

These represent the *opening* entries, showing the value of the property, and the debts due to and from other parties at the date of the opening of the Ledger. This will be more clear by turning up the "Capital" account in Ledger, which should stand as below.

Date.			Date.		
To A. Hopkins.....	40 00		By Real Estate.....	4000 00	
" R. Watt	50 00		" Live Stock	670 00	
" Albion Loan Co.....	500 00		" Implements.....	300 00	
" Balance down.....	4635 00		" R. Hutchins	25 00	
			" John Markham ...	30 00	
			" Wages to Credit.....	200 00	
	\$ 5225 00			\$ 5225 00	
	= = =			= = =	
			By Balance (or net worth)	4635 00	

The books are now ready for the entry of the daily transactions of the farm. Enter all charges, so that they will be posted into the Ledger under the proper headings. For instance, if it is proposed to grow wheat, barley, potatoes, corn, and leave a portion for meadow land and grazing, enter in Waste Book the cost of labor, purchases, etc., so that they will be entered in the Ledger in the account to which they belong. Thus, under the heading of "Wheat" in Ledger, enter the charges from the Waste Book on the *debit*, or left-hand side of the account; and the amounts received for the crop when sold, on the *credit*, or right-hand side, thus—

WHEAT ACCOUNT.

Date.		Date.	
To Labor, Ploughing		By Cash, for	
" Seed		50 bush., at 90c....	
" Labor, Sowing		100 " 95c....	
" " Weeding.....		100 " 95c....	
" " Reaping			
" Teaming to barn			
" Threshing			
" Storing			
" Marketing			
" Proportion of General Expense a/c for season			

So that at the end of the year, by adding up the amounts on each side of the account, and allowing for any produce unsold, the surplus of the credits over the expenses will be the profit on this crop; or, if