

January 6.	Bought of J. Smith at auction, goods for cash invoiced.....	3,250 00
	Which I paid for thus :—	
	Cheque on Montreal Bank.	2,087 50
	Cash.....	1,000 50
	Discount 5 per cent.....	162 50
“	7. Paid for new office furniture	73 00
“	7. Sold Walker & Sons goods.....	675 00
“	7. Sold A. Wallace & Sons goods.....	2,350 00
“	8. Bought from Anderson & Co., goods @ 3 months	5,050 75
“	9. Gave my note on account of the above.....	5,000 00
“	10. Paid my note in favor of Williams, by cheque on bank.	1,975 00
“	11. Sold goods for cash.	3,025 60
“	12. Paid rent of store by cheque.....	200 00
	Paid clerk's salary.....	50 00
“	13. Paid into Bank of Montreal.....	2,500 00
“	14. Paid into Bank of Montreal, W. Johnson's note, due to-day, to be placed to my credit.	500 00
“	15. Gave my cheque to retire W. Johnson's note protested for non-payment.....	501 25
	Sold goods for cash.....	1,215 00
	Stock on hand at this date valued at.....	3,915 65

The candidate is required to :

- 1st. Journalize the above transaction.
- 2nd. Post from journal to ledger accounts.
- 3rd. Balance and closed ledger, showing trial balance.
- 4th. And answer the following questions :
 - A. How much has been lost or gained ?
 - B. What was the net capital at commencement ?
 - C. What at the close, and of what items did it consist ?
 - D. Is the trader solvent or insolvent on the 15th January, and by how much ?