

- Accepted G. Sloane & Co.'s draft, dated July 18 at 10 days, for \$280, and also remitted a bank draft for \$100 purchased with cheque, exchange 25c., in payment of Mdse. as per Invoice received July 18. (J. and B.B.)
24. Returned R. Johnston's dishonoured cheque received on 22nd.
Paid for fixing shelving, cash \$25.
Gave Pupil on his salary, 1 Silver Watch \$20.
Pupil's salary is not due until the end of the month, and as the payment is irregular we must treat this as a sale to Pupil on a/c.
25. Sold E. Evans for his draft at 3 days on the Dominion Plating Co., 1 doz. Fancy Card Receivers @ \$2 each; 6 doz. Napkin Rings @ \$1. (S.J., J. and B.B.)
Put this entry through the Personal Account. See Section 98.
26. Received from R. Johnston on a/c, bank draft \$250.
27. Paid Pupil on his salary, cash \$20.
Put through the Personal Account. See note on July 24.
29. R. Johnston paid cash \$50 on his acceptance of the 15th, and gave his note at 2 months bearing interest at 6% per annum, for the balance.
30. Paid salaries for July with cheques.
Expense Dr., Pupil Cr., Scholastic Bank Cr.
31. Settled our acceptance of the 23rd with cheque, \$280.
Petty Cash Sales, \$710.
The Dominion Plating Co. requests us to place the draft of the 25th to their debit.
Deposited the balance of cash on hand, excepting \$5.

INVENTORIES taken July 31, 19—.

Asset Inventories:

<i>Merchandise</i>	\$780.65
<i>Shop Furniture</i>	375.00
<i>Real Estate</i>	2100.00
<i>Insurance premium unexpired</i>	14.22
<i>Interest accrued on Bills Rec. 3 and 6</i>	1.47

Liability Inventory:

<i>Interest accrued on Bills Pay. 4</i>	1.04
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Results.—Net Gain, \$233.75; Net Capital, \$7093.75.

111. Partnership.

A Partnership or Co-partnership is an association of two or more persons, who agree to combine their money, labour, or skill, or any or all of them, in lawful business, and to share the profits or bear the losses, in certain proportions.

112. Partnership Accounts.

An account is opened for each partner, as "Pupil (Capital A/c)" and "A. Hamilton (Capital A/c)." A partner's account is treated similarly to that of a single proprietor, both in the opening Journal entry and in closing his account in the Ledger. An entry is made in the Loss and Gain A/c for each partner's net gain or net loss, and the amounts are then transferred to their respective Capital A/cs. Each Capital A/c is then closed in the same manner as a single proprietor's account would be closed.