Gain, 9; Balance, 24.

Selling Price Lists

Articles Sold		List 1	2	3	4	5	6
Chamber Sets,	Ash	45	45 50	46	46 50	47	47 50
"	Black Walnut	60	60 50	61	61 50	62	62 50
"	Oak	75	75 75	76 50	77 25	78	78 75
"	Rosewood	100	101	102	103	104	105
Parlor Sets,	Black Walnut	60	60 50	61	61 50	62	62 50
"	Rosewood	100	101	102	103	104	105
"	Mahogany	125	126 25	127 50	128 75	130	131 25
Roll Top Desks,	Ash	50	50 50	51	51 50	52	52 50
"	Black Walnut	75	75 75	76 50	77 25	78	78 75
"	Oak	80	80 80	81 60	82 40	83 20	84
Office Chairs,	Ash	2 50	2 55	2 60	2 65	2 70	2 75
"	Black Walnut	4 50	4 55	4 60	4 65	4 70	4 75
"	Oak	5	5 10	5 20	5 30	5 40	5 50
Center Tables,	Black Walnut	50	50 50	51	51 50	52	52 50
"	Rosewood	50	50 50	51	51 50	52	52 50
"	Mahogany	65	65 50	66	66 50	67	67 50
Writing Desks,	Black Walnut	25	25 25	25 50	25 75	26	26 25
"	Rosewood	65	65 50	66	66 50	67	67 50
"	Mahogany	75	75 75	76 50	77 25	78	78 75
Dining Tables,	Ash	25	25 25	25 50	25 75	26	26 25
"	Black Walnut	35	35 35	35 70	36 05	36 40	36 75
"	Oak	40	40 40	40 80	41 20	41 60	42
Dining Chairs,	Ash	2	2 05	2 10	2 15	2 20	2 25
"	Black Walnut	3	3 05	3 10	3 15	3 20	3 25
"	Oak	4	4 05	4 10	4 15	4 20	4 25
Sideboards,	Black Walnut	75	75 75	76 50	77 25	78	78 75
"	Oak	85	85 80	86 60	87 40	88 20	89
Bookcases,	Black Walnut	55	55 50	56	56 50	57	57 50
"	Oak	70	70 75	71 50	72 25	73	73 75
Upholstered Easy Chairs		25	25 25	25 50	25 75	26	26 25

MEMORANDA OF TRANSACTIONS

Home City, Monday, July 2, 19—. C. C. Curtiss and Th. E. Student have this day formed a partnership, under the firm name of Curtiss & Co., for the purpose of conducting a furniture manufacturing business. The partners are to invest in equal amounts, and are to share equally in gains and losses. Th. E. Student is to have the general management of the business, as per articles of agreement, and to keep the books of the firm, and in consideration of such special service is to be paid by the firm a salary of \$125 per month.

July 2. C. C. Curtiss invests as his share of the capital the following resources: cash, on deposit in Home City Bank, \$7758.45; Arthur Bond's note for \$1500, favor of C. C. Curtiss, dated May 4, 19—, at 60 days, with interest; Charles Dean's note, favor of C. C. Curtiss, dated June 5, 19—, at 90 days, \$450. The firm assumes for him the following liabilities: His note, favor of Edwin Fuller, dated May 10, 19—, at 3 months, \$250; amount due George Heath, on account, \$325; amount due Isaac Jacobs, on account, \$145. Total resources, \$?; total liabilities, \$?; net, \$?.

Time

Names of Employees		Week Ending July 7, 19—						Hours	Rate per Hour	Amt.		
		M.	T.	W.	Th.	F.	S.					
1	Atkins, James	10	10		10	10	8	48	50	24		
2	Boutelle, C. M.	10	10		10	7	2	39	40	15	60	
3	Chapman, C. H.	10	10		7	10	10	47	36	16	92	
4	Daniels, Horace	10	10	Holiday	10	10	7	47	36	16	92	
5	Everhard, John	10	10		7	10	10	47	30	14	10	
6	Frink, Lucius	10	10		10	10	8	48	28	13	44	
7	Gordon, J. L.	7	10		10	10	10	47	28	13	16	
8	Husted, James B.	10	10		10	10	8	48	25	12		
										126	14	
Names of Employees		Week Ending July 14, 19—						Hours	Rate per Hour	Amt.		
		M.	T.		W.	Th.	F.					S.
1	Atkins, James	10	10	10	8	7	7	52	60	31	20	
2	Boutelle, C. M.	10	10	×	10	10	7	47	40	18	80	
3	Chapman, C. H.	×	10	10	10	10	8	48	40	19	20	
4	Daniels, Horace	10	10	10	×	8	7	45	40	18		
5	Everhard, John	10	10	10	10	×	7	47	38	17	86	
6	Frink, Lucius	10	×	10	10	10	7½	47½	48	22	80	
7	Gordon, J. L.	10	10	10	10	×	7	47	38	17	86	
8	Husted, James B.	10	10	×	10	8	7	45	28	12	60	
										158	32	

July 2. Th. E. Student invests as his share of the capital the following resources: cash, on deposit in Home City Bank, \$6805.08; Knute Larson's note, favor of Th. E. Student, dated May 14, 19—, at 60 days, \$1200, with interest; Michael Nelson's note, favor of Th. E. Student, dated June 3, 19—, at 3 months, \$600; an account against Oscar Patton for \$1500; an account against Quirk & Co., for \$450. The firm assumes for him the following liabilities: his note, favor of Richard Steele, dated Apr. 30, 19—, at 90 days, \$750, with interest; his acceptance at 90 days, favor of Taylor & Co., dated June 10, 19—, \$300; his note, favor of Underwood & Co., dated May 12, 19—, at 60 days, \$500, with interest. Total resources, \$?; liabilities, \$?.

Note. — Interest in this set is computed at 6%, and days of grace are allowed unless otherwise specified. All interest computations in this set are made on the basis of 360 days to the year, and the 6% method is used. Bank discount is understood where discount is mentioned.

Instruction. — Bills Receivable account is Dr. for the face of Arthur Bond's note, and Interest account is Dr. for the interest accrued to July 2, it being an interest-bearing note.---- Bills Receivable account is Dr. for the face of Charles Dean's note, and Interest account is Cr. for the discount from July 2 to its maturity, because the note will not be worth its face value till it becomes due.---- Bills Payable account is Cr. for the face of C. C. Curtiss's note, favor of Edwin Fuller, and Interest account is Dr. for the discount from July 2 to its maturity.---- Bills Receivable account is Dr. for the face value of Knute Larson's note, and Interest account is Dr. for the interest accrued to July 2.---- Bills Receivable account is Dr. for the face of Michael Nelson's note, and Interest account is Cr. for the discount from July 2 to its maturity.---- Bills Payable account is Cr. for the face of Th. E. Student's note, favor of Richard Steele, and Interest account is Cr. for the interest accrued from its date to July 2.---- Bills Payable account is Cr. for the face of Th. E. Student's acceptance, favor of Taylor & Co., and Interest account is Dr. for the discount from July 2

Book

Currency Wanted

Denominations Wanted								
\$10	\$5	\$2	\$1	50 ¢	25 ¢	10 ¢	5 ¢	1 ¢
20		4						
10	5			50		10		
10	5		1	50	25	10	05	02
10	5		1	50	25	10	05	02
10		4				10		
10		2	1		25	10	05	04
10		2	1			10	05	01
10		2						
90	15 00	14 00	4 00	1 50	75	60	20	09
30			1			20		
10	5	2	1	50	25		05	
10	5	4				20		
10	5	2	1					
10	5	2		50	25	10		01
20		2		50	25		05	
10	5	2		50	25	10		01
10		2		50		10		
110	25 00	16 00	3 00	2 50	1 00	70	10	02

No.	Kind	Amt.
9	10	90
3	5	15
7	2	14
4	1	4
3	50	1 50
3	25	75
6	10	60
4	05	20
9	01	09
		126 14
No.	Kind	Amt.
11	10	110
5	5	25
8	2	16
3	1	3
5	50	2 50
4	25	1
7	10	70
2	05	10
2	01	02
		158 32

to its maturity.----Bills Payable account is Cr. for the face of Th. E. Student's note, favor of Underwood & Co., and Interest account is Cr. for the interest accrued from its date to July 2.

July 2. Opened an account with Home City Bank and deposited our individual checks received as cash investments, to the credit of Curtiss & Co., \$14,563.53.

July 2. Bought of Van Dusen & Co. their entire interest in the furniture business now carried on at Home City, including the following items, as per bill of sale: Mdse., finished work, per invoice, \$10,000; materials and unfinished work, per invoice, \$5000; tools, implements, and machinery, per invoice, \$2500; good will valued at \$2000; one month's rent of store and factory, prepaid, \$150; total, \$19,650; gave in payment our 4 notes with interest at 6%, secured by mortgage on the property, as follows: note No. 1, at 15 days, \$650; note No. 2, at 30 days, \$1000; note No. 3, at 3 months, \$2000; note No. 4, at 2 years, \$10,000; our certified check on Home City Bank for the balance, \$6000.

Instruction.— A mortgage is a conveyance of property, upon condition, as security for the payment of a debt or the performance of a duty, and to become void upon payment or performance.

Good will is the custom of any trade or business; the tendency or inclinations of persons, old customers and others, to resort to an established place of business; the advantages accruing from such tendency or inclination. It consists "in the probability that the old customers will resort to the old place." It is considered as a kind of personal property which may be bought or sold.

July 2. Insured our property in the Home Insurance Co., Kinsley & Co. agents, as follows: \$9000 on Mdse. finished and unfinished; \$1000 on tools, implements, and machinery; total, \$10,000, at 2½% premium, \$?; paid them, per check, for one half of premium, \$?; balance, our note at 10 days, with interest, \$?.

Week Ending July 7, 19—

	Names	Employment	Time
1	Atkins, James	Assistant Foreman	48 hours
2	Boutelle, C. M.	Cabinet Maker	39 "
3	Chapman, C. H.	Carver	47 "
4	Daniels, Horace	Cabinet Maker	47 "
5	Everhard, John	" "	47 "
6	Frink, Lucius	Engineer	48 "
7	Gordon, J. L.	Cabinet Maker	47 "
8	Husted, James B.	Fireman	48 "
Week Ending July 14			
1	Atkins, James	Assistant Foreman	52 hours
2	Boutelle, C. M.	Cabinet Maker	47 "
3	Chapman, C. H.	Carver	48 "
4	Daniels, Horace	Cabinet Maker	45 "
5	Everhard, John	" "	47 "
6	Frink, Lucius	Engineer	47 $\frac{1}{2}$ "
7	Gordon, J. L.	Cabinet Maker	47 "
8	Husted, James B.	Fireman	45 "

July 2. Cash sales of Mdse. for the day, per tickets, \$36.20.

Instruction.—If no sales book is kept, the cash sales are entered on sales tickets by the salesmen. These sales tickets are then put on spindles and kept until the close of business each day, when they are added, and the gross amount entered in the journal or the cash book.

A cash register is now quite extensively used in the place of tickets.

July 3. Sold Arthur Bond, on credit, 1 B. W. bookcase, \$?; 1 B. W. center table, \$?; 4 B. W. office chairs, at \$?; 1 upholstered easy chair, \$?; total, \$?.

July 3. Sold Charles Dean, on credit, 1 B. W. chamber set, \$?; 1 B. W. dining table, \$?; 6 B. W. dining chairs, at \$?; 1 B. W. sideboard, \$?; total, \$?.

July 3. Sold Edwin Fuller, on credit, 1 R. W. parlor set, \$?; 1 R. W. writing desk, \$?; 1 oak bookcase, \$?; 2 upholstered easy chairs, at \$?; total, \$?.

July 3. Cash sales of Mdse. for the day, per tickets, \$42.60.

July 5. Sold George Heath, on his note at 10 days, with interest at 6%, 1 oak chamber set, \$?; 1 oak dining table, \$?; 8 oak dining chairs, at \$?; 1 oak sideboard, \$?; total, \$?.

July 5. Bought of Isaac Jacobs, on credit, 2 $\frac{1}{2}$ tons coal, at \$6.50, for factory use.

July 5. Sold Knute Larson, on note at 30 days, 1 ash chamber set, \$?.

Pay Roll

Week Ending July 7, 19—

Rate	Amount	Signatures	Remarks
50	24	James Atkins	
40	15 60	C. M. Boutelle	
36	16 92	C. H. Chapman	
36	16 92	Horace Daniels	
30	14 10	John Everhard	
28	13 44	Lucius Frink	
28	13 16	J. L. Gordon	
25	12	James B. Husted	
	126 14		
60	31 20	James Atkins	
40	18 80	C. M. Boutelle	
40	19 20	C. H. Chapman	
40	18	Horace Daniels	
38	17 86	John Everhard	
48	22 80	Lucius Frink	
38	17 86	J. L. Gordon	
28	12 60	James B. Husted	
	158 32		

July 5. Cash sales of Mdse. for the day, per tickets, \$27.90.

July 6. Sold Michael Nelson 1 ash chamber set, \$?; 1 ash dining table, \$?; 6 ash dining chairs, at \$?; 1 oak sideboard, \$?; total, \$?; received in payment Oscar Patton's acceptance, favor of Michael Nelson, dated July 6, 19—, at 11 days.

July 6. Received Arthur Bond's check, in full of his note, favor of C. C. Curtiss, due this date; face of note, \$?; interest, 63 days at 6%, \$?; total, \$?.

July 6. Received Michael Nelson's check for \$593.80 in payment of his note, favor Th. E. Student, less discount to maturity; face of note, \$?; discount, 62 days, \$?.

July 6. Cash sales of Mdse. for the day, per tickets, \$54.25.

July 7. Bought of Rufus Sterling & Co., on our note at 60 days, payable at our office, lumber, per invoice, \$1250. (Charge to Materials account.)

July 7. Received finished work from the factory, per foreman's statement, and charged the same to Mdse. account, \$750.

Instruction. — Goods in the factory or shop which are not in a finished condition are here considered as *materials*, and when finished are transferred to the store or salesroom, are charged to Mdse. account and credited to Materials account. The amount given represents the factory price or cost of manufacturing the goods transferred.

July 7. Deposited in Home City Bank Arthur Bond's check, \$? ; Michael Nelson's check, \$? ; currency, \$? ; total, \$ 2200.

July 7. Drew \$ 126.14 from Home City Bank, per check, and paid workmen's wages for the week, as per time book and pay roll. See pages 156-159. (Materials, Dr.)

Instruction. — Workmen in factories usually receive their wages weekly. The foreman of the factory makes out the pay roll of the workmen for the week and sends it to the office. The manager draws a check for the entire amount of the pay roll, and obtains from the bank currency in denominations convenient for paying the workmen individually. He then places each workman's wages in a separate envelope and delivers it to the workman, receiving in return his receipt, which is usually his signature on the pay roll opposite his name and amount. Some managers draw a check for each individual workman, and thereby obtain each workman's signature indorsed on the check, which serves as a receipt for his wages.

July 9. Sold Van Wyck & Co. 4 B. W. chamber sets, at \$? ; 6 oak chamber sets, at \$? ; 6 oak dining tables, at \$? ; 48 oak dining chairs, at \$? ; total, \$? ; received their check, dated July 11, for \$ 750 ; balance on account, \$? .

July 9. Cash sales of Mdse. for the day, as per tickets, \$ 42.75.

July 9. Sold Theodore Upham 10 ash chamber sets, at \$? ; 6 ash dining tables, at \$? ; 48 ash dining chairs, at \$? ; 2 oak sideboards, at \$? ; total, \$? ; received in payment, his note at 15 days with interest, \$ 600 ; his sight draft on Frederick Curtiss for the balance, \$? .

July 9. Deposited in Home City Bank, \$ 350.

July 10. Accepted George Heath's draft, at 60 days' sight, favor of William H. Walker, for \$ 125, payable at our office.

July 10. Drew, at 10 days' sight, our favor, on Arthur Bond for \$ 100 ; draft returned duly accepted.

July 10. Bought of Home Manufacturing Co. unfinished furniture, per invoice, \$ 1500 ; gave them in payment our certified check for one half of the bill, \$? ; balance on account, \$? .

July 10. Sold Young and Zier 1 oak roll top desk, \$? ; 4 oak office chairs, at \$? ; 2 up. easy chairs, at \$? ; 1 oak bookcase, \$? ; total, \$? ; received their note, at 10 days with interest, for \$ 150 ; balance on account, \$? .

July 10. Cash sales of Mdse. for the day, as per tickets, \$ 54.50.

July 11. Sold Charles Dean 1 R. W. chamber set, \$? ; 1 R. W. parlor set, \$? ; total, \$? ; received his note at 60 days, \$ 100 ; balance on account, \$? .

July 11. Cash sales of Mdse. for the day, as per tickets, \$ 39.25.

July 11. Deposited \$ 850 in Home City Bank.

July 12. Sold Edwin Fuller 1 mahogany parlor set, \$? ; received his note at 10 days, with interest, for \$ 75, to apply on bill ; balance on account, \$? .

July 12. Cash sales of Mdse. for the day, as per tickets, \$ 37.45.

July 13. Cash sales of Mdse. for the day, as per tickets, \$ 53.75.

July 14. Redeemed, per check, Th. E. Student's note of May 12, favor of Underwood & Co. ; face of note, \$? ; interest ? days, at 6 % , \$? ; total, \$? .

July 14. Prepaid, per check, C. C. Curtiss's note of May 10, favor of Edwin Fuller ; face of note, \$? ; discount off, ? days at 6 % , \$? ; amount paid, \$? .

July 14. Received finished work from the factory during the week, per statement of the foreman, \$ 1025.

July 14. Cash sales of Mdse. for the day, as per tickets, \$ 45.30.

July 14. Deposited cash in Home City Bank, \$ 100.

July 14. Drew \$ 158.32 from Home City Bank, per check, and paid the workmen their wages for the week, as per time book and pay roll.

July 16. Received Knute Larson's check, in full of his note of May 14, 19—; face of note, \$? ; interest, ? days to date at 6 %, \$? ; total, \$? .

July 16. Received Knute Larson's check, in full of his note of July 5, 19—; face of note, \$? ; discount off, ? days at 6 %, ? ? ; face of check, \$? .

July 16. Sold Gideon Hooker, on credit, 1 R. W. chamber set, \$? ; 1 R. W. center table, \$? ; 1 oak bookcase, \$? ; total, \$? .

July 16. Cash sales of Mdse. for the day, as per tickets, \$27.75.

July 16. Deposited in Home City Bank, \$1275.

July 17. Sold Arthur Bond, on credit, 1 oak roll top desk, \$? ; 6 oak office chairs, at \$? ; 1 upholstered easy chair, \$? ; total, \$? .

July 17. Sold Gideon Hooker, on credit, 1 B. W. roll top desk, \$? ; 6 B. W. office chairs, at \$? ; 1 B. W. bookcase, \$? ; total, \$? .

July 17. Cash sales of Mdse. for the day, as per tickets, \$65.50.

July 17. Deposited cash in Home City Bank, \$75.

July 18. Received George Heath's check, in full of his note, dated July 5, 19—; face of note, \$? ; interest accrued, ? days, ? ? ; total, \$? .

July 18. Prepaid, per check, our acceptance, favor of William H. Walker, of July 10, 19—; face of acceptance, \$? ; discount, ? days, \$? ; face of check, \$? .

July 18. Sold Koon & King, on credit, 1 oak roll top desk, \$? ; 1 oak bookcase, \$? ; 4 oak office chairs, at \$? ; total, \$? .

July 18. Cash sales of Mdse. for the day, as per tickets, \$107.50.

July 18. Deposited in Home City Bank, \$325.

July 19. Bought of Home Manufacturing Co. unfinished furniture, \$750; gave in payment our sight draft on Van Wyck & Co. for \$350; our check for the balance, \$? .

July 19. Sold George Heath, on credit, 1 R. W. chamber set, \$? ; 1 R. W. writing desk, \$? ; total, \$? .

July 19. Sold C. M. Loring, on credit, 1 mahogany parlor set, \$? ; 1 mahogany writing desk, \$? ; 1 upholstered easy chair, \$? ; total, \$? .

July 19. Sold Van Wyck & Co. on credit 1 oak chamber set, \$? ; 1 oak dining table, \$? ; 8 oak dining chairs, at \$? ; 1 oak sideboard, \$? ; total, \$? .

July 19. Cash sales of Mdse. for the day, as per tickets, \$79.60.

July 19. Received Theodore Upham's check for \$250, to apply on his note of July 9, 19—; face of note, \$? ; interest on principal, ? days to date, \$? ; applied on principal, \$? .

July 19. Deposited \$300 in Home City Bank.

July 19. Paid our note No. 1, favor of Van Dusen & Co., of July 2, 19—; face of note, \$? ; interest accrued to date, ? days at 6 %, \$? ; total, \$? ; gave in payment our draft on Edwin Fuller, payable on demand, \$200; our check for the balance, \$? .

July 20. Received Arthur Bond's check for \$40, to apply on account.

July 20. Received Oscar Patton's check for \$? , in full payment of his acceptance, favor of Michael Nelson, dated July 6, 19—.

July 20. Cash sales of Mdse. for the day, as per tickets, \$62.40.

July 21. Sold Paul Redmond, on credit, 1 B. W. dining table, \$? ; 8 B. W. dining chairs, at \$? ; 1 B. W. sideboard, \$? ; total, \$? .

July 21. Received finished furniture from factory, per statement, \$950.

July 21. Cash sales of Mdse. for the day, as per tickets, \$84.75.

July 21. Drew from Home City Bank, per check, \$146.75, and paid the workmen's wages for the week, as per time book and pay roll.

July 21. Deposited \$325 in Home City Bank.

July 21. Sold C. M. Loring, on credit, 1 ash chamber set, \$? ; 1 ash dining table, \$? ; 6 ash dining chairs, at \$? ; total, \$? .

July 23. Received Arthur Bond's check for \$?, in full payment of his acceptance dated July 10, 19—.

July 23. Received Young & Zier's check for \$?, in full payment of their note of July 10, 19—; face of note, \$?; interest, ? days at 6%, ? ¢.

July 23. Received Charles Dean's check for \$?, in full payment of his note of July 11, 19—; face of note, \$?; discount, ? days at 6%, ? ¢.

July 23. Cash sales of Mdse. for the day, as per tickets, \$94.30.

July 23. Deposited \$450 in Home City Bank.

July 23. Sold Koon & King 1 ash roll top desk, \$?; 4 ash office chairs, at \$?; total, \$?; received their check, \$40, to apply on bill.

July 24. Sold Paul Redmond, on credit, 1 B. W. parlor set, \$?; 1 ash dining table, \$?; 1 B. W. bookcase, \$?; 1 B. W. writing desk, \$?; total, \$?.

July 24. Sold Hiram Kellogg 1 B. W. parlor set, \$?; 1 B. W. dining table, \$?; 6 B. W. dining chairs, at \$?; 1 B. W. sideboard, \$?; total, \$?; received his note at 2 months for the amount.

July 24. Sold Gideon Hooker, on credit, 1 mahogany parlor set, \$?; 1 mahogany writing desk, \$?; total, \$?.

July 24. Sold Newton Ogden, on credit, 1 ash roll top desk, \$?; 4 ash office chairs, at \$?; total, \$?.

July 24. Cash sales of Mdse. for the day, as per tickets, \$74.25.

July 24. Deposited \$100 in Home City Bank.

July 24. Sold Adam Davids 1 B. W. parlor set, \$?; 1 ash dining table, \$?; total, \$?; received in payment Richard Cook's note at 60 days, favor of Adam Davids, dated July 24, for \$60; discount off 63 days at 6%, ? ¢; check for the balance, \$?.

July 24. Sold S. A. Reed, on his note at 90 days with interest, 1 B. W. chamber set, \$?; 1 B. W. writing desk, \$?; 1 B. W. bookcase, \$?; total, \$?.

July 25. Received Paul Redmond's check for \$200, to apply on account.

July 25. Received Edwin Fuller's check, in full payment of his note of July 12, 19—; face of note, \$?; interest accrued, ? days at 6%, ? ¢; total, \$?.

July 25. Sold James Burchard, on his note, our favor, at 3 days, 1 mahogany center table, \$?; 1 mahogany parlor set, \$?; total, \$?.

July 25. Cash sales of Mdse. for the day, as per tickets, \$82.40.

July 25. Deposited \$375 in Home City Bank.

July 26. Sold James Gray 1 B. W. roll top desk, \$?; 4 B. W. office chairs, at \$?; total, \$?; received in payment S. C. Gale's note, favor of James Gray, at 30 days from July 5, 19—, with interest, face of note, \$75; interest accrued to date, ? days at 6%, ? ¢; received cash for the balance, \$?.

July 26. Cash sales of Mdse. for the day, as per tickets, \$50.45.

July 26. Deposited \$50 in Home City Bank.

July 27. Sold Arthur Bond, on credit, 1 R. W. parlor set, \$?; 1 R. W. center table, \$?; total, \$?.

July 27. Cash sales of Mdse. for the day, as per tickets, \$74.30.

July 27. Sold Young & Zier 1 ash roll top desk, \$?; 6 ash office chairs, at \$?; total, \$?.

July 28. Cash sales of Mdse. for the day, as per tickets, \$80.15.

July 28. Received finished furniture from factory, per statement, \$1025.

July 28. Drew from Home City Bank, per check, \$152.25, and paid the workmen's wages, as per time book and pay roll.

July 28. Deposited \$150, cash, in Home City Bank.

July 28. Issued our note at 2 months, favor of Home Manufacturing Co., in settlement of account, \$?.

July 30. Drew on Oscar Patton at 10 days' sight, in favor of Isaac Jacobs, for amount due Jacobs on account, \$? .

July 30. Received Quirk & Co.'s check for \$200, to apply on account.

July 30. Paid per check sundry expenses, per petty expense book, \$43.75.

July 30. Received Gideon Hooker's check for \$300, to apply on account.

July 30. Cash sales of Mdse. for the day, as per tickets, \$92.40.

July 30. Deposited \$600 in Home City Bank.

July 31. Received Oscar Patton's note, at 60 days with interest, in settlement of his account, \$? .

July 31. Gave George Heath our check for \$? , in settlement of account.

July 31. Received Arthur Bond's check for \$150, on account.

July 31. Received James Burchard's check for \$? , in full of his note due this day.

July 31. Received Theodore Upham's check, in full payment of his note of July 9, 19—; balance of principal, \$? ; interest accrued on same, ? days to date, ? ¢ ; face of check received, \$? .

July 31. Deposited \$720 in Home City Bank.

July 31. Paid Th. E. Student, per check, for salary as manager, \$? .

July 31. Paid foreman of factory per check for the month, \$100.

July 31. The partnership existing between C. C. Curtiss and Th. E. Student is this day dissolved by mutual consent, Th. E. Student withdrawing upon condition that he receives for his net interest, as it shall appear, C. C. Curtiss's note at 2 years with interest, for one half, and cash for the balance. A complete statement is to be made showing the condition of the business at the close of the day, and each partner is to be credited with his share of the net gain or debited with his share of the net loss, as it shall appear.

July 31. Paid Th. E. Student for his net interest in the business, as per agreement. C. C. Curtiss's note at 2 years from Aug. 1, 19—, \$? ; check on Home City Bank, \$? .

Inventory Used in Closing the Books of Curtiss & Co., July 31, 19—. List No. 1

Mdse., Finished Furniture			8450	
Materials, Unfinished Furniture			6275	
Tools and Implements; 3% discount from cost			2425	
Good Will, as agreed			2150	
Expense, 11 months' Insurance			252	08
<i>Interest Receivable</i>				
Accrued on S. A. Reed's note, \$?	7 ds. at 6%		16	
" " S. C. Gale's " \$?	26 " " "		33	
Discount on Student's acceptance, \$?	42 " " "		2 10	
" " note, favor R. Sterling & Co., \$?	39 " " "		8 13	
" " " " Home Mfg. Co., \$?	62 " " "		7 75	18 47
<i>Interest Payable</i>				
On Student's note, favor Richard Steele, \$?	92 ds.	11	50	
" our note, favor Kinsley & Co.	29 "		66	
" " " No. 2, favor Van Dusen & Co.	29 "		4 33	
" " " " 3, " "	29 "		9 67	
" " " " 4, " "	29 "	48	33	
Discount on Ch. Dean's note, favor C. C. Curtiss	37 "		2 78	
" " H. Kellogg's note, our favor	58 "		1 82	
" " Richard Cook's note	56 "		56	80 15

Journal-Daybook

Home City, Monday, July 2, 19—

Bills Receivable	Arthur Bond's note of May 4, 19—, favor C. C. Curtiss, at 60 days, with interest \$ 1500	1950		
Interest	Charles Dean's note of June 5, 19—, favor C. C. Curtiss, at 90 days, \$ 450			
	Accrued on Arthur Bond's note to date, ? days, at 6% \$?	?		
C. C. Curtiss	Discount to maturity on note, favor of Edwin Fuller, ? days, at 6% \$?			?
C. C. Curtiss	Foregoing resources invested in the firm of Curtiss & Co.			?
	Following liabilities assumed by the firm of Curtiss & Co.:	?		
Bills Payable	His note, favor of Edwin Fuller, dated May 10, 19—, drawn at 3 months			?
Interest	Discount on Charles Dean's note to maturity, ? days, at 6%			?
George Heath	Amount owing by C. C. Curtiss			?
Isaac Jacobs	" " "			?
2				
Bills Receivable	Knute Larson's note, in favor of Th. E. Student, of May 14, 19—, at 60 days, with interest \$ 1200	1800		
	Michael Nelson's note, in favor of Th. E. Student, of June 3, 19—, at 3 months \$ 600			
Oscar Patton	Owes Th. E. Student	1500		
Quirk & Co.	" " "	450		
Interest	On Knute Larson's note to date, ? days, at 6% \$?	?		
	Discount on Th. E. Student's ac- ceptance, favor Taylor & Co., to maturity, ? days, at 6% \$?			
Th. E. Student	Foregoing resources invested in the firm of Curtiss & Co.			?

Journal-Daybook, Continued

Home City, Monday, July 2, 19—

Th. E. Student	Following liabilities assumed by the firm of Curtiss & Co.		?	
Bills Payable	His note, favor of Richard Steele, dated April 30, 19—, at 90 days, with interest at 6% \$ 750			?
	His acc'p., favor of Taylor & Co., at 90 days, from June 10, 19— \$ 300			
	His note, favor of Underwood & Co., at 60 days, with interest at 6% \$ 500			
Interest	Accrued to date on note, favor of Richard Steele, ? days at 6% \$?			?
	Accrued on note, favor of Underwood & Co., ? days at 6% \$?			
	Discount on Michael Nelson's note to maturity, ? days at 6% \$?			
2				
Mdse.	Finished Furniture	10000		
Materials	Unfinished "	5000		
Tools & Implements	Per Inventory	2500		
Good Will	Per agreement	2000		
Expense	Rent, 1 month prepaid	150		
Van Dusen & Co.	Bought of them their entire business, as per bill of sale			?
Van Dusen & Co.	Our 4 notes, with interest, secured by mortgage		?	
Mort. Payable	Note No. 1 at 15 days \$ 650			?
	" " 2 " 30 " 1000			
	" " 3 " 3 mos. 2000			
	" " 4 " 2 years 10000			
2				
Expense	Policy of insurance in the Home Ins. Co. for \$ 10000, @ 2 3/4 %		?	?
Kinsley & Co.	Our note at 10 days, with interest at 6%		?	?
Bills Payable				?
3				
Arthur Bond	1 B. W. Bookcase \$?		?	
Mdse.	1 " Center Table \$?			?
	4 " Office Chairs, @ \$? \$?			
	1 Uph. Easy Chair \$?			
			?	?

Journal-Daybook, Continued

Home City, Tuesday, July 3, 19—

Charles Dean	1 B. W. Chamber Set	\$?	?		
Mdse.	1 " Dining Table	\$?			?
	6 " " Chairs @ \$?	\$?			
	1 " Sideboard	\$?			
—3—					
Edwin Fuller	1 R. W. Parlor Set	\$?	?		
Mdse.	1 " Writing Desk	\$?			?
	1 Oak Bookcase	\$?			
	2 Uph. Easy Chairs @ \$?	\$?			
—5—					
George Heath	1 Oak Chamber Set	\$?	?		
Mdse.	1 " Dining Table	\$?			?
	8 " " Chairs @ \$?	\$?			
	1 " Sideboard	\$?			
Bills Receivable	His note at 10 days, with interest		?		
George Heath	at 6%				?
—5—					
Expense	2½ tons coal for factory at \$6.50		?		
Isaac Jacobs					?
—5—					
Knute Larson	Sold him		?		
Mdse.	1 Ash Chamber Set				?
Bills Receivable	His note at 30 days for bill		?		
Knute Larson					?
—6—					
Michael Nelson	1 Ash Chamber Set	\$?	?		
Mdse.	1 " Dining Table	\$?			?
	6 " " Chairs @ \$?	\$?			
	1 Oak Sideboard	\$?			
Bills Receivable	Oscar Patton's Accep., his favor		?		
Michael Nelson	at 11 days from July 6				?
—7—					
Materials	Lumber per invoice		?		
R. Sterling & Co.					?
R. Sterling & Co.	Our note at 60 days, payable at		?		
Bills Payable	our office				?
—7—					
Mdse.	Received from factory, per fore-		750		
Materials	man's statement				750
			?		?

Cash Journal, *Left-hand Page*

Dr.

Cash Receipts

Date	Cr. Accounts	Explanations	P.	Items	Amts.
19—					
July 2	C. C. Curtiss	Invested in Curtiss & Co.		7758 45	
" 2	Th. E. Student	" " "		6805 08	
" 2	Mdse.	Sales per tickets		36 20	
" 3	"	" "		42 60	
" 5	"	" "		27 90	
" 6	Bills Receivable	Arthur Bond's note of May 4		1500	
" 6	Interest	On above, 63 days at 6%		15 75	
" 6	Bills Receivable	Michael Nelson's note		600	
" 6	Mdse.	Sales per tickets		54 25	
	Cash Dr.	Total received			16840 23
					16840 23
July 9	Van Wyck & Co.	To apply on bill		750	
" 9	Mdse.	Sales per tickets		42 75	
" 9	Theo. Upham	His sight draft on Fred. Curtiss		266	
" 10	Mdse.	Sales per tickets		54 50	
" 11	"	" "		39 25	
" 12	"	" "		37 45	
" 13	"	" "		53 75	
" 14	Interest	Discount on C. C. Curtiss's note ? days, at 6%, on \$250		1 25	
" 14	Mdse.	Sales per tickets		45 30	
	Cash Dr.	Total received			1290 25
		Balance, July 7			10570 39
					11860 64
July 16	Bills Receivable	Knute Larson's note of May 14		1200	
" 16	Interest	On above, ? days at 6%		12 60	
" 16	Bills Receivable	Knute Larson's note of July 5		45	
" 16	Mdse.	Sales per tickets		27 75	
" 17	"	" "		65 50	
" 18	Bills Receivable	Geo. Heath's note of July 5		232	
" 18	Interest	On above, ? days		50	
" 18	"	Discount on our accp., favor Wm. H. Walker, ? days		1 15	
" 18	Mdse.	Sales per tickets		107 50	
" 19	"	" "		79 60	
" 19	Bills Receivable	On Theo. Upham's note of July 9, 19—		249	
" 19	Interest	On above note, ? days		1	
	Amount forward			2021 60	

Cash Journal, *Right-hand Page**Cash Payments*

Cr.

Date	Dr. Accounts	Explanations	P.	Items	Amts.
19—					
July 2	Van Dusen & Co.	To apply on bill of sale Ck. # 1		6000	
" 2	Kinsley & Co.	On bill for insurance # 2		137 50	
" 6	Interest	Discount on Michael Nelson's note, 62 days at 6%		6 20	
" 7	Materials	Pd. Workmen per Pay Roll # 3		126 14	
	Cash Cr.	Total paid			6269 84
	Balance	July 7, 19—			10570 39
					16840 23
July 10	Home Mnfg. Co.	To apply on bill # 4		750	
" 14	Bills Payable	Th. E. Student's note, favor of Underwood & Co. # 5		500	
" 14	Interest	On above, ? days at 6%		5 25	
" 14	Bills Payable	C. C. Curtiss's note, favor of Edwin Fuller (ck. \$248.75) # 6		250	
" 14	Materials	Pd. Workmen per Pay Roll # 7		158 32	
	Cash Cr.	Total paid			1663 57
	Balance	July 14, 19—			10197 07
					11860 64
July 16	Interest	Discount on Knute Larson's note of July 5, ? days		17	
" 18	Bills Payable	Accep. favor of Wm. H. Walker, dated July 10, 19— # 8		125	
" 19	Home Mnfg. Co.	# 9		400	
	Amount forward			525 17	

Trial Balance Book

Trial Balance of Balances. List 1

Open Accounts	L.	July 14, 19—		July 21, 19—		July 31, 19—	
C. C. Curtiss Partner			9000		9000		9000
Th. E. Student "			9000		9000		9000
Cash		10197	07	11448	95	13440	91
Bills Receivable		3119		1226		2251	75
George Heath			200		35		
Edwin Fuller		335		135		135	
Interest			92		12 21		12 92
Bills Payable			2562 50		2437 50		3187 50
Isaac Jacobs			161 25		161 25		
Materials		6259	46	6206	21	5333	46
Oscar Patton		1500		1500			
Quirk & Co.		450		450		250	
Expense		441	25	441	25	710	
Mdse.		7743	05	6745	55	5826	30
Tools and Implements		2500		2500		2500	
Good Will		2000		2000		2000	
Van Wyek & Co.		372		254		254	
Home Manufacturing Co.			750		750		
Arthur Bond		48		143		143	
Mortgage Payable			13650		13000		13000
Charles Dean		288		288		288	
Young & Zier		70		70		135	
Gideon Hooker		35323	75	35323	75	277	
Koon & King				170		190	
C. M. Loring				307		307	
Paul Redmond				134		99	
Newton Ogden				34395	96	34395	96
						34200	42
						34200	42

Cash in Safe, July 31, 19—

List 1	2	3	4	5	6
\$136.89	\$155.45	\$174.00	\$192.56	\$211.11	\$229.67

Cash in Home City Bank, July 31, 19—

List 1	2	3	4	5	6
\$13304.02	\$13305.52	\$13307.02	\$13308.52	\$13310.02	\$13311.52

Trial Balance Book

List No. 2

No. 3

No. 4

No. 5

No. 6

July 31, 19—		July 31, 19—		July 31, 19—		July 31, 19—		July 31, 19—	
	9000		9000		9000		9000		9000
	9000		9000		9000		9000		9000
13460	97	13481	02	13501	08	13521	13	13541	19
2254	90	2258	05	2261	20	2264	35	2267	50
139		143		147		151		155	
	12 93		12 93		12 94		12 94		12 95
	3187 50		3187 50		3187 50		3187 50		3187 50
5333	46	5333	46	5333	46	5333	46	5333	46
250		250		250		250		250	
710		710		710		710		710	
5758	45	5690	60	5622	75	5554	90	5487	05
2500		2500		2500		2500		2500	
2000		2000		2000		2000		2000	
267	65	281	30	294	95	308	60	322	25
147	60	152	20	156	80	161	40	166	
	13000		13000		13000		13000		13000
291	90	295	80	299	70	303	60	307	50
138	25	141	50	144	75	148		151	25
282	80	288	60	294	40	300	20	306	
192	45	194	90	197	35	199	80	202	25
310	30	313	60	316	90	320	20	323	50
102		105		108		111		114	
60	70	61	40	62	10	62	80	63	50
34200	43	34200	43	34200	44	34200	44	34200	45
34200	43	34200	43	34200	44	34200	44	34200	45

Net Gain July 31, 19—

List 1	2	3	4	5	6
\$ 3133.56	\$ 3201.40	\$ 3269.25	\$ 3337.09	\$ 3404.92	\$ 3472.76

Gain on Merchandise in July, 19—

List 1	2	3	4	5	6
\$ 2623.70	\$ 2691.55	\$ 2759.40	\$ 2827.25	\$ 2895.10	\$ 2962.95

EIGHTH SET. — PARTNERSHIP. PRODUCE AND SHIPPING

This set represents a Produce and Shipping Business conducted by a firm consisting of two partners who invest unequally, and share the gains and losses in proportion to their net investments. Each partner is to give his entire time to the business and shall receive six per cent interest on his net investment, and shall be charged six per cent on his temporary withdrawals.

The transactions represented in this set are arranged for the purpose of presenting the subject of Interest and Discount, in its various phases.

The cash journal is made a special feature, all cash transactions being recorded in the cash journal, and posted to the ledger from the cash journal. This book is closed weekly, and balance brought forward. The Cash account may be omitted from the ledger, and when it is so omitted, the balance of cash on hand is used in making the weekly trial balance.

Special opportunity is afforded for practice in letter writing in connection with the shipping transactions and other business.

In an extensive business, where many buyers and salesmen are employed, the purchases of merchandise would be entered in a purchase journal and the sales of merchandise would be entered in a sales journal. The total purchases for the day would be posted to the debit of Merchandise in the ledger, and the proper persons credited; the total sales for the day would be posted to the credit of Merchandise in the ledger, and the proper persons debited. These special journals may be used in this set at the discretion of the instructor.

Books Used. — Journal-daybook, cash journal, check book, receipt book, note book, bank pass book, trial balance book, letter book, and stock record book.

Business Forms Used. — Receipts, bills of parcels, checks, shipping invoices, account sales, notes, and drafts.

Ledger Titles and Number of Lines Each Will Require. — Teacher, 7; Student, 7; Abner Crane, 6; Brown & Day, 5; Charles Evans, 6; Daniel French, 8; E. Gale & Co., 7; Frank Harper, 6; Gaius Iunes, 6; Hugo Jones, 7; Ira King & Co., 6; James Lowry, 7; Cash, 10; Allan Greer, 4; Henry Avery, 4; Mdse. (1st), 35; Bills Payable, 20; Expense, 8; Alonzo Boyd, 4; Ship. to Chicago, No. 1, 7; S. C. Gale, 4; Ship. to Detroit, No. 1, 7; Koon & May, 4; W. H. Yale, 9; Bills Receivable, 25; Simeon North, 4; Elihu Root, 4; Ship. to Boston, No. 1, 7; Ship. to Buffalo, No. 1, 7; Ship. to Milwaukee, No. 1, 6; Cyrus Northrop, 4; W. W. Folwell, 4; Ship. to New York, No. 1, 7; Hiram Brown, 6; Teacher, Personal, 7; J. H. Lewis, 4; Ship. to Chicago, No. 2, 6; Loren Fletcher, 4; David Burt, 4; Student, Personal, 7; Ship. to Detroit, No. 2, 7; Leslie Lane, 4; James Gray, 4; Harlow Gale, 4; Ship. to Milwaukee, No. 2, 7; Silas Brush, 4; P. R. Spencer, 4; Interest, 18; Rufus Choate, 4; John Douglass, 4; Seth Wright, 4; Otto Miller, 4; Henry Robinson, 4; Wm. T. Harris, 4; Morris Bros., 4; W. C. Smith, 6; C. M. Jordan, 6; Paul Jones & Co., 6; Ship. to New York, No. 2, 7; Wm. Windom, 6; Weed Munro, 6; Mdse. (2d), 24; Loss & Gain, 10; D. C. Bell, 6; J. D. Williams, 6; L. D. Harvey, 6; Balance, ?.

GENERAL INSTRUCTIONS FOR WORKING EIGHTH SET

1. Write the opening entries in the journal-daybook, cash journal.
2. Post opening entries and take a trial balance.
3. Record all transactions in the journal-daybook or in the cash journal, as the case requires, making out all the bills, notes, receipts, checks, shipping invoices, and writing all letters which the business requires, each day to Aug. 4; close the cash journal; and post to the ledger from the journal-daybook and cash journal.
4. Take a trial balance of the ledger in the trial balance book.
5. Write up the business in all the books for the week ending Aug. 11, making out all the papers, writing all the letters, properly filing all papers and letters, etc. Deposit daily all the cash (checks, bank drafts, and currency) received. Close Shipments into Loss & Gain on receipt of account sales.
6. Post and take a trial balance of the work, in trial balance book.
7. Write up the business for the week ending Aug. 18.
8. Post and take a trial balance in the trial balance book.
9. Write up the business for the week ending Aug. 25.
10. Post and take a trial balance in the trial balance book.
11. Write up the business for the week ending Sep. 1.
12. Post and take a trial balance in the trial balance book.
13. Make a complete inventory of all property, including interest.
14. Close the ledger, current form.
15. Prepare business statement and financial statement.
16. Make out a balance sheet of the entire business.

Buying Price Lists

Mdse. Bought	Per	List 1	2	3	4	5	6
Barley,	bus.	40 ¢	41 ¢	42 ¢	43 ¢	44 ¢	45 ¢
Beans,	"	\$1.10	\$1.12	\$1.14	\$1.16	\$1.18	\$1.20
Butter,	lb.	18 ¢	18½ ¢	19 ¢	19½ ¢	20 ¢	20½ ¢
Cheese,	"	12½ ¢	13 ¢	13½ ¢	14 ¢	14½ ¢	15 ¢
Flour,	bbL.	\$6.00	\$6.05	\$6.10	\$6.15	\$6.20	\$6.25
Oats,	bus.	35 ¢	36 ¢	37 ¢	38 ¢	39 ¢	40 ¢
Rye,	"	40 ¢	41 ¢	42 ¢	43 ¢	44 ¢	45 ¢
Wheat,	"	75 ¢	76 ¢	77 ¢	78 ¢	79 ¢	80 ¢

Selling and Shipping Price Lists

Mdse. Sold and Shipped	Per	List 1	2	3	4	5	6
Barley,	bus.	45 ¢	46 ¢	47 ¢	48 ¢	49 ¢	50 ¢
Beans,	"	\$1.20	\$1.22	\$1.24	\$1.26	\$1.28	\$1.30
Butter,	lb.	20 ¢	20½ ¢	21 ¢	21½ ¢	22 ¢	22½ ¢
Cheese,	"	14 ¢	14½ ¢	15 ¢	15½ ¢	16 ¢	16½ ¢
Flour,	bbL.	\$6.50	\$6.55	\$6.60	\$6.65	\$6.70	\$6.75
Oats,	bus.	38 ¢	39 ¢	40 ¢	41 ¢	42 ¢	43 ¢
Rye,	"	42½ ¢	43½ ¢	44½ ¢	45½ ¢	46½ ¢	47½ ¢
Wheat,	"	80 ¢	81 ¢	82 ¢	83 ¢	84 ¢	85 ¢

MEMORANDA OF TRANSACTIONS

Home City, Wednesday, Aug. 1, 19—. Teacher and Student have this day formed a partnership under the firm name of Teacher & Student for the purpose of carrying on a produce and shipping business. The capital of the firm is to be \$9000, of which Teacher is to furnish two thirds, and Student one third, and the gains and losses are to be shared in proportion to their investments.

Aug. 1. Teacher makes the following investments: an account against Abner Crane for \$327.50; an account against Brown & Day for \$450; an account against Charles Evans for \$275; an account against Daniel French for \$190; cash, \$5688; total, \$6930.50. Teacher's liabilities, which the firm assumes, are as follows: Elihu Gale & Co., on account, \$285.50; Frank Harper, on account, \$350; Gaius Innes, on account, \$295; total, \$930.50; net interest, \$6000.

Aug. 1. Student makes the following investments: an account against Hugo Jones for \$475; cash, \$3675; total, \$4150. Student's liabilities, which the firm assumes, are as follows: Ira King & Co., on account, \$500; James Lowry, on account, \$650; total, \$1150; net interest, \$3000.

Aug. 1. Deposited \$9300 in Home City Bank.

Aug. 1. Bought of John A. Schlener & Co. a set of blank books for the office, for cash, \$28.50.

Aug. 2. Bought of Elihu Gale & Co., on credit, 2500 lb. Minnesota butter, at ? ¢.

Aug. 3. Bought of Allan Greer, on our note at 10 days, with interest, 250 bbls. flour, at \$?.

Note.—Interest, in this set, is computed at 6%, and days of grace are allowed unless otherwise specified.

Aug. 3. Bought of Henry Avery, on our note at 30 days, 2000 bus. oats, at ? ¢; 1000 bus. wheat, at ? ¢; 1500 bus. barley, at ? ¢; total, \$?.

Aug. 3. Shipped H. M. Burchard, Chicago, to be sold on our account and risk, 75 bbls. flour, invoiced at \$?; paid drayage on same per check, \$3.75; total, \$?.

Aug. 3. Paid Elihu Gale & Co., on account against Teacher, per check, \$125.

Aug. 3. Sold Alonzo Boyd, for cash, 5 bbls. flour, at \$?.

Aug. 3. Bought of S. C. Gale, on our note at 15 days, with interest, 4000 bus. oats, at ? ¢; 2000 bus. wheat, at ? ¢; total, \$?.

Aug. 4. Shipped P. R. Spencer, Detroit, to be sold on our account and risk, 1000 bus. wheat, invoiced at ? ¢; paid drayage on same per check, \$16; total, \$?.

Aug. 4. Sold Koon & May, on credit, 4 bbls. flour, at \$?.

Aug. 4. Shipped to W. H. Yale, Winona, per his order, 750 bus. wheat, at ? ¢; paid drayage on same per check, \$22.50; total, \$?.

Aug. 4. Paid sundry expenses, per petty expense book, \$15.63, in cash.

Aug. 6. Sold Simeon North, on his note at 10 days, 150 bus. oats, at ? ¢.

Aug. 6. Drew at sight on Koon & May, our favor, for bill of the 4th inst., \$? , and deposited draft in Home City Bank, to our credit.

Aug. 6. Sold Elihu Root, on his note at 10 days, with interest, 250 bus. barley.

Aug. 6. Shipped to Samuel R. Gray, Boston, to be sold on our account and risk, 1000 bus. oats, invoiced at ? ¢; paid drayage on same per check, \$15; total, \$?.

Aug. 6. Accepted Frank Harper's draft, at 20 days' sight, on Teacher, in favor of D. D. Miner, for \$150.

Aug. 6. Shipped to J. C. Bryant, Buffalo, to be sold on our account and risk, 1500 bus. oats, invoiced at ? ¢; paid drayage on same per check, \$15; total, \$?.

Aug. 7. Accepted Ira King & Co.'s draft, at 30 days' sight, on Student, in favor of Thomas Simpson, \$250.

Correspondence

TEACHER & STUDENT,
FLOUR & FEED,
Cor. Main & Center Sts.

Home City, (state), August 3, 19—

*Mr. H. M. Burchard,
Chicago, Ill.*

Dear Sir, —

*We have this day shipped you, per A. W. R. R.,
75 bbls. Flour, as per invoice inclosed, which please sell
for cash and remit the net proceeds at your earliest con-
venience by draft on Home City.*

Yours respectfully,

Teacher & Student,

per S.

Aug 7. Drew at sight on Brown & Day, for the amount due us on their account, in favor of and to apply on account of James Lowry, \$? .

Aug. 7. Shipped to R. C. Spencer, Milwaukee, to be sold on our account and risk, 1000 bus. potatoes bought of Daniel French, on our note at 15 days, at 98¢, \$980; paid drayage on same per check, \$10; total, \$? .

Aug. 7. Accepted Elihu Gale & Co.'s draft, at 30 days' sight, favor of George White, for balance of their account against Teacher, \$? .

Aug. 7. Sold Cyrus Northrop, for cash, 10 bbls. flour, at \$? .

Aug. 7. Received Abner Crane's check for \$150 to apply on his account.

Aug. 7. Sold W. W. Folwell, for cash, 250 bus. barley, at ? ¢ .

Aug. 8. Drew on Charles Evans, at 10 days' sight, in favor of and to apply on account of James Lowry, \$100.

Aug. 8. Shipped Daniel Slote, New York, to be sold on our account and risk, 2000 bus. oats, invoiced at ? ¢ ; paid drayage on same per check, \$20; total, \$? .

Aug. 9. Bought of Hiram Brown, 3000 lb. Minnesota butter, at ? ¢ ; gave in part payment our note at 10 days, for \$340; and our check for the balance, \$? .

Aug. 9. Accepted George H. Dagget's draft, at 10 days' sight, on Teacher, favor of J. L. Dobbin, \$240, not assumed by the firm Aug. 1, 19—.

Aug. 9. Sold J. H. Lewis, for cash, 25 bbls. flour, at \$? .

Aug. 9. Shipped to H. M. Burchard, Chicago, to be sold on our account and risk, 1000 lb. Minnesota butter, invoiced at ? ¢ ; paid drayage on same per check, \$5; total, \$? .

Aug. 9. Sold Loren Fletcher, on his note at 60 days, 1250 bus. oats, at ? ¢ .

Correspondence, Continued

H. M. BURCHARD,
COMMISSION MERCHANT,
144 State St.

Chicago, Ill., August 10, 19—

Teacher & Student,
Home City, (state).

Gentlemen, —

Inclosed you will please find an Account Sales of the Flour received on the 5th inst. The net proceeds, amounting to \$565.90, are hereby remitted by draft on Home City, as per your instructions.

Awaiting your further orders,

I remain, yours truly,

H. M. Burchard.

per S.

Aug. 10. Bought of David Burt, on our note at 10 days, with interest, 3000 lb. cheese, at ? ¢.

Aug. 10. Paid per check Student's note, in favor of Frank F. Davis, dated July 11, 19—, \$300; interest accrued on note, 30 days, \$?; total, \$?; not assumed by the firm Aug. 1, 19—.

Aug. 10. Shipped to P. R. Spencer, Detroit, to be sold on our account and risk, 1000 lb. Minnesota butter, invoiced at ? ¢; paid drayage per check, \$5; total, \$?.

Aug. 10. Sold Leslie Lane, on his note at 10 days, with interest, 5 bbls. flour, at \$?; 200 lb. Minnesota butter, at ? ¢; total, \$?.

Aug. 11. Shipped to W. H. Yale, Winona, per his order, 1500 bus. wheat, at ? ¢; paid drayage on same, \$15; total, \$?.

Aug. 11. Bought of James Gray 5000 bus. oats, at ? ¢; 3000 bus. barley, at ? ¢; 4000 bus. wheat, at ? ¢; total, \$?; gave in part payment our note at 60 days, \$2500; our note at 30 days, \$1500; certified check on Home City Bank for the balance, \$?.

Aug. 11. Sold Harlow Gale 300 lb. Minnesota butter, at ? ¢; 500 lb. cheese, at ? ¢; 10 bbls. flour, at \$?; total, \$?; received in part payment his note at 10 days for \$75; his note at 15 days for \$50; and his check for the balance, \$?.

Aug. 11. Accepted J. T. McCleary's draft, at 15 days' sight, on Teacher, favor of Cushman K. Davis, for amount not assumed Aug. 1, 19—, \$300.

Aug. 11. Bought of Silas Brush, on our note at 60 days, 5000 bus. oats, at ? ¢.

Aug. 11. Received from H. M. Burchard, Chicago, an account sales of the flour shipped him Aug. 3, together with sight draft on Home City Bank for the net proceeds, \$565.90.

Aug. 11. Shipped to R. C. Spencer, Milwaukee, to be sold on his account and risk, 2000 bus. barley, invoiced at ? ¢; paid drayage on same per check, \$20; total, \$?.

Shipping Invoice, First Form

<i>Invoice of Merchandise shipped per N. W. R. R. and consigned to H. M. Burchard, Chicago, to be sold on account and risk of Teacher & Student, Home City, Consignors.</i>				
	75 bbls. Flour, invoiced	@ \$6.50	487	50
	Charges:			
	Paid Drayage		3	75
	E. & O. E.			
	Home City, (state), } Teacher & Student, Aug. 3, 19— } per L.			
				491 25

Aug. 13. Received from P. R. Spencer, Detroit, an account sales of the wheat shipped him on the 4th inst.; our net proceeds, \$880.75, have been placed to our credit.

Aug. 13. Accepted Gaius Innes's draft, at 10 days' sight, on Teacher, favor of Paul Jones & Co., for \$150.

Aug. 13. Sold Rufus Choate, for cash, 500 bus. wheat, at ? ¢.

Aug. 13. Drew at 10 days' sight on Hugo Jones, our favor, for \$100; he accepts and returns the draft.

Aug. 14. Sold John Douglass, for cash, 250 bus. barley, at ? ¢.

Aug. 15. Shipped to W. H. Yale, Winona, per his order, 2000 bus. wheat, at ? ¢.

Aug. 16. Received W. H. Yale's note at 15 days from Aug. 5, with interest, in full payment of our invoice of Aug. 4.

Aug. 16. Paid per check our note of the 3d inst., favor of Allan Greer, \$?; interest, ? days, \$?; total, \$?.

Aug. 16. Paid per check our note of the 3d inst., favor of Henry Avery, \$?; discount off, ? days at 6%, ? ¢; face of check, \$?.

Aug. 16. Prepaid our acceptance of the 6th inst., favor of D. D. Miner, per check, \$?; discount off, ? days, at 6%, ? ¢; face of check, \$?.

Aug. 16. Bought of Seth Wright 1500 bus. beans, at \$?; 1200 bus. rye, at ? ¢; total, \$?; gave in payment our note at 60 days for \$1500; our note at 30 days for the balance, \$?.

Aug. 16. Sold Otto Miller, on his note at 10 days, 6 bbls. flour, at \$?; 150 lb. cheese, at ? ¢; total, \$?.

Aug. 16. Sold Henry Robinson 500 lb. Minnesota butter, at ? ¢; 250 lb. cheese, at ? ¢; total, \$?; received in payment his note at 10 days for \$75; and his note at 30 days for the balance, \$?.

Aug. 16. Sold Daniel French, on his note at one month, 2750 bus. oats, at ? ¢.

Aug. 17. Sold Frank Harper, on credit, 1000 bus. beans, at \$?.

Aug. 18. Accepted Elihu Gale & Co.'s draft, at one month, favor of S. C. Gale, for bill of the 2d inst., \$?.

Shipping Invoice, Second Form

*Invoice of Merchandise shipped per N. Y. C. R. R. by
Teacher & Student, Home City,
and consigned to Samuel R. Gray, Boston, Mass.,
to be sold on account and risk of consignors.*

1000 bus. White Oats, invoiced @ 38¢	, 380		
Charges:			
Paid Drayage	15		395
E. & O. E.			
Home City, (state), } Teacher & Student. Aug. 6, 19— } per S.			

Aug. 18. Received from J. C. Bryant, Buffalo, an account sales of the oats shipped him on the 6th inst. Our net proceeds amount to \$660, for which he incloses his note at one month with interest from Aug. 17, 19—.

Aug. 18. Received from Samuel R. Gray, Boston, an account sales of the oats shipped him on the 6th inst. Our net proceeds amount to \$449.50, for which we draw on him at sight and deposit draft in Home City Bank.

Aug. 18. Paid James B. Sykes, per check, for James Lowry's sight draft on Th. E. Student for \$100.

Aug. 18. Received Frank Harper's note at one month, in settlement of account, \$?.

Aug. 18. Paid, per check, Th. E. Student's note, favor of Mark Morris, for \$240, due Sep. 20, less discount for ? days at 6%, \$?; amount paid, \$?.

Aug. 20. Sold William T. Harris, on his note at 60 days with interest, 50 bbls. flour, at \$?.

Aug. 20. Sold Abner Crane, on credit, 25 bbls. flour, at \$?.

Aug. 20. Sold Morris Brothers, on their note at one month, 1000 bus. barley, at ?¢.

Aug. 20. Received from W. H. Yale, Winona, his note at 30 days from Aug. 11, 19—, with interest, in full payment of our invoice of that date, \$?.

Aug. 21. Sold Hugo Jones, on credit, 750 bus. barley, at ?¢.

Aug. 21. Paid our note of Aug. 3, 19—, favor of S. C. Gale, per check; face of note, \$?; interest accrued, ? days, \$?; face of check, \$?.

Aug. 22. Paid, per check, our note, favor of Hiram Brown, dated Aug. 9, 19—, \$?.

Aug. 22. Paid, per check, our acceptance, favor of J. L. Dobbin, dated Aug. 9, 19—, \$?.

Aug. 22. Received from R. C. Spencer, Milwaukee, an account sales of the potatoes shipped him Aug. 7. The net proceeds amount to \$975, for which he incloses his note with interest, at 30 days from Aug. 22.

Aug. 23. Received Leslie Lane's check for his note and interest, dated Aug. 10, 19—; face of note, \$?; interest, ? days at 6%, ?¢; total, \$?.

Aug. 23. Received from W. H. Yale, Winona, Chicago exchange in payment of his note of Aug. 5, 19—; face of note, \$?; interest accrued, ? days, \$?; total, \$?.

Account Sales, Journal Form

<i>Account Sales of 75 bbls. Flour,</i> <i>on account and risk of Teacher & Student, Home City.</i>				
19—				
Aug.	8	Cash Sales, 40 bbls. Flour @ \$8.10	324	
"	10	Cash " 35 " " @ \$8.10	283	50
—————Charges—————				
Aug.	6	Freight, paid in cash	18	75
"	10	Storage and Advertising	4	62
"	10	Commission, 3% on \$607.50	18	23
Teacher & Student's net proceeds				41
E. E. } H. M. Burchard,				60
Chicago, Aug. 10, 19—, } per I.				90
				607
				50

- Aug. 23. Received Loren Fletcher's check in payment of his note, dated Aug. 9, 19—, at 60 days; face of note, \$? ; discount to maturity, ? days, \$? ; face of check, \$? .
- Aug. 23. Paid, per check, for our note, in favor of David Burt, dated Aug. 10, 19—; face of note, \$? ; interest accrued, ? days at 6%, ? ¢ ; total, \$? .
- Aug. 23. Sold W. C. Smith 2500 bus. oats, at ? ¢ ; received in payment his note at 30 days for \$750; and his check for the balance, \$? .
- Aug. 24. Sold C. M. Jordan 500 lb. cheese, at ? ¢ ; received in payment his note at 60 days with interest, without grace, for \$50; and his check for the balance, \$? .
- Aug. 24. Received from Harlow Gale his check for note at 10 days, dated Aug. 11, 19—, \$? .
- Aug. 24. Received from W. H. Yale, Winona, his note at two months from Aug. 18, 19—, with interest, for \$1000, in part payment of invoice of Aug. 15; and Chicago exchange for the balance, \$? .
- Aug. 25. Paid, per check, for our note of Aug. 7, 19—, favor of Daniel French, \$? .
- Aug. 25. Shipped Daniel Slotte, New York, to be sold on our account and risk, 2500 bus. oats, invoiced at ? ¢ ; paid drayage on same, per check, \$25; total, \$? .
- Aug. 25. Sold Hugo Jones, on credit, 750 lb. cheese, at ? ¢ .
- Aug. 25. Received cash of Hugo Jones, for his acceptance of Aug. 13, 19—, \$100.
- Aug. 27. Sold Paul Jones & Co. 500 bus. rye, at ? ¢ ; received in payment our acceptance, their favor, of the 13th inst., \$? ; and their check for the balance, \$? .
- Aug. 27. Sold William Windom 2350 bus. oats, at ? ¢ ; received in payment our acceptance of Aug. 18, 19—, at one month. favor of S. C. Gale, for \$? , less discount on acceptance (\$?), \$? ; his check for the balance, \$? .
- Aug. 27. Bought of D. C. Bell 1000 bus. wheat, at ? ¢ ; gave in payment William T. Harris's note of Aug. 20, 19—, \$? ; interest accrued to date, ? days, ? ¢ ; and our check for the balance, \$? .
- Aug. 27. Sold Weed Munro 700 bus. rye, at ? ¢ ; received in payment our acceptance of the 7th inst., favor of George White, for \$? , less discount, ? days (? ¢), \$? ; and his check for the balance, \$? .

Account Sales, Ledger Form

Account Sales of 1000 bus. Wheat, on account and risk of Teacher & Student, Home City							
19—					19—		
Aug.	7	Freight	25	Aug.	9	350 bus. at .95	332 50
"	7	Insurance	9	"	10	425 " at .95	403 75
"	11	Storage & Adv'g	6 75	"	11	225 " at .95	213 75
"	11	Com. 3% on \$950	28 50			1000	
		Teacher & Stud's net proceeds	880 75				
			950 00				950 00
		E. & O. E. Detroit, Aug. 11, 19—.				P. R. Spencer, per P.	

Aug. 27. Sold J. D. Williams 35 bbls. flour, at \$? ; received in payment our 2d note of Aug. 16, favor of Seth Wright, for \$? , less discount, ? days (\$?), \$? ; gave him our check for the excess, \$? .

Aug. 28. Received from Daniel Slote, New York, an account sales of the oats shipped him Aug. 8, 19—. Our net proceeds amount to \$859.50; for which he sends his note, dated Aug. 28, 19—, at 60 days with interest, and without grace.

Aug. 29. Sold L. D. Harvey 750 bus. wheat, at ? ¢ ; 500 lb. Minn. butter, at ? ¢ ; total, \$? ; received his note at 30 days for \$500; and his check for the balance, \$? .

Aug. 29. Paid, per check, for our acceptance of Aug. 11, 19—, favor of Cushman K. Davis, \$? .

Aug. 29. Received Harlow Gale's check for his 2d note of Aug. 11, 19—, for \$? .

Aug. 29. Received Otto Miller's check for his note of Aug. 16, 19—, due this day, \$? .

Aug. 29. Received Henry Robinson's check for his note of Aug. 16, 19—, \$75.

Aug. 30. Received from P. R. Spencer, Detroit, Chicago exchange in full of account, \$? ; and interest on same for 15 days, \$? ; total, \$? .

Aug. 30. Prepaid, per check, our note of Aug. 11, 19—, at 30 days, favor of James Gray, \$? ; discount, ? days, \$? ; face of check, \$? .

Aug. 30. Received from H. M. Burchard, Chicago, an account sales of the butter shipped him Aug. 9, 19—. Our net proceeds amount to \$198.50, for which he incloses Chicago exchange.

Aug. 30. Received Daniel French's check for \$90, to apply on account.

Aug. 30. Paid W. A. Barnes, per check, for rent of warehouse and office for the month of August, \$225.

Aug. 30. Paid cash for sundry expenses per petty expense book, \$39.76.

Aug. 30. Sold Brown & Day, on credit, 500 lb. Minn. butter, at ? ¢ ; 100 lb. cheese, at ? ¢ ; total, \$? .

Sep. 1. Memoranda — The partnership of Teacher & Student has been dissolved this day by mutual consent, Student withdrawing from the firm. Complete statements are to be made showing the present conditions of the business. Each partner is to be credited

for his net gain or debited for his net loss, as the case may be. Student agrees to accept for his interest in the business as it shall appear, \$2000 cash, and a note for the balance, payable in 3 months with interest, \$? .

Sep. 1. Teacher's interest on net capital invested Aug. 1, \$? , 31 days, at 6%, \$? .

Sep. 1. Student's interest on net capital invested Aug. 1, \$? , 31 days, at 6%, \$? .

Sep. 1. Interest on \$? , withdrawn by Teacher Aug. 9, 23 days, at 6%, ? ¢ ; on \$? , withdrawn Aug. 11, 21 days, at 6%, \$? ; total, \$? .

Sep. 1. Interest on \$? , withdrawn by Student, Aug. 10, 22 days, at 6%, \$? ; on \$? , withdrawn Aug. 18, 14 days, at 6%, ? ¢ ; total, \$? .

Sep. 1. Received cash from Student for his withdrawals, \$? , and interest thereon, \$? , less interest on net capital, \$? .

Sep. 1. Received cash from Teacher for his withdrawals, \$? , and interest thereon, \$? , less interest on net capital, \$? .

Inventory of Liabilities

Used in Closing the Books of Teacher & Student.

<i>Interest Payable</i>			
Discount on Henry Robinson's note, of Aug. 16, 19—,	? days, at 6%, on \$? ,	?	
Discount on Daniel French's note, of Aug. 16, 19—,	? days, at 6%, on \$? ,	?	
Discount on Frank Harper's note, of Aug. 18, 19—,	? days, at 6%, on \$1000,	?	
Discount on Morris Bros.' note, of Aug. 20, 19—,	? days, at 6%, on \$? ,	?	
Discount on W. C. Smith's note, of Aug. 23, 19—,	? days, at 6%, on \$? ,	?	
Discount on L. D. Harvey's note, of Aug. 29, 19—,	? days, at 6%, on \$? ,	?	?

General Results of August Business

Footings of the Trial Balance

List 1	2	3	4	5	6
\$ 68836.48	\$ 69759.80	\$ 70683.15	\$ 71606.53	\$ 72529.91	\$ 73453.30

Cash on Hand

List 1	2	3	4	5	6
\$ 2343.90	\$ 2148.17	\$ 1952.48	\$ 1756.78	\$ 1561.05	\$ 1365.34

Merchandise on Hand

List 1	2	3	4	5	6
\$ 2038.75	\$ 2075.00	\$ 2111.25	\$ 2147.50	\$ 2183.75	\$ 2220.00

Net Gain

List 1	2	3	4	5	6
\$ 1406.98	\$ 1343.11	\$ 1279.29	\$ 1215.45	\$ 1251.59	\$ 1087.77

Inventory of Resources

Used in Closing the Books of Teacher & Student. List 1

<i>Merchandise:</i>				
? bus. Wheat	(at cost)	@	? ¢	?
? lb. Butter	"	@	? ¢	?
? " Cheese	"	@	? ¢	?
? bus. Beans	"	@	¢ ?	?
<i>Shipments:</i>				
Detroit, No. 2	(at cost)			?
Milwaukee, No. 2	"			?
New York, No. 2				?
<i>Interest Receivable:</i>				
Discount on our acceptance, favor of Thomas Simpson, of Aug. 7, 19—.	? days at 6% on		¢ ?	?
Discount on our note, favor of James Gray, of Aug. 11, 19—,	? days at 6% on		¢ ?	?
Discount on our note, favor of Silas Brush, of Aug. 11, 19—,	? days at 6% on		¢ ?	?
Discount on our note, favor of Seth Wright, of Aug. 16, 19—,	? days at 6% on		¢ ?	?
Interest accrued on Elihu Root's note, dated Aug. 6, 19—,	? days at 6% on		¢ ?	?
Interest accrued on Simeon North's note, dated Aug. 6, 19—,	? days at 6% on		¢ ?	?
Interest accrued on J. C. Bryant's note, dated Aug. 17, 19—,	? days at 6% on		¢ ?	?
Interest accrued on W. H. Yale's note, dated Aug. 11, 19—,	? days at 6% on		¢ ?	?
Interest accrued on C. M. Jordan's note, dated Aug. 24, 19—,	? days at 6% on		¢ ?	?
Interest accrued on W. H. Yale's note, dated Aug. 18, 19—,	? days at 6% on		¢ ?	?
Interest accrued on R. C. Spencer's note, dated Aug. 22, 19—,	? days at 6% on		¢ ?	?
Interest accrued on Daniel Slote's note, dated Aug. 28, 19—,	? days at 6% on		¢ ?	?

Journal-Daybook

Home City, Wednesday, August 1, 19—

Abner Crane	Teacher's account against him		?		
Brown & Day	" " " "		?		
Charles Evans	" " " "		?		
Daniel French	" " " "		?		
Teacher	Above resources invested				?
Teacher	Following liabilities assumed		?		
Elihu Gale & Co.	Their account against Teacher				?
Frank Harper	His " " "				?
Gaius Innes	" " " "				?
1					
Hugo Jones	Student's account against him		?		
Th. E. Student	Resource invested				?
Th. E. Student	Following liabilities assumed		?		
Ira King & Co.	Their account against Student				?
James Lowry	His " " "				?
2					
Mdse.	? lb. Minn. Butter,	? ¢	?		
Elihu Gale & Co.	Bought on credit				?
3					
Mdse.	? bbls. Flour,	\$?	?		
Allan Greer	Bought of him.				?
Allan Greer	Our note at ? days, with interest		?		
Bills Payable					?
3					
Mdse.	? bus. Oats,	? ¢	\$?	?	
	? " Wheat,	? ¢	\$?		
	? " Barley,	? ¢	\$?		
Henry Avery	Bought of him.				?
Henry Avery	Our note at 30 days		?		
Bills Payable					?
3					
Shipment to Chicago #1	Shipped to H. M. Burchard, Chicago,		?		
	to be sold on our % and risk				
Mdse.	? bbls. Flour,		\$?		?
3					
Alonzo Boyd	Sold him		?		
Mdse.	? bbls. Flour		\$?		?
					?
					?

Journal-Daybook, Continued

Home City, Friday, August 3, 19—

Mdse.	? bus. Oats, ? φ \$?	?		
	? " Wheat, ? φ \$?			
S. C. Gale	Bought of him.			?
S. C. Gale	Our note at ? days with interest	?		
Bills Payable				?
4				
Shipment to Detroit, # 1	Shipped to P. R. Spencer, Detroit,	?		
	to be sold on our % and risk,			
Mdse.	? bus. Wheat ? φ			?
4				
Koon & May	Sold them on credit	?		
Mdse.	? bbls. Flour ? φ			?
4				
W. H. Yale, Winona	Shipped per his order	?		
Mdse.	? bus. Wheat ? φ			?
6				
Simeon North	Sold him	?		
Mdse.	? bus. Oats ? φ			?
Bills Receivable	His note at ? days	?		
Simeon North				?
6				
Elihu Root	Sold him	?		
Mdse.	? bus. Barley ? φ			?
Bills Receivable	His note at ? days, with interest	?		
Elihu Root				?
6				
Shipment to Boston, # 1	Shipped to Samuel R. Gray, Boston,	?		
	to be sold on our % and risk,			
Mdse.	? bus. Oats ? φ			?
6				
Frank Harper	Accepted his draft at 20 ds. sight	150		
Bills Payable	on Teacher, favor of D. D. Miner			150
6				
Shipment to Buffalo, # 1	Shipped to J. C. Bryant, Buffalo,	?		
	to be sold on our % and risk,			
Mdse.	? bus. Oats ? φ			?
7				
Ira King & Co.	Accepted their draft at 30 days'	250		
Bills Payable	sight, on Th. E. Student, favor			250
	Thos. Simpson			
		?		?

Journal-Daybook, Continued

Home City, Tuesday, August 7, 19—

James Lowry Brown & Day	Our sight draft, his favor, on Brown & Day, in full of amt. due us on their account	450	450
7			
Mdse. Daniel French	? bus. Potatoes ? ϕ Bought of him	?	?
Daniel French	Our note at 15 days	?	?
Bills Payable			?
Shipment to Milwaukee, # 1 Mdse.	Shipped the Potatoes to R. C. Spencer, Milwaukee, to be sold on our $\%$ and risk	?	?
7			
Elihu Gale & Co. Bills Payable	Accepted their draft at 30 days' sight, favor of George White, for balance of their $\%$?	?
7			
Cyrus Northrop Mdse.	Sold him ? bbls. Flour \$?	?	?
8			
James Lowry Charles Evans	Our sight draft, his favor, on Charles Evans, to apply on $\%$	100	100
8			
Shipment to New York, # 1 Mdse.	Shipped to Daniel Slote, N. Y., to be sold on our $\%$ and risk, ? bus. Oats ? ϕ	?	?
9			
Mdse. Hiram Brown	? lb. Minn. Butter ? ϕ Bought of him	?	?
Hiram Brown	Our note at 10 days	?	?
Bills Payable	Check for balance (C.B.)		?
9			
Teacher Bills Payable	Accepted G. H. Dagget's draft at 10 days' sight, favor of J. L. Dobbin, on Teacher. Amt. not assumed Aug. 1, 19—	240	240
9			
Shipment to Chicago, # 2 Mdse.	Shipped to H.M.Burchard, Chicago, to be sold on our $\%$ and risk, ? lb. Minn. Butter ? ϕ	?	?
		?	?

NOTE.—Transactions on Aug. 7 and Aug. 9 are omitted in illustration.

Journal-Daybook, Continued

Home City, Thursday, August 9, 19—

Loren Fletcher	Sold him		?		
Mdse.	? bus. Oats	? φ			?
Bills Receivable	His note at ? days		?		
Loren Fletcher					?
—10—					
Mdse.	? lb. Cheese	? φ	?		
David Burt	Bought of him				?
David Burt	Our note at 10 days, with interest		?		
Bills Payable					?
—10—					
Shipment to Detroit, # 2	Shipped to P. R. Spencer, Detroit, to be sold on our % and risk,		?		
Mdse.	? lb. Minn. Butter	? φ			?
—10—					
Leslie Lane	Sold him		?		
Mdse.	? bbls. Flour	\$? \$?			?
	? lb. Minn. Butter	? φ ?			
Bills Receivable	His note at 10 days, with interest		?		
Leslie Lane					?
—11—					
W. H. Yale, Winona	Shipped per his order		?		
Mdse.	? bus. Wheat	? φ			?
—11—					
Mdse.	? bus. Oats	? φ \$?	?		
	? " Barley	? φ \$?			
	? " Wheat	? φ \$?			
James Gray	Bought of him				?
James Gray	Our note at 60 days	\$2500	4000		
Bills Payable	" " " 30 "	1500		4000	
	Check for balance, \$?	(C.B.)			
—11—					
Harlow Gale	Sold him		?		
Mdse.	? lb. Minn. Butter	? φ \$?			?
	? " Cheese	? φ \$?			
	? bbls. Flour	\$? \$?			
Bills Receivable	His note at 10 days	\$75	125		
Harlow Gale	" " " 15 "	50		125	
	Check for balance, \$?	(C.B.)			
			?		?

Cash Journal, Left-hand Page

Cash Receipts

19—						
Aug.	1	Teacher	Invested in the firm		?	
"	1	Th. E. Student	" " "		?	
"	3	Alonzo Boyd	On account of Mdse. (J.)		?	
		Cash Dr.	Total received			?
<hr/>						
Aug.	6	Koon & May	Sight draft deposited		?	
"	7	Cyrus Northrop	On account of Mdse. (J.)		?	
"	7	Abner Crane	On account		?	
"	7	W. W. Folwell	On account of Mdse. (J.)		?	
"	9	J. H. Lewis	" " (J.)		?	
"	11	Harlow Gale	" " (J.)		?	
"	11	Ship. to Chicago # 1	Net proceeds as per Acct. Sales from H. M. Burchard		?	
		Cash Dr.	Total received			?
			Balance, Aug. 4			?
<hr/>						
Aug.	13	Rufus Choate	On account of Mdse. (J.)		?	
"	14	John Douglass	" " (J.)		?	
"	16	Interest	Discount on note, favor of Henry Avery, of Aug. 3, 20 days at 6% on \$?		?	
"	16	Interest	Discount on acceptance of Aug. 6, favor of D. D. Miner 13 days at 6% on \$?		?	
		Cash Dr.	Total received			?
			Balance, Aug. 11			?
<hr/>						

Trial Balance of Balances. List 1

Open Accounts		Aug. 11, 19—		Aug. 18, 19—		Sep. 1, 19—	
Teacher	Partner		6000		6000		6000
Student	"		3000		3000		3000
Abner Crane		177	50	177	50	340	
Brown & Day						114	
Charles Evans		175		175		175	
Daniel French		190		190		100	
Elihu Gale & Co.			450				
Frank Harper			200				
Gaius Innes			295		145		145
Hugo Jones		475		375		817	50
Ira King & Co.			250		250		250
James Lowry			100				
Shipment to Chicago, No. 1			74	65			
Bills Payable			14995	50	14025	50	6000
Shipment to Detroit, No. 1		816					
" Boston, " 1		395					
Cash		7779	52	4706	75	2343	90
W. H. Yale, Winona		1837	50	2815			
Expense		44	13	44	13	308	89
Merchandise		8107		5684	50	640	
Ship't to Buffalo, No. 1		585					
" Milwaukee, " 1		990		990			
" New York, " 1		780		780			
" Chicago, " 2		205		205			
" Detroit, " 2		205		205		205	
Bills Receivable		842		4164	50	8734	
Ship't to Milwaukee, No. 2		920		920		920	
Teacher, Personal		540		540			
Student, "		301	50	540	18		
P. R. Spencer		25365	15	25365	15		
Interest						3	91
Loss and Gain						268	90
Ship't to New York, No. 2				23693	31	23693	31
						975	
						15721	90
						15721	90

List 2

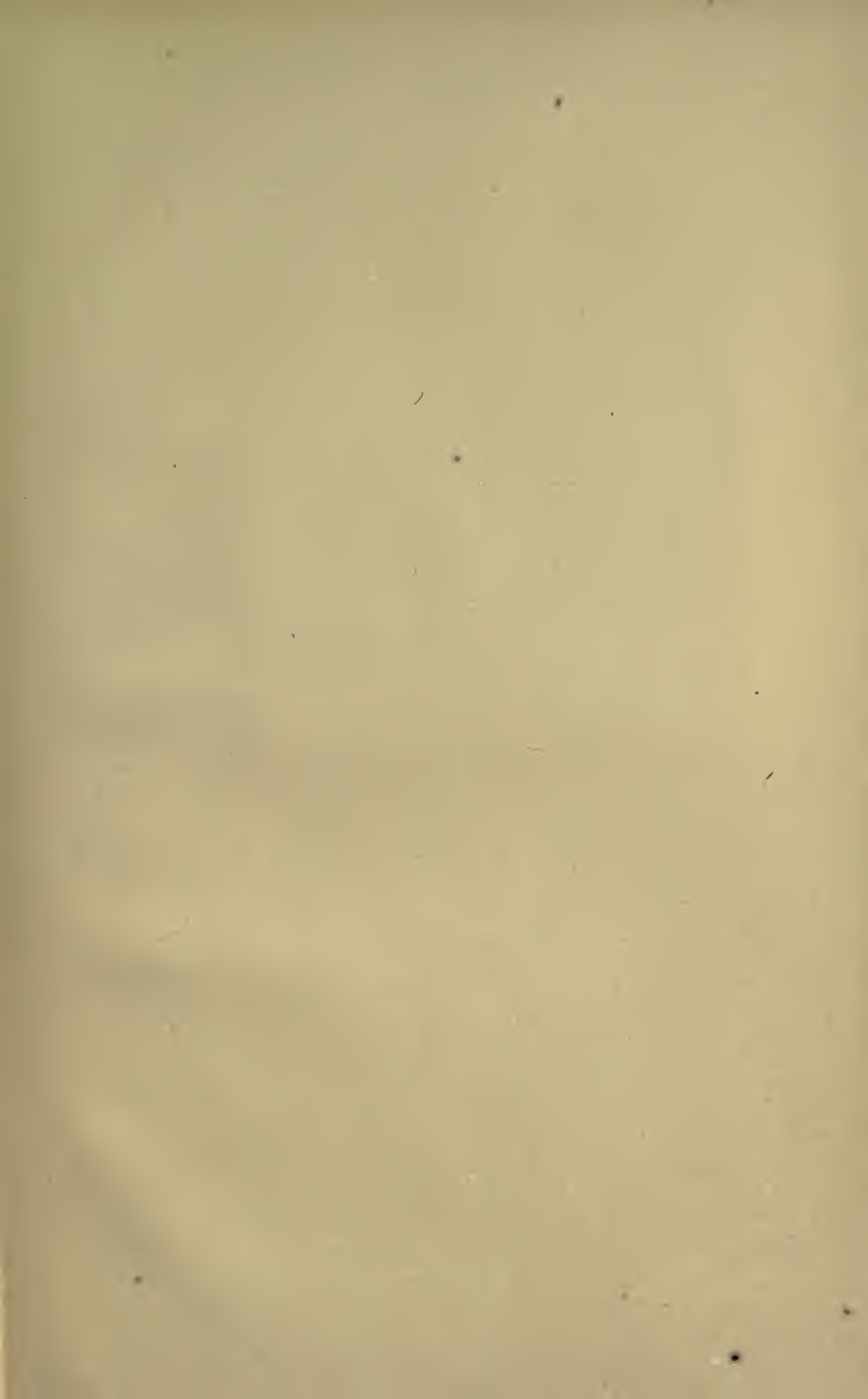
List 3

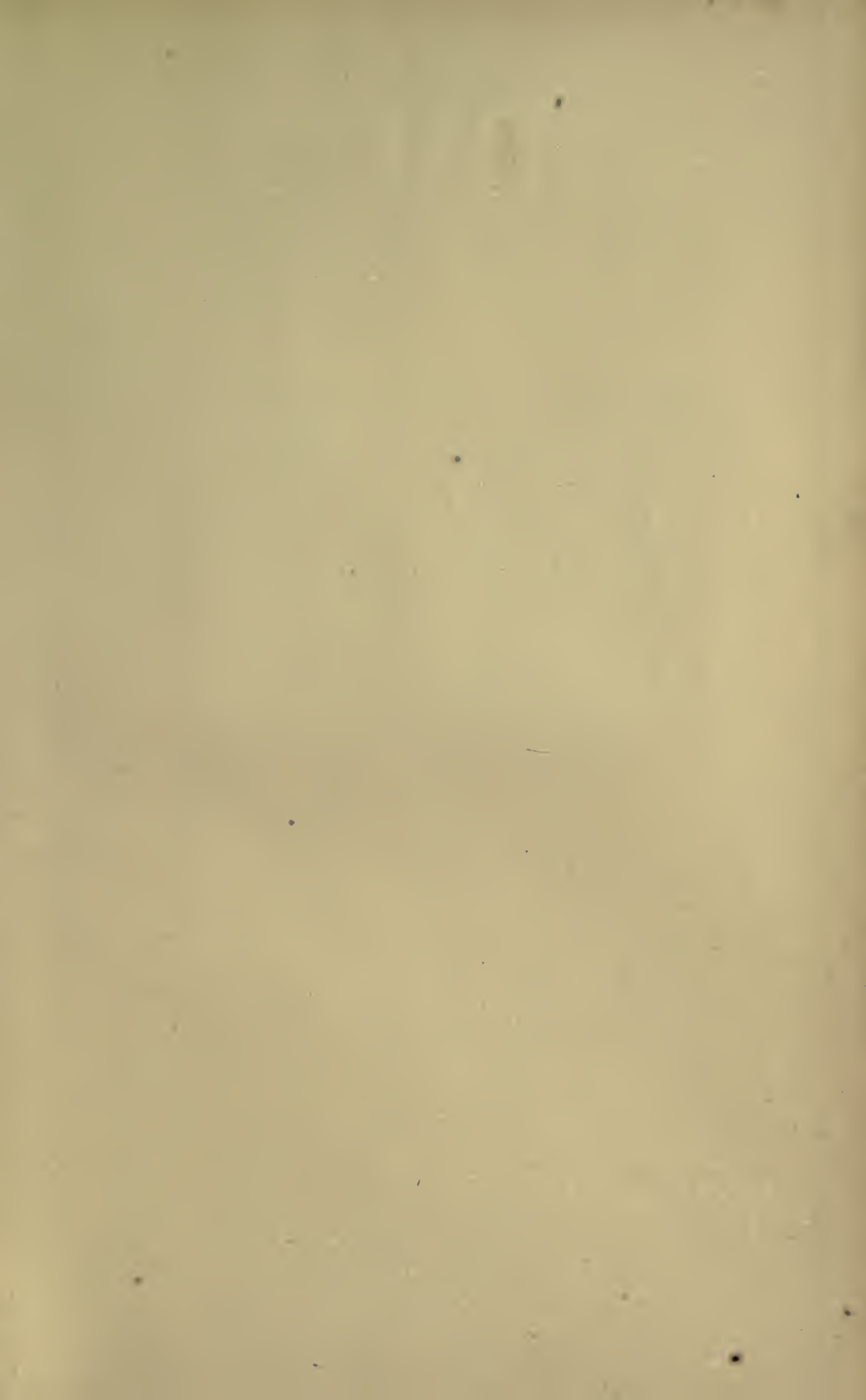
List 4

List 5

List 6

Sep. 1, 19—		Sep. 1, 19—		Sep. 1, 19—		Sep. 1, 19—		Sep. 1, 19—	
	6000		6000		6000		6000		6000
	3000		3000		3000		3000		3000
341	25	342	50	343	75	345		346	25
117		120		123		126		129	
175		175		175		175		175	
100		100		100		100		100	
	145		145		145		145		145
828	75	840		851	25	862	50	873	75
	250		250		250		250		250
	6050		6100		6150		6200		6250
2148	17	1952	48	1756	78	1561	05	1365	34
308	89	308	89	308	89	308	89	308	89
676	25	712	50	748	75	785		821	25
210		215		220		225		230	
8814	25	8894	50	8974	75	9055		9135	25
940		950		980		1000		1020	
48	59	48	53	48	48	48	46	48	42
	263 15		199 40		135 65		71 90		8 15
1000		1025		1050		1075		1100	
15708	15	15694	40	15680	65	15666	90	15653	15
		15694	40	15680	65	15666	90	15653	15







321599

HF5635
.C9

UNIVERSITY OF CALIFORNIA LIBRARY

