Oct. 1. Received cheque for balance due on invoice of Sept. 8. 5. Sold him bill of goods on 30 days $180. 10. Received cheque for invoice of Sept. 30. 12. Draw on him at 30 days' sight through your Bank for invoice of the 5th. Make out the draft as shown herewith.

No 1. *OTTAWA, ONT., Oct. 12, 1909.*

Thirty days after sight pay to the order of the

BANK OF OTTAWA ~~~~~~~~~~~~~~ *$180^{00}*

One Hundred Eighty and $\frac{00}{100}$ ~~~~~~~~~~~~~~~~~~~~ *Dollars*

Value received, and charge to account of

To F. C. MAY,
Almonte, Ont.

B. A. STUDENT.

Oct. 15. Sold him bill of goods, $185.75, on acct. 10 days. 18. Sold him bill of goods, $240, on 60 days' credit. 19. Received his note for last bill. 25. Received his cheque for sale of 15th. 31. Sold him bill of goods, $190, terms: on acct. 10 days.

Pencil foot the account. Render statement. The first debit item in this statement should be "Sept. 30. To Balance, Statement rendered, $226.50."

Nov. 2. Mr. May returns $23 worth of goods sold him on the 31st ult. as unsatisfactory. 4. Sold him bill of goods, $108.20, on acct. 10 days. 10. Received cheque for bill of Oct. 31 (deduct returned goods). 12. He complains of an overcharge of $10 on bill of 4th inst., which you allow. 14. Received a cheque for corrected amount of bill of 4th. 20. Sold him bill of goods, $210.40, terms: on acct. 10 days. 28. Sold him bill of goods, $80, on acct. 10 days. 30. Received cheque for bill of 20th.

Pencil foot the account. Render statement.

Dec. 3. Sold him bill of goods, $142.80, on acct. 10 days. 8. Received his cheque for bill of Nov. 28. 14. Sold him bill of goods, $174.25, on acct. 10 days. 16. Discover error in amount of last bill which should be $184.25. Send him notice to this effect enclosing corrected bill. 21. Received cheque for bill of 14th. 22. Sold him a wagon for $60. 30. Received his cheque for the wagon.

Balance the account.

Have your work approved.

LESSON FOUR.

PROPRIETOR'S INVESTMENT or CAPITAL ACCOUNT.

An account representing the interest of the proprietor in the business is kept to show his investments, withdrawals, and net investment (also called Present worth, or net capital), and net insolvency at the time of closing the books.

The proprietor's investment account is credited for all investments and the net gain, and is debited for all withdrawals and net loss at closing, if any. If liabilities are assumed by the business on commencing, his account should be debited for them.