

R. GREEN.

19—					19—					
Nov.	4		90	9 65	Nov.	12		90	5	

137. Financial Statement—Single Entry—Illustration Set.

This consists of two parts: (1) a Statement of Assets and Liabilities, and (2) a Statement showing the Net Gain or the Net Loss.

The Statement of Assets and Liabilities in Single Entry is made from four sources—the Ledger, the Cash Book, the Bill Book, and the Inventory Book, as follows :

- (1). Find all the balances of the personal accounts from the Ledger. Debtor balances are Assets; Creditor balances are Liabilities.
- (2). Find the balance of cash on hand from the Cash Book. This is an Asset.
- (3). Find the balance of other persons' notes and acceptances unpaid, from the Bills Receivable Book; this balance is an Asset. Find the balance of our notes and acceptances unpaid, from the Bills Payable Book; this balance is a Liability.
- (4). Find the balance of Mdse. on hand, from the Inventory. This balance is an Asset.

STATEMENT OF ASSETS AND LIABILITIES.

Assets.									
S. Porter	-	Balance due by him	-	-	-	-	-	22	10
R. Green	-	" " "	-	-	-	-	-	4	65
Cash	-	" as per Cash Book	-	-	-	-	-	2856	23
Bills Receivable	-	" " " Bill Book	-	-	-	-	-	50	
Merchandise	-	" " " Inventory	-	-	-	-	-	1320	50
									4253
Liabilities.									
H. Dorré	-	Balance due to him	-	-	-	-	-	230	
Bills Payable	-	" as per Bill Book	-	-	-	-	-	200	
									430
V. J. Sykes' Net Capital									3823
									48

When there are a large number of personal accounts from the Ledger, they are entered as one item under the title "Personal Accounts Receivable" in the Assets, or "Personal Accounts Payable" in the Liabilities.

The Statement showing the Net Gain is made from two sources—the Proprietor's Capital A/c, and the Asset and Liability Statement, as follows :

- (1). Find the Net Capital from the Asset and Liability Statement.
- (2). Find the Net Investment from the Proprietor's Capital A/c.
- (3). Find the difference between the Net Capital and the Net Investment. This difference is Net Gain if the Net Capital be the larger, and Net Loss if it be the smaller.

STATEMENT SHOWING GAIN.

<i>W. J. Sykes' Net Capital</i>	3833	48
<i>" Investment</i>	3701	18
<i>" Gain</i>	132	30