

most precious of all the business man's possessions. No one can be successful unless he keeps his credit good.

3. One of the commonest causes of failure is lack of capital. Some kinds of business can be started with very little capital. But no business can be widely extended without sufficient capital behind it. The great temptation to the business man is to increase and enlarge his business rapidly. It is a temptation to become rich quickly. The prudent man who is establishing a business will take as little out of it for his personal use as possible. Self-denial is one of the hard lessons of life, but he who would lay the foundations for solid success will leave as much of his profits as possible in the business, till he has built up a sufficient reserve against misfortune or hard times.

4. Many business people fail because they have no real knowledge of their financial condition. Because sales are brisk they *think* things are all right. A practical knowledge of accounts may be said to be absolutely necessary to the success of the young Canadian who is trying to establish a business of his own. The secret of knowledge of the real condition of his business is the balance sheet. It is a mistake to think that books can be balanced only once a year. In many kinds of business a clear