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APPENDIX.

THE SIX-COLUMN METHOD.

A CONCISE system of book-keeping by double entry, known as the *Six-Column Method*, is used by many merchants. It combines in one book the Day Book, the Cash Book, and the Journal. This method is illustrated in the following pages. The transactions are those of the short course given on pages 16, 17, and 18. The three columns on the left are debit; those on the right are credit; the outside columns on the left and right are for cash,—debit and credit, respectively; the middle columns are for merchandise; and the inner columns are for sundries, including personal accounts, bills, and all others not cash or merchandise.

The various entries in the different columns are added, and the sums are carried forward from page to page through a certain period, as a week, or a month. At the end of this period the cash and merchandise accounts are posted, simply by entering the sum of the debit entries of each during the period on the debit side of the corresponding account in the ledger, and the sum of the credit entries of each on the credit side of that account. Every entry in the sundries column is posted separately under its proper title as given in the middle of the page.

The sum of the three debit columns is always equal to the sum of the three credit columns. The excess of the sum of the debit entries in the Cash column above the sum of the entries on the credit side, shows the amount of cash on hand.