

think of the *cash box* or *safe* as a person with whom an account is opened for debt and credit.

6. The first entry in the Cash Book must always be on the debit side, as cash must be received before it can be disbursed; for a similar reason, the amount on the credit side can never exceed that on the debit side. If the two sides are equal, there is no cash on hand; the excess of the debit side shows the amount held.

7. The Cash Book should be carried along simultaneously with the Day Book. Cash received on cash sales, or paid on cash purchases, — that is, when full payment is made at the time of the transaction, — is entered in the Cash Book only. When the cash does not correspond with the amount of the purchase or sale, and when cash is paid on account, the entry must be made in the Day Book, as well as in the Cash Book.

8. The following is a specimen of the debit and credit sides of Thomas White's Cash Book. By adding the two sides, and taking the difference, we shall find that the debit side exceeds the other by \$26.17, which is the amount of cash on hand January 18.

CASH.				Dr.		CASH.				Cr.	
1887.						1887.					
Jan. 1	To cash on hand	\$25	30	Jan. 2	By cash for overcoat	\$16	00				
" 8	" for ton of hay	14	00	" 14	" lent to C. Bell						
" 9	" fat oxen	180	00		(see B. B.)	150	00				
" 16	" 4 cords wood	10	00	" 18	" paid to F. Parker	23	25				
" 18	" from J. Wilson ..	8	12		" buffalo robe	22	00				

9. The **BILL BOOK** contains a record of various particulars respecting written obligations for the payment of money, such as *Notes of Hand*, *Due Bills*, *Orders*, and *Drafts*. It consists of two parts, — *Bills Receivable* and *Bills Payable*. In *Bills Receivable* we enter all obligations of this kind which we hold against others, recording the *maker's* name, the *indorser's* name, the *amount*, *date*, *time*, *when due*, *where payable*; in *Bills Payable* we enter our written obligations to pay money, to *whom payable*, the *amount*, *date*, etc.

10. By reference to the Bill Book, we can ascertain when bills held by us fall due, without the trouble of examining the papers;