

LESSON NO. 27.

After the Trial Balance has been properly made out, that is, when the sums of all Debit entries equals the sums of all the Credit entries, of all the accounts opened out in the Ledger, the next thing to be done is to take an inventory of the Stock, Teams, Farm Produce, Implements, etc., and place the amounts upon the Credit sides of the respective accounts in red ink before the accounts can be closed. That is, their current condition must be brought to an end, and any difference or Balance existing must be placed upon the smaller side of the accounts, as "To Balance," or "By Balance," in red ink. These balances will be either one of four things, namely, *a Gain, a Loss, a Resource, or a Liability*. Then from the accounts closed make out a Loss and Gain account, and any difference existing between the total Losses or total Gains will indicate the loss or gain for the year.

The following is a summary of the Inventory of John Allen, taken the 31st of December, 1905. Arrange into divisions similar to the Inventory taken the 31st of December, 1904. 1 Bay horse (Fred) 8 years old, \$48.00; 1 bay horse (Barney) 7 years old, \$56.00; 1 brown mare, (Nelly) 6 years old, \$75.00; 1 brown horse (Dick) 6 years, \$75.00; 1 set double harness, \$23.00; 1 set double harness, \$15.00; 1 set single harness, \$15.00; 5 fly nets @ \$1.00; 4 halters @ \$1.50; 6 blankets worth \$15.00, 2 brushes @ \$1.00; 2 curry combs worth 50c.; 5 milch cows @ \$35.00; 3 heifers @ \$25.00; 3 2-year-steers @ \$25.00; 6 yearling calves @ \$10.00; 4 brood sows @ \$10.00; 10 shoats @ \$5.00; 10 young pigs @ \$1.50; 40 hens @ 20c.; 5 ewes @ \$6.00; 1 ram @ \$14.00; 1 open buggy, \$42.00; 1 covered buggy \$75.00; 1 democrat \$35.00; 1 double cutter, \$50.00; 1 binder, \$59.00; 1 corn binder, \$90.00; 1 mower, \$34.75; 1 hay rake, \$17.00; 1 hay tedder \$17.00; 1 hay fork, \$10.00; 1 new wagon, \$55.00; 1 lumber wagon, \$31.00; 1 old wagon, \$12.00; 1 hog rack, \$5.00; 1 hay rack \$4.00; 1 gravel box, \$1.80; 1 sod plow, \$6.75; 1 stubble plow, \$9.00; 1 set iron harrows, \$9.00; 1 set wooden harrows, \$6.75; 1 Acme harrow, \$6.00; 1 wheel cultivator \$27.00; 1 corn cultivator, \$5.00; 1 grain drill \$48.00; 1 land roller \$14.00; 1 pair bob-sleighs \$13.00; 2 spades @ 25c., 1 ditching spade, 75c; 1 round mouthed shovel 60c.; 1 square mouthed shovel, 45c.; 2 hoes @ 25c.; 1 scythe and snath \$1.50; 2 axes @ 75c.; 1 scoop shovel, 75c.; 1 cross cut saw, \$3.00; 4 log chains @ \$1.25; 5 pitch forks @ 36c.; 2 measures @ 25c.; 2 doz. grain bags @ 15c. each; carpenter and blacksmith tools \$15.00; 205 bu. pease @ 50c.; 55 bu. wheat @ 80c.; 450 bu. barley @ 35c; 600 bu. oats @ 25c; 75 bu. potatoes @ 35c; 1000 bu. corn @ 30c; 20 tons hay @ \$4.00; 47 tons straw @ \$2.00; 20 tons corn stalks (shredded) @ \$3.00; household effects (stoves, furniture, etc.) \$300.00.

If the foregoing memoranda of the business transactions of John Allen are properly and correctly entered in the Day Book and Journal, pasted, and the accounts of the Ledger closed, it will be found that the total resources for the year, \$4273.98, plus the value of the farm, \$6000.00, will give his *Present Worth* equal to \$10273.98.